

**Date:** August, 28 2025

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| <b>To,</b><br><b>The Listing Department,</b><br><b>BSE Limited,</b><br>Department of Corporate Services,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street, Mumbai – 400 001<br><br><b>Scrip Code- 532771</b> | <b>The Listing Department,</b><br><b>National Stock Exchange of India Limited,</b><br>Exchange Plaza, C-1, Block G<br>Bandra Kurla Complex<br>Mumbai – 400 051<br><br><b>Symbol- JHS</b> |
|---|--|

**Sub: Integrated Annual Report for the Financial Year 2024-25 containing Notice of 21<sup>st</sup> Annual General Meeting of the Company**

**Dear Sir,**

Pursuant to Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith the following documents for the Financial Year 2024-25:

- Notice of the 21<sup>st</sup> AGM scheduled to be held on Saturday, September 20, 2025 at 01:00 P.M. (IST) through VC / OAVM.
- Annual Report for the Financial Year 2024-25.

The Annual Report for the Financial Year 2024-25 and the Notice of AGM is available on the website of the Company i.e. [www.svendgaard.com](http://www.svendgaard.com).

This is for your information and records.

Thanking You

Yours Faithfully,

**For JHS Svendgaard Laboratories Limited**

**Komal Jha**

**Company Secretary & Compliance Officer**

**Encl: A/a**

# ANNUAL REPORT

2024 - 2025



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## DEAR ESTEEMED STAKEHOLDERS,

It is with great pride and responsibility that I present to you the Annual Report for the FY 2024–25 of JHS Svendgaard Laboratories Limited. This year has been one of both achievements and learnings, as we navigated a dynamic business environment while staying firmly aligned to our vision of delivering sustainable growth and long-term value for all stakeholders.

Despite global headwinds and domestic market challenges, your Company has delivered a 30% growth in revenues, crossing ₹92 crores in annual sales. This growth has been supported by strong contributions from both our domestic and international markets. Our long-standing partnerships with trusted names like Leeford and Dabur have deepened further, while our entry into the United States and re-entry into the Middle East mark important milestones in strengthening our global footprint.

Over the years, JHS has grown from a contract manufacturer into one of India's leading integrated oral care product manufacturers. Today, our capabilities span across toothbrushes, toothpastes, mouthwashes, whitening gels, and talcum powders, supported by robust in-house R&D and world-class manufacturing infrastructure. With this foundation, we are well-positioned not just to cater to established FMCG giants, but also to support new and emerging brands seeking high-quality, customized oral care solutions.

Innovation remains at the core of our strategy. In FY 2024–25, we successfully expanded our talcum manufacturing capacity more than three-fold, while also launching multiple new products across oral care categories. Our participation in key global trade platforms such as CMPL Expo Mumbai, Private Label Middle East Dubai Expo 2024, COSMO PROF 2024 and CPHI Expo Noida 2024 has enabled us to broaden our perspective, explore adjacent categories, and enhance our visibility as a credible partner in the personal care and hygiene space.

Our operational performance and liquidity position remain strong, supported by a healthy net worth of over ₹173 crores, a conservative debt profile, and disciplined financial management. These strengths enable us to consistently invest in technology, automation, and capacity expansion, laying a solid foundation for sustained future growth.

Our people remain central to our success. With a growing workforce of over 263 employees, we are committed to building a high-performing organization driven by innovation, customer focus, and accountability. Continuous training, process improvements, and investment in human capital remain critical to sustaining our momentum.

Looking ahead, your Company is determined to scale new heights by:

- Strengthening its domestic leadership through deeper client engagement and institutional sales.
- Expanding its global presence with new certifications, alliances, and partnerships.
- Driving innovation and product diversification in oral care and beyond.
- Embedding sustainability, quality, and customer satisfaction at the heart of everything we do.

As we complete two decades of our corporate journey, I wish to extend my heartfelt gratitude to our shareholders, customers, employees, and partners. Your trust and support have been the cornerstone of our progress. Together, we will continue to script a story of resilience, innovation, and sustainable growth.

For me, F.Y. 2024–25 will be remembered not merely for the results achieved, but for the intent and determination that drove them.

Regards,

**Nikhil Nanda**



# MANAGEMENT DISCUSSION AND ANALYSIS

## FORWARD-LOOKING STATEMENTS

This Management Discussion and Analysis (MD&A) of the financial condition and results of operations of JHS Svendgaard Laboratories Limited ("the Company") includes certain statements that are or may be deemed to be "forward-looking statements" within the meaning of applicable securities laws and regulations. These statements reflect the Company's current expectations, objectives, projections, or forecasts with respect to its future performance, business strategies, plans, and prospects.

Such forward-looking statements are based on various assumptions and expectations concerning future events, which are inherently subject to uncertainties and risks. The Company makes no assurance that these assumptions and expectations will prove to be correct or that anticipated results will be achieved.

Actual results, performance, or achievements could differ materially from those expressed or implied in any forward-looking statements due to various factors, including but not limited to changes in applicable laws and regulations (including tax and regulatory policies), macroeconomic conditions, industry trends, market dynamics, foreign exchange fluctuations, technological developments, and other domestic and global factors beyond the Company's control.

The Company undertakes no obligation to publicly update, revise, or amend any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law.

The financial statements have been prepared in accordance with the historical cost convention, on an accrual basis of accounting, and in compliance with the provisions of the Companies Act, 2013 and the applicable Accounting Standards as notified under the Act. The management has exercised prudent and reasonable judgment in the use of estimates and assumptions to ensure that the financial statements present a true and fair view of the Company's state of affairs and financial performance for the year.

The following discussion and analysis should be read in conjunction with the audited consolidated financial statements of the Company and the accompanying notes thereto, as disclosed in this Annual Report. Unless the context otherwise requires, all references to "we", "us", "our", "the Company", "JHS", or "JHS Svendgaard" refer to JHS Svendgaard Laboratories Limited.

## ECONOMIC OVERVIEW

### Global Oral Care Industry

The global oral care industry is poised for robust growth in 2024 and beyond, driven by heightened consumer awareness around

oral hygiene and the increasing adoption of technologically advanced and sustainable products. According to Mordor Intelligence, the global oral care market is projected to grow at a CAGR of 6.32% during the forecast period 2024–2029.

The Asia-Pacific region remains the largest contributor to the global oral care market, owing to its large and ageing population, particularly in countries such as India, China, and Japan. As per Precedence Research, the Asia-Pacific oral care market was valued at USD 18.78 billion in 2023, and is expected to reach USD 33.12 billion by 2033, growing at a CAGR of 5.8% during 2024–2033. Increasing disposable incomes and improved living standards in emerging economies are further propelling market expansion.

Meanwhile, North America is anticipated to be the fastest-growing market, with an expected CAGR of 6.2% between 2024 and 2033, driven by the rising incidence of oral health issues and a growing shift toward herbal and natural oral care products.

Technological innovation is a key growth driver in the global oral care industry. Companies are investing in eco-friendly packaging (e.g., recyclable toothpaste tubes) and smart oral care devices such as app-connected toothbrushes to cater to evolving consumer expectations.

*Sources: Mordor Intelligence, Precedence Research, Yahoo Finance*

### Indian Oral Care Industry

The global oral care market was valued at about USD 37.8 billion in 2024 and is projected to reach USD 54 billion by 2030 at 6.2–6.4% CAGR. Growth is driven by consumer awareness, eco-friendly packaging innovations, and digital health tools such as app-connected toothbrushes.

India's oral care market was USD 2.8–3.2 billion in 2024 and is expected to reach USD 4.6–5.0 billion by 2030 (7.9–8.7% CAGR). Key drivers include higher awareness, premiumization, and government initiatives

The toothpaste segment dominates the market, accounting for over 60% of total revenue, followed by the toothbrush segment. Other emerging segments include mouthwash and dental floss. Leading players in the Indian market include Colgate-Palmolive, Dabur India, Patanjali Ayurved, Himalaya Wellness, Unilever, Vicco Laboratories, Baidyanath Ayurveda, and Procter & Gamble.

India faces significant oral health challenges: approximately 85–90% of adults and 60–80% of children suffer from dental caries, while around 30% of children have misaligned jaws or teeth. Alarming, over 50% of those affected do not seek professional dental care.

### KEY MARKET GROWTH DRIVERS IN INDIA

- **Rising Awareness:** Efforts by organizations such as the

Indian Dental Association and government campaigns are increasing awareness of the importance of oral hygiene. However, only around 50% of Indians brush twice a day, suggesting significant growth potential.

- **Increasing Disposable Income:** India's per capita income rose from USD 1,670 in 2010 to USD 2,020 in 2020 (World Bank), leading to rising demand for premium oral care products and services.
- **High Disease Burden:** As per the Indian Council of Medical Research, over 80% of the population is affected by dental issues, boosting demand for therapeutic oral care products.
- **Urbanization:** Urban population is projected to increase from 34% in 2018 to 56% by 2050, driving demand for oral care products due to better awareness and access to dental services.
- **Government Initiatives:** Programs like the National Oral Health Programme (2014) aim to improve oral health outcomes and access to dental care, offering growth opportunities for the industry.

#### ABOUT JHS SVENDGAARD LABORATORIES LIMITED

JHS Svendgaard Laboratories Limited is a leading contract manufacturer of toothbrushes, toothpastes, mouthwashes, and other oral care products. The Company operates on a private-label model, partnering with brands such as Dabur, Patanjali, Amway, Reliance Consumer Products, and Jyothy Labs. It entered the United States through Orazen Inc. and re-entered Middle Eastern markets via Classico Brands.

Marking a significant milestone in its corporate journey, the Company was listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on October 21, 2006, at an issue price of ₹58.00 per equity share.

#### Evolution and Capabilities

Starting with the manufacturing of toothbrushes, JHS has progressively diversified its product portfolio to include toothpastes, mouthwash, whitening gels, and denture tablets. Today, JHS is one of India's leading integrated oral care product manufacturers and exporters, serving both domestic and international markets.

The Company operates on a contract manufacturing model, offering end-to-end manufacturing partnerships to some of the most trusted and established brands.

JHS operates multiple state-of-the-art manufacturing facilities in Kala-Amb, Himachal Pradesh, with fully integrated capabilities for both toothbrush and toothpaste production. The Company employs a team of over 263 highly skilled managers, engineers, officers, and supervisors, ensuring

operational excellence.

Emphasizing the value of Human Resource Development, JHS ensures the availability of all statutory welfare, safety, and recreational facilities across its premises. The Company promotes a culture of professionalism, efficiency, and continuous learning.

#### Technology and R&D

JHS is backed by a strong in-house Research & Development (R&D) division, which continuously focuses on innovation, customization, and quality improvement. This R&D capability supports the Company's commitment to delivering high-performance products that meet international standards.

To maintain stringent quality control, JHS has a fully equipped Quality Control laboratory, alongside advanced manufacturing equipment sourced from global leaders, such as:

- Vertical & Injection Moulding Machines – Demag and Cincinnati
- Tufting & Trimming Machines – Zahoransky GmbH, Germany
- Blister Packing Machines – Boucherie, Belgium

The Company also boasts complete in-house production capabilities, covering the entire value chain – from injection moulding and bristling to packaging – all under one roof.

#### Certifications and Compliance

JHS Svendgaard Laboratories Limited adheres to the highest standards of quality and compliance. The Company holds certifications including:

- ISO 9001
- ISO 13485
- FDA
- GMP (Good Manufacturing Practices)
- AAYUSH Certificate

These accreditations reflect the Company's robust systems and commitment to global quality, environmental, and ethical benchmarks.

#### Market Position

JHS has emerged as India's largest integrated manufacturer of oral care products, acting as a proxy for the Indian oral care industry. With its ability to combine mechanical and chemical manufacturing competencies within a single campus, JHS offers a one-stop solution for both B2B brands and export clientele.

The Company's growth and achievements have been recognized through various awards and accolades, further affirming its leadership position in the oral care manufacturing space.

## FINANCIAL OVERVIEW

The performance of the Company for the financial year ended March 31<sup>st</sup>, 2025, is as follows:

| Particulars                             | (Rs. in Lakhs)       |                      |
|---|----------------------|----------------------|
|   | As on 31 March, 2025 | As on 31 March, 2024 |
| Revenue from operations                 | 9,199.73             | 7,079.82             |
| Other income                            | 287.71               | 431.44               |
| <b>Total income</b>                     | <b>9,487.44</b>      | <b>7,511.26</b>      |
| Profit before exceptional items and tax | (964.23)             | (342.15)             |
| <b>Profit before tax</b>                | <b>(1,250.17)</b>    | <b>(342.15)</b>      |
| Tax expense                             | 723.67               | 62.91                |
| <b>Profit for the year</b>              | <b>(1,973.84)</b>    | <b>(405.06)</b>      |

Revenue from operations increased from ₹ 7079.82 Lakhs in FY 2023–24 to ₹ 9199.73 Lakhs in FY 2024–25 (30% YoY growth). Loss after tax stood at ₹ 1973.84 Lakhs, reflecting one-off provisions and exceptional expenses. Segmental revenue: Toothbrushes 60.7%, Toothpastes 30.2%, Talcum 5.1%, Others 4.0%.

## RESOURCES AND LIQUIDITY

As on March 31, 2025, the net worth stood at Rs. 17,313.24 lakhs and the debt were at Rs. 514.27 lakhs. The cash and cash equivalents at the end of March 31, 2024 were Rs. 672.18 lakhs.

## SEGMENT WISE BUSINESS PERFORMANCE

The Company is into manufacturing toothpaste, toothbrushes, Talcum etc. Revenue share broad segments are stated below:

| Name of the product | % of total turnover of the Company |
|---------------------|------------------------------------|
| Toothbrushes        | 60.70%                             |
| Toothpastes         | 30.22%                             |
| Talcum              | 5.10%                              |
| Others              | 3.98%                              |

## RISKS AND CONCERNS

Like any business, JHS Svendgaard Laboratories Limited is exposed to a variety of internal and external risks in the course of its operations and in pursuit of its strategic goals. The Company has a comprehensive Risk Management Policy and conducts periodic risk workshops for each business vertical and support function to identify, assess, and mitigate risks within its defined risk appetite. Risk Registers are maintained and reviewed regularly to ensure timely action and risk preparedness.

### Key Risks Identified:

- **Credit Risk:** The Company faces credit risk arising from

delayed customer payments. To mitigate this, a formal credit policy is in place that includes credit limit approvals and due diligence procedures. Prior to engaging with clients, the Company conducts independent financial assessments. A streamlined receivables management process ensures timely follow-ups and collection efforts.

- **Interest Rate Risk:** The Company follows a conservative financial strategy and maintains a relatively low level of debt. While it is not entirely debt-free and currently has certain term loans and working capital borrowings, the overall debt exposure remains limited. This prudent approach has helped contain the interest burden and manage the Company's exposure to interest rate fluctuations effectively.
- **Competition Risk:** The Company operates in a competitive landscape with both domestic and multinational players. However, its strong focus on quality, timely delivery, infrastructure, customer-specific solutions, and a diversified client base has helped mitigate this risk. Continued investment in technology and human resources ensures competitiveness and resilience.
- **Input Cost Risk:** Fluctuations in prices of raw materials, utilities, and manpower can affect profitability. However, the Company operates on a cost-plus model with several clients, enabling partial pass-through of such costs. Key input risks like power tariffs and workforce expenses are closely monitored and managed.
- **Liability Risk:** This includes the risk of damage to equipment, life, or third-party assets that may result in financial or legal exposure. The Company mitigates this risk through appropriate insurance coverage, robust contractual frameworks, and compliance protocols.
- **Inventory Risk:** Efficient inventory management is critical. Low inventory levels may result in stockouts, impacting customer satisfaction and sales. Conversely, excess inventory may signal overproduction or slow-moving stock. The Company maintains optimal inventory levels supported by a demand-driven planning approach.

## OPPORTUNITIES

The oral care industry is undergoing significant transformation, presenting various growth avenues for JHS Svendgaard:

- **Hygiene Awareness Post-COVID-19:** The pandemic has led to an increased demand for personal hygiene and oral care products such as liquid handwashes, sanitizers, and bar soaps.
- **Government and MNC Initiatives:** Major FMCG players are collaborating with the Indian government to promote affordability and access to hygiene essentials, indirectly boosting the market ecosystem.
- **Changing Consumer Preferences:** Modern consumers

seek value-added oral care solutions with superior quality and appealing design. This is driving demand for personalized, sustainable, and aesthetic oral hygiene products.

- **Growth in E-commerce:** With rising digital adoption, online platforms are becoming key distribution channels. Oral care products are witnessing strong traction on e-commerce sites, prompting further investments in digital sales infrastructure.
- **Rising Oral Health Issues:** Increasing incidence of dental conditions such as tooth decay, gum diseases, and oral trauma is expected to fuel product demand. Growing awareness of oral aesthetics is also driving consumption of teeth whitening and premium care products.
- **Sustainability Trends:** Government regulations banning plastic usage in oral care products are encouraging companies to adopt sustainable packaging and biodegradable materials, offering opportunities for differentiation.
- **Retail Infrastructure & Healthcare Expansion:** Growth in retail networks and organized pharmacy chains is enhancing product visibility and availability, positively impacting market penetration.

## THREATS

Despite strong fundamentals, the Company remains vigilant to the following external threats:

- **Rising Competition:** Increased market entry by domestic and global players, including in-house manufacturing by brands with high liquidity.
- **Execution Risk:** Any delay or inefficiency in order fulfilment or product rollout can affect customer satisfaction and brand reputation.
- **Regulatory Uncertainty:** Changes in government policies, tax laws, environmental regulations, and labor laws can impact operational and financial planning.
- **Technological Disruption:** Emergence of newer technologies and materials may make existing processes obsolete. Continuous R&D is essential to stay relevant.
- **Input Cost Volatility:** High dependency on raw material availability and price fluctuations may impact margins, especially in price-sensitive segments.
- **Talent Management:** Attracting and retaining skilled talent remains a challenge in a competitive labor market. Employee engagement and training are key focus areas.
- **Dominance of Unorganized Sector:** Presence of unorganized and local players offering low-priced products may impact volume growth and price realization.

- **Affordability Barrier for Premium Products:** High cost of advanced or cosmetic oral care items may limit penetration in lower-income segments, affecting market expansion.

## INTERNAL CONTROL SYSTEMS AND ADEQUACY

JHS Svendgaard Laboratories Limited has established a robust and comprehensive system of internal controls to safeguard its assets, ensure operational efficiency, and maintain the integrity of its financial reporting. These controls are designed to prevent unauthorized use or disposition of assets and ensure that all transactions are properly authorized, recorded, and reported in compliance with applicable laws and regulations.

The Company's internal control framework is aligned with the requirements of the Companies Act, 2013, SEBI (LODR) Regulations, and other applicable statutory and regulatory frameworks, including labor laws, tax laws, and corporate governance guidelines.

### Key Features of the Internal Control System:

- **Asset Safeguarding:** Proper mechanisms are in place to ensure that all physical and intangible assets of the Company are secured against loss, damage, or misuse.
- **Operational Efficiency:** Internal controls are designed to promote optimal and effective utilization of resources, ensuring process efficiency and cost-effectiveness across departments.
- **Regulatory Compliance:** The system ensures adherence to all applicable laws, regulations, and guidelines issued by regulatory authorities, including SEBI, stock exchanges, and the Ministry of Corporate Affairs.
- **Financial Management:** Policies and Standard Operating Procedures (SOPs) are established for budgeting, capital expenditure control, accounting, financial reporting, and investments, with the objective of improving financial governance.
- **Information Flow and Decision-Making:** Structured processes facilitate accurate and timely information flow, enabling management to make informed and prompt business decisions.
- **Internal Audit Framework:** The Company has a dedicated Internal Audit Department, which functions independently and reports directly to the Audit Committee of the Board. Internal audits are conducted at regular intervals to assess the adequacy and effectiveness of internal controls across operational, financial, and compliance areas.
- **Review Mechanism:** Regular monthly business reviews are conducted as part of operational controls, where performance metrics are assessed, variances are analyzed, and corrective actions are initiated as required.

- **Capital Expenditure Controls:** A structured authorization system governs capital investments. Projects and asset acquisitions are subject to pre-approval and post-implementation reviews to ensure accountability and budgetary discipline.
- **Audit Committee Oversight:** The Audit Committee, in coordination with the senior management team, is kept informed of internal audit observations and the status of corrective actions. The Committee reviews quarterly, half-yearly, and annual financial statements and oversees the implementation of internal control recommendations.
- **Internal Financial Control (IFC) Assessment:** During the year under review, a comprehensive assessment of the

Company's Internal Financial Controls was carried out. The evaluation confirmed that the existing controls are adequate and operating effectively. Recommendations for improvement, wherever suggested, are being proactively implemented.

- **Continuous Improvements:** The Company continually updates its policies and SOPs to keep pace with evolving business processes, technological changes, and compliance requirements.

## KEY FINANCIAL RATIOS

Details of changes in key financial ratios as compared to immediate previous financial year.

| Particulars                 | 2024-25 | 2023-24 | Variance | Reason for Change if change is 25% or more   |
|-----------------------------|---------|---------|----------|--|
| Debtors Turnover            | -3.92   | 2.36    | -266%    | The negative impact in the ratio is due to exceptional and non-recurring expenses /provisions that have been accounted for during the Current Year.  |
| Inventory Turnover          | 4.98    | 3.44    | 45%      | Higher turnover ratio is on account of reduction in inventory at the end of financial year after netting off the provision for obsolete and non-moving inventory.  |
| Interest Coverage Ratio     | -16.57  | -6.44   | 157%     | The decline in the Interest Coverage Ratio is primarily attributable to extraordinary expenses recognized during the year. Nevertheless, the company continues to demonstrate strong liquidity, as reflected in its healthy liquidity ratios |
| Current Ratio               | 2.18    | 1.86    | 17%      | NA   |
| Debt Equity Ratio           | 0.01    | 0.01    | 17%      | NA   |
| Operating Profit Margin (%) | -9.85%  | -4.18%  | 136%     | The reduction in Operating Profit Margin reflects the impact of certain one-off, non-operational expenses incurred during the year.  |
| Net Profit Margin (%)       | -20.68% | -5.39%  | 284%     | The dip in Net Profit Margin is attributable to exceptional, non-recurring expenses during the year, and does not reflect the underlying operational performance.  |

## HUMAN RESOURCES

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity, to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. As on March 31, 2025 Company is giving employment to 263 permanent employees. Industrial relations are cordial and satisfactory.

Employees are critical to our business. The Company internally assess its employees to periodically identify competency gaps and use development inputs (such as skill up gradation training) to address these gaps. The Company has implemented staff training policies and assessment procedures and intend to continue placing emphasis on attracting and retaining motivated employees.

The Company also plans to continue investing in training programmes and other resources that enhance employees'

skills and productivity which will continue to help our employees develop understanding of the customer-oriented corporate culture and service quality standards to enable them to continue to meet the customers' changing needs and preferences.

Our deep understanding of local needs and our ability to adapt quickly to changing consumer preferences has helped our performance driven growth. Our robust IT systems have significantly aided this growth by simplifying complex processes throughout our operations.

Our IT systems are equipped with an array of data management tools specific to our business needs and support key aspects of our business. This implementation has contributed positively towards minimizing product shortage, pilferage, out of stock situations etc. and has increased overall operational efficiency.

## KEY HIGHLIGHTS & ACHIEVEMENTS

Major accomplishments, milestones, or noteworthy initiatives:-



## 1. Major Accomplishments :-

- In the Export Market we entered USA, with Orazen INC (Somerset, New Jersey). Product Name – PEPSODENT Tripple Action, in Soft, Medium & Hard Variants.
- Sales materialized in Dubai to “Classico Brands”, Product Name – English Popular Flexi.

## 2. Milestones :-

- Annual Sale grew by 30% from FY'2023-24 to FY'2024-25, as we crossed the figure of 92 Cr. In this financial year.

## 3. Noteworthy Initiatives:

- CMPL 2024 Mumbai Edition Participation: To help increase business, brand awareness & networking.
- COSMOPROF 2024 – Participation in the Expo to understand diversifying our product line to other personal care products.
- Private Label Middle East 2024 Dubai Expo – Participated in this Expo to understand international market for private label & OEM industry players.
- CPHI Expo Noida 2024 – Participated in this expo to understand Pharma & its related products for oral care OEM Business.

## 4. Performance Summary

- a. Key metrics, targets achieved, YoY comparisons
  - i. Key Metrics :-
    - FY 2024-25 Q1 Sales – 24.48 Cr.
    - FY 2024-25 Q2 Sales – 19.68 Cr.
    - FY 2024-25 Q3 Sales – 22.65 Cr.
    - FY 2024-25 Q4 Sales – 25.17 Cr.
  - ii. Y-o-Y Comparisons: Sale grew by 30% from FY'2023-24 TO FY'2024-25.

## 5. Operational improvements or major challenges addressed–

- Marketing Teams extensive involvement in operations to help streamline the production & dispatch function to keep customers satisfied.

## 6. Strategic Projects & Developments

- New product lines or services added
  - Talcum has been a major factor in financial year 2024'25. We have increased capacity from 3,000 units to 10,000 units with existing capacity. Further increase is also on the cards in 2<sup>nd</sup> half of 2025.
- Investments, capacity expansions, automation initiatives, etc.

## OUTLOOK

The Company remains focused on expanding in domestic and global markets, strengthening R&D, and adopting sustainable packaging. India's oral care demand (8% CAGR to 2030) and growing e-commerce penetration provide significant opportunities.

As we move into the financial year 2025–2026, JHS Svendgaard Laboratories Limited is focused on strengthening its market presence, diversifying its product portfolio, and expanding its reach in both domestic and international markets. The Company remains committed to driving growth through strategic planning, operational discipline, and continuous improvement.

In line with our expansion strategy, we are exploring strategic partnerships and alliances that align with our business objectives. These collaborations will help us tap into new regions across India, serve wider customer segments, and enhance our competitive edge.

We are also taking clear steps toward international growth, including efforts to obtain necessary global certifications and meet regulatory requirements in key markets. Alongside this, we are evaluating multiple distribution channels to effectively introduce our oral care products to global consumers and broaden our revenue base.

JHS continues to invest in innovation, product development, and infrastructure, backed by our focus on quality and customer satisfaction. These efforts will support long-term value creation and business sustainability.

We thank all our stakeholders—shareholders, employees, partners, and customers—for their ongoing trust and support. With a clear vision and focused execution, we look forward to a year of meaningful progress and growth.



# CORPORATE INFORMATION

## Board of Directors

Mr. Rajagopal Chakravarthi Venkateish  
Mr. Nikhil Nanda  
Mr. Mukul Pathak\*  
Mrs. Upma Chawdhry  
Mr. Kapil Minocha  
Mr. Vinay Mittal  
Mr. Paramvir Singh

Chairman, Non-Executive Director  
Managing Director - Executive  
Independent Director  
Independent Women Director  
Independent Director  
Non-Executive Director  
Director & Chief Executive Officer

\* Mr. Mukul Pathak has been ceased as an Independent Director as on dated 01<sup>st</sup> July, 2025.

## Key Managerial Personnel

Mr. Paramvir Singh  
Mr. Ashish Goel  
Mrs. Komal Jha

Director & Chief Executive Officer  
Chief Financial Officer  
Company Secretary & Compliance Officer

| Committees of Board  | Statutory Auditors   |
|--|--|
| Audit Committee<br>Stakeholders Relationship Committee<br>Nomination & Remuneration Committee<br>Corporate Social Responsibility Committee | M/S V.K. KHOSLA & Co<br>FRN: 002283N<br>LSC Block A-6, DDA Market, Paschim Vihar, New Delhi<br>Tel No.: 9810268150<br>Email : <a href="mailto:amit@vkkhoslaco.com">amit@vkkhoslaco.com</a> |

| Registrar & Transfer Agent:   | Bankers   |
|---|---|
| M/s Alankit Assignments Limited<br>Alankit Heights, 3E/7,<br>Jhandewalan Extension,<br>New Delhi- 110 055 | ICICI Bank Limited      YES Bank<br>HDFC Bank                SIDBI<br>Axis Bank Limited |

| Listing Information   | Stock Code  |
|---|---|
| The Equity Shares of the Company are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Listing fees as prescribed have been paid to the respective stock exchanges for the financial year ended 31st March, 2025. | BSE Limited: <b>532771</b><br>National Stock Exchange of India Limited: <b>JHS</b><br>ISIN Code: <b>INE544H01014</b><br>Website: <a href="http://www.svendgaard.com">www.svendgaard.com</a> |

| Registered Office   | Corporate Office  |
|---|---|
| Trilokpur Road, Kheri (Kala Amb),<br>Tehsil – Nahan, Distt-Sirmour,<br>Himachal Pradesh-173030<br>Tel: +91 9218-400346<br>Fax: +91 1702-238831<br>Web: <a href="http://www.svendgaard.com">www.svendgaard.com</a> | B1/E23, Mohan Co-Operative Industrial Area,<br>Mathura Road, New Delhi-110 044<br>Tel: +91 11 40539487<br>Fax: +91 11 26900434<br>Web: <a href="http://www.svendgaard.com">www.svendgaard.com</a> |

| Manufacturing Units  |
|--|
| Trilokpur Road, Kheri (Kala Amb), Tehsil – Nahan, Distt-Sirmour, Himachal Pradesh-173030 |

# BOARD REPORT

## DEAR MEMBERS,

The Board of Directors hereby presents the report of the business and operations of your Company ("the Company" or "JHS"), along with the Audited Financial Statements (standalone and consolidated), for the financial year ended March 31, 2025.

## FINANCIAL REVIEW/RESULTS

Key highlights of the financial results of your Company prepared as per the Indian Accounting Standards ("Ind AS") for the financial year ended March 31, 2025 are as under:

(Rs. in lakhs)

| Particulars                       | Standalone     |                | Consolidated   |                |
|-----------------------------------|----------------|----------------|----------------|----------------|
|                                   | 31 March, 2025 | 31 March, 2024 | 31 March, 2025 | 31 March, 2024 |
| Net sales / Income from Operation | 9,200          | 7,080          | 9,200          | 7,080          |
| Other Income                      | 288            | 431            | 288            | 431            |
| <b>Total Income</b>               | <b>9,487</b>   | <b>7,511</b>   | <b>9,487</b>   | <b>7,511</b>   |
| Interest & Finance Charges        | 57             | 46             | 57             | 46             |
| Depreciation                      | 795            | 635            | 795            | 635            |
| <b>Total Expense</b>              | <b>852</b>     | <b>681</b>     | <b>852</b>     | <b>681</b>     |
| <b>Profit / (Loss) before Tax</b> | <b>(1,250)</b> | <b>(342)</b>   | <b>(1,251)</b> | <b>(343)</b>   |
| Tax Expense:                      |                |                |                |                |
| Current tax (provision for tax)   | -              | -              | -              | -              |
| Deferred tax asset                | 719            | 63             | 719            | 63             |
| Tax for earlier years             | 5              | -              | 5              | -              |
| <b>Total Tax Expense</b>          | <b>724</b>     | <b>63</b>      | <b>724</b>     | <b>63</b>      |
| <b>Profit / (Loss) after Tax</b>  | <b>(1,974)</b> | <b>(405)</b>   | <b>(1,974)</b> | <b>(406)</b>   |

Notes: The above figures are extracted from the audited standalone and consolidated financial statements of the Company as per the Indian Accounting Standards (Ind AS). Equity shares are at par value of 10 per share.

## REVIEW OF OPERATIONS/STATEMENT OF AFFAIRS

The Company generated the revenue from operations during the financial year ended 31<sup>st</sup> March 2025 amounted to INR 9,199 Lakhs higher by 23% over the previous year revenue from operations of INR 7,079 Lakhs.

A detailed note on Performance Review is given under '**Management Discussion and Analysis Report**'.

### Consolidated Financial Statements

The audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries, as prepared in compliance with the Companies Act, 2013 ('the Act'), Listing Regulations and in accordance with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 along with all relevant documents and the Independent Auditors' Report thereon forms part of this Annual Report.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statement of the subsidiary company is attached to the Financial Statement in Form AOC-1.

Further, pursuant to the provisions of Section 136 of the Act, the Company will make available the said financial statement of the Company and its subsidiary company. The same can be accessed on the website of the Company i.e. [www.svendgaard.com/](http://www.svendgaard.com/).

## SUBSIDIARIES & ASSOCIATE COMPANIES

As on 31<sup>st</sup> March, 2025, Company has 1 (one) wholly owned subsidiary i.e. JHS Svendgaard Mechanical and Warehouse Private Limited.

Further, a separate statement containing salient features of the financial statements of the subsidiaries in the prescribed **Form AOC-1** has been disclosed and attached with this report as **Annexure 3**.

## SCHEME OF AMALGAMATION AND ARRANGEMENT OF JHS SVENDGAARD RETAIL VENTURES PRIVATE LIMITED AND JHS SVENDGAARD BRANDS LIMITED AND JHS SVENDGAARD LABORATORIES LIMITED

The equity shares of JHS Svendgaard Retail Ventures Ltd "Resulting Company" got listed on the BSE Limited (Scrip code 544197) and the National Stock Exchange of India Limited (Script RETAIL) on 26<sup>th</sup> June 2024, in accordance with the SEBI Regulations and circulars issued thereunder.

The details of same can be accessed at [www.jhsretail.com](http://www.jhsretail.com)

## ANNUAL RETURN

In accordance with the provisions of section 92(3) of the Act, and Rule 12 of the Companies (Management and Administration) Rules, 2014, and 134 (3) (a) of the Companies



Act, 2013, The annual return for FY-2025, is uploaded on the Company's website and can be accessed at [www.svendgaard.com/annual\\_reports](http://www.svendgaard.com/annual_reports).

### MEETINGS OF BOARD

Nine meetings of the Board of Directors were held during the year. The particulars of the meetings held and attendance of each Director are *detailed in the Corporate Governance Report* that part of this Integrated Annual Report.

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the Section 134(5) of the Companies Act, 2013, the Board of Directors to best of its knowledge & ability confirm that:

- i. In the preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2025, the applicable accounting standards have been followed and there are no material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2024-25.

### REPORTING OF FRAUDS BY AUDITORS

During the year under review, there was no instances of frauds reported by Auditors under Section 143(12) of the Companies Act 2013.

### DECLARATION OF INDEPENDENT DIRECTORS

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Companies Act, 2013 and applicable rules thereunder) of all Independent Directors on the Board.

The Independent Directors have also confirmed that they have complied with the Company's code of conduct for Directors and Senior Management Personnel. All the Independent Directors of the Company have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA').

Details of the Familiarization Programme Module for Independent Directors is provided in the Corporate Governance of the Report.

As a practice, all new Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The new Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company. Visits to plant are organised for the new Directors to enable them to understand the business better.

In the opinion of the Board, all independent directors possess a strong sense of integrity and having requisite experience, skills, qualification and expertise. For further details, please refer Corporate Governance report.

### POLICY ON DIRECTORS' APPOINTMENT AND POLICY ON REMUNERATION

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination and Remuneration Committee to select a candidate for appointment to the Board.

Pursuant to Section 134(3)(e) and Section 178(3) of the Companies Act, 2013 (Act), the current policy is to have a balanced mix of executive and non-executive Independent Directors to maintain the independence of the Board and separate its functions of governance and management. The policy on appointment of Board members including criteria for

determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors can be accessed at the website of the Company at [www.svendgaard.com/policy](http://www.svendgaard.com/policy).

## PARTICULARS OF REMUNERATION OF DIRECTORS/ KMP/ EMPLOYEES

Management Based on the recommendations of the NRC, the Board has approved the Remuneration Policy for Directors, Key Managerial Personnel ('KMPs') and all other employees of the Company.

The salient features of the Policy are that it lays down the parameters:

- Based on which payment of remuneration (including sitting fees and remuneration) should be made to Independent Directors ('IDs') and Non-Executive Directors ('NEDs').

- Based on which remuneration (including fixed salary, benefits and perquisites, bonus/performance linked incentive, commission, retirement benefits) should be given to whole-time directors, KMPs and rest of the employees.
- For remuneration payable to Directors for services rendered in other capacity.

During the year under review, there has been no change to the Policy. The Policy is available on the website of the Company at [www.svendgaard.com/investors/policy](http://www.svendgaard.com/investors/policy).

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 are as under:

| Sr. No.                                       | Name of Director/KMP and Designation      | % Increase / (Decrease) in Remuneration in the Financial Year 2024-25 | Ratio of remuneration of each Director/ to median remuneration of employees |
|---|---|---|---|
| <b>Non- Executive /Independent Directors*</b> |   |   |   |
| 1   | Mr. Rajagopal Chakravarthi Venkatesh      | NA  | NA  |
| 2   | Mr. Kapil Minocha                         | NA  | NA  |
| 3   | Mr. Mukul Pathak                          | NA  | NA  |
| 4   | Mrs. Upma Chawdhry                        | NA  | NA  |
| 5   | Mr. Vinay Mittal                          | NA  | NA  |
| <b>Executive Directors/KMP</b>                |   |   |   |
| 5   | Mr. Nikhil Nanda (Managing Director)      | 0%  | 35.91   |
| 6   | Mr. Paramvir Singh (Director & CEO)       | 0%  | 23.57   |
| 7   | Mrs. Komal Jha (Company Secretary)        | 0%  | -   |
| 8   | Mr. Ashish Goel (Chief Financial Officer) | 0%  | -   |

*\* No Remuneration was paid to Non- Executive and Independent Director except the sitting fees during the Financial Year.*

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. In terms of Section 136 of the Companies Act, 2013, the said statement will be open for inspection.

## STATUTORY AUDITORS & THEIR REPORT

### Statutory Auditors

During the year under review, M/s. Tattvam & Co., Chartered Accountants (ICAI Firm Registration No. 507971C), who were appointed as Statutory Auditors, tendered their resignation on May 18, 2024, due to other professional commitments and assignments, thereby creating a casual vacancy in the office of the statutory auditors. To fill the said vacancy, the Board of Directors, in accordance with the provisions of the Companies Act, 2013, appointed M/s. Lodha & Co. LLP, Chartered

Accountants (FRN: 301051E), as Statutory Auditors in its meeting dated June 15, 2024, and the appointment was duly approved by the shareholders at the AGM held on September 10, 2024, for a term of five (5) consecutive years.

However, M/s. Lodha & Co. LLP, Chartered Accountants, on November 7, 2024 mailed to the Company regarding intent to resign and subsequently tendered their resignation from the position of Statutory Auditors on November 13, 2024, thereby causing casual vacancy. To fill the said vacancy, the Board of Directors, at its meeting held on November 13, 2024, appointed M/s. V.K. Khosla & Co., Chartered Accountants (Firm Registration No. 002283N), as Statutory Auditors of the Company. The said appointment was subsequently approved by the shareholders through postal ballot dated February 10, 2025, and M/s. V.K. Khosla & Co. Chartered Accountants shall hold office until the conclusion of this Annual General Meeting.

In this regard, it is proposed to appoint M/s V.K. Khosla & Co., Chartered Accountants (Firm Registration No. 002283N), as the Statutory Auditors of the Company for a period of five consecutive financial years, commencing from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held for the financial year ending 2030. Furthermore, the Board recommends their appointment as a Statutory Auditor of the Company.

M/s. V.K. Khosla & Co., Chartered Accountants, have confirmed that:

- Their appointment is within the limits prescribed under Section 141 of the Companies Act, 2013;
- They are not disqualified from continuing as Statutory Auditors under the provisions of Section 141 of the Act; and
- They hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

#### Report of Statutory Auditors

The reports given by M/s V.K. Khosla & Co., Chartered Accountants, Statutory Auditors on Financial Statements of the Company for F.Y. 2024-25 form part of the Annual Report, which are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer given by the Statutory Auditors in their report.

#### SECRETARIAL AUDITORS & THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 M/s Dahiya & Associates, Practicing Company Secretaries, was appointed as the Secretarial Auditors for the financial year 2024-25 to conduct the secretarial audit of the Company.

The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as 'Annexure-2' and forms an integral part of this report. Secretarial Audit Report is self-explanatory and contains no qualifications or observations or other remarks.

Further, in compliance with the recent amendment made to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular dated January 19, 2024, it is mandatory for all listed entities to appoint a Secretarial Auditor for a continuous term of five years. Accordingly, the Board of Directors of the Company has considered and recommends the appointment of M/s Dahiya & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a fixed term of five consecutive financial years commencing from FY 2025-26 to FY 2029-30.

#### Reporting of Fraud

During the year under review, the Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees to the Audit Committee under Section 143(12) of the Act.

#### COST AUDIT

The maintenance of cost records and requirements of cost audit as prescribed by Central Government under the provisions of section 148(1) of the companies act, 2013 are not applicable for the business carried by the company.

#### INTERNAL AUDIT

At the beginning of each financial year, an audit plan is rolled out with approval of the Company's Audit Committee. The plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures and compliance with laws and regulations.

#### Report of Internal Auditors

The Internal Audit Report submitted by them in the prescribed format is attached and forms an integral part of this report.

Based on the reports of internal audit, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions are periodically presented to the Audit Committee of the Board.

#### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Particulars of Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 and schedule V of the listing Regulations, as on the 31<sup>st</sup> March, 2025, form part of the Notes to the financial statements provided in this Integrated Annual Report.

#### CONTRACTS/ARRANGEMENTS WITH RELATED PARTIES

Your Company has adopted a Related Party Transactions Policy. The Audit Committee reviews this policy periodically and also reviews and approves all related party transactions, to ensure that the same are in line with the provisions of applicable law and the Related Party Transactions Policy.

The Audit Committee approved the related party transactions and wherever it is not possible to estimate the value, the audit committee accordingly approved the limit for the financial year, based on best estimates.

The particulars of transactions entered with the Related Party refer in section 188(1) and applicable rules of the Act have been given in the Annexure 3 to their report in Form AOC-2. All contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business and on an arm's length basis.

Also, the Company has disclosed all related party transactions in relevant **Note 41** to the Standalone Financial Statements for the financial year 2024-25.

#### TRANSFER TO RESERVES

During the financial year under review, the Board of the

Company has not proposed to transfer any amount from the profit and loss account to the reserves of the Company.

## **DIVIDEND**

Considering the future plans and business requirements of the Company, your Board is compelled to not recommend any dividend for the last financial year.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

Save as otherwise disclosed in this report, there are no material changes and commitments affecting the financial position of the company, which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure – 4** and is attached to this report.

## **DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT**

JHS is having comprehensive risk assessment and minimization procedure in place, which are reviewed by the Board periodically. The Board is responsible for preparation of Risk Management plan, reviewing, monitoring and updating the same on regular and ongoing basis. Audit Committee is also taking care for critical risks on yearly basis.

The Company has also formulated the Risk Management Policy through which the Company has identified various risks like quality risk, industry and competition risk, risk of loss and assets which in the opinion of the Board may threaten the existence of the Company.

Further, the risks control systems are instituted to ensure that the risks in each business process are mitigated. The Audit Committee of the Board is responsible for the overall risk management in coordination with Internal Auditor who reports directly to the Board.

In the opinion of the Board there have been no identification of elements of risk that may threaten the existence of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY**

During the financial years under review, no changes took place in the CSR Policy and Company was not covered under provisions of Section 135 of the Companies Act, 2013 and relevant rules related to Corporate Social Responsibility.

## **PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to applicable provisions of the Companies Act, 2013 read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual Directors, including Independent Directors.

A structured questionnaire, covering various aspects of the functioning of the board and its Committee, such as, adequacy of the constitution and composition of the Board and its Committees, matters addressed in the Board and Committee meetings, processes followed at the meeting, Board's focus, regulatory compliances and Corporate Governance, etc., is in place. Similarly, for evaluation of individual Director's performance, the questionnaire covering various aspects like their profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc., is also in place.

Board members had submitted their response for evaluating the entire Board, respective committees of which they are members and of their peer Board members, including Chairman of the Board.

The Independent Directors had a separate meeting held on 24<sup>th</sup> March, 2025. No Directors other than Independent Directors had attended this meeting. Independent Directors discussed inter-alia the performance of Non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of Executive and Non- Executive Directors.

The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it will be determined whether to extend or continue their term of appointment, whenever the respective term expires.

## **CHANGE IN NATURE OF BUSINESS**

During the review under a year, there have been no material changes in the nature of business of the Company.

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

In terms of the provisions of Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management's discussion and analysis is set out in this Integrated Annual Report.

## **OPERATIONS AND BUSINESS PERFORMANCE**

Kindly refer to the Management Discussion & Analysis Report which forms part of this report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board of Directors is in accordance with the provisions of section 149 of the Companies Act and Regulation 17 of SEBI(LODR) Regulations 2015, with an optimum combination of Executive director, Non-Executive Director, Independent Director, Independent Women Director.

As on March 31, 2025, the Board of Directors of the Company comprised seven Directors, including two Executive Directors, one Non-Executive and Non-Independent Director, and four Independent Directors (including one Woman Independent Director).

The Directors and Key Managerial personnel (KMP) of the Company as per section 2(51) and 203 of the Companies Act, 2013 as on 31<sup>st</sup> March, 2025 are as follows:

| Director/KMP                           | Designation                                    |
|--|--|
| *Mr. Rajagopal Chakravarthi Venkateish | Non-Executive Independent Director- Chairman   |
| **Mr. Nikhil Nanda                     | Managing Director                              |
| ***Mr. Mukul Pathak                    | Non-Executive Independent Director             |
| *Mr. Kapil Minocha                     | Non-Executive Independent Director             |
| Mrs. Upma Chawdhry                     | Non-Executive Independent Director             |
| Mr. Vinay Mittal                       | Non-Executive Director                         |
| ****Mr. Paramvir Singh                 | Executive Director and Chief Executive Officer |
| Mr. Ashish Goel                        | Chief Financial Officer                        |
| Mrs. Komal Jha                         | Company Secretary & Compliance Officer         |

Kindly refer Corporate Governance Report for the full details on Director's skills and Integrity.

*\*Mr. Rajagopal Chakravarthi Venkateish and Mr. Kapil Minocha was re-appointed as Independent Director by Board of Directors on May 17, 2025 and by shareholders on June 23, 2025.*

*\*\* Mr. Nikhil Nanda, re-appointed as Managing Director of the Company for a term of 5 years by Board of Director on its meeting on 1st July, 2025.*

*\*\*\* Mr. Mukul Pathak, cease to be Independent Director from July 01, 2025.*

*\*\*\*\*Mr. Paramvir Singh, the Chief Executive Officer of the company was appointed as Executive director of the Company in its Board Meeting held on November 13, 2024.*

Pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board of Directors appointed Mr. Paramvir Singh (DIN: 00098684), Chief Executive Officer of the Company, as an Additional Director with effect from November 13, 2024. Subsequently, in accordance with

Section 160 of the Act and applicable provisions of the SEBI Listing Regulations, the appointment of Mr. Paramvir Singh as a Director (Executive Category) was approved by the shareholders through Postal Ballot dated February 10, 2025.

Further details in this regard are provided in the Corporate Governance Report, which forms part of this Annual Report.

### Induction to the Board

#### Re-appointment of Director retiring by rotation

In terms of the provisions of the Companies Act, 2013, Mr. Vinay Mittal (DIN: 08232559), Non-Executive Director, retires at the ensuing AGM and being eligible, seeks re-appointment. The necessary resolution for re-appointment of Mr. Vinay Mittal forms part of the Notice of the AGM. The profile and particulars of experience, attributes and skills that qualify Mr. Vinay Mittal for Board membership, are disclosed in the said Notice.

#### Re-appointment of Managing Director

The Board of Directors, at its meeting held on 01<sup>st</sup> July, 2025, has, based on the recommendation of the Nomination and Remuneration Committee, approved the re-appointment of Mr. Nikhil Nanda (DIN: 00051501) as the Managing Director of the Company for a further term of five (5) years with effect from 02<sup>nd</sup> July, 2025 to 01<sup>st</sup> July, 2030.

The terms and conditions of re-appointment, including remuneration, are in accordance with the provisions of Sections 196, 197, and other applicable provisions of the Companies Act, 2013, read with Schedule V thereto and the rules made thereunder. A resolution seeking approval of the shareholders for the said re-appointment forms part of the Notice of the Annual General Meeting.

#### Cessation

As per the terms of his appointment, Mr. Mukul Pathak (DIN: 00051534), completed his term as an Independent Director on 1st July, 2025 and accordingly, ceased to be an Independent Director and Member of Committees of the Board of Directors of the Company effective 1st July, 2025. The Board of Directors place on record their deep appreciation for the wisdom, knowledge and guidance provided by Mr. Mukul Pathak during his tenure.

## COMMITTEES OF THE BOARD

The Board of Directors have constituted the following Committees in order to effectively deliberate its duties under the Act and the Listing Regulations, 2015:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders' Relationship Committee;
- Corporate Social Responsibility Committee;

Details of the Committees in respect of its composition, terms of



reference and meetings held during the financial year 2024-25 are provided in the Corporate Governance Report, which forms part of this Annual Report.

### DEPOSIT

During the year under review the Company has neither accepted nor renewed any deposit in terms of Chapter V of the Companies Act, 2013 and Rules framed thereunder.

### DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company firmly believes in providing a safe, supportive and friendly workplace environment – a workplace where our values come to life through the supporting behaviors. Positive workplace environment and a great employee experience are integral part of our culture. Your Company continues to take various measures to ensure a workplace free from discrimination and harassment based on gender. The Company has zero tolerance for sexual harassment at workplace. A policy has been adopted in line with the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under and an Internal Complaints Committee has also been set up to redress complaints received regarding Sexual Harassment. During the year, no complaints pertaining to sexual harassment were received.

Furthermore, the Company got registered in SHE-BOX, the Government of India's online portal for addressing workplace sexual harassment complaints, thereby strengthening its compliance and grievance redressal framework.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACT THE GOING CONCERNS STATUS AND THE COMPANY'S OPERATIONS IN FUTURE.

The Company has not received any significant or material orders passed by any regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

### CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. Separate report on Corporate Governance, forms an integral part of this Annual Report.

A certificate from M/s Dahiya & Associates, Practicing Company Secretaries, confirming compliance with the conditions of corporate governance is also attached to the Corporate Governance Report.

### COMPLIANCE WITH SECRETARIAL STANDARD

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of

Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

### CAPITAL STRUCTURE

#### (a) Share Capital

During the year under review, there has been no change in the authorized share capital of the Company. As on March 31, 2025, the authorized share capital of the Company continues to stand at Rs. 1,01,00,00,000 (Rupees One Hundred One Crores only) comprising 10,10,00,000 (Ten Crores Ten Lakhs) equity shares of Rs. 10/- each, as last increased pursuant to the Composite Scheme of Amalgamation and Arrangement of JHS Svendgaard Retail Ventures Private Limited (Resulting Company), JHS Svendgaard Brands Limited (Transferor Company), and JHS Svendgaard Laboratories Limited (Demerged Company/ Transferee Company) as approved by the Hon'ble National Company Law Tribunal (NCLT) vide its order dated August 10, 2023.

However, there has been a change in the paid-up share capital of the Company during the financial year 2024–25. The Company raised capital by way of:

- Issuance of 72,07,204 (Seventy-Two Lakhs Seven Thousand Two Hundred Four) equity shares to non-promoters; and
- Issuance of 36,03,602 (Thirty-Six Lakhs Three Thousand Six Hundred Two) fully convertible warrants to both promoters and non-promoters.

\*Consequently, the paid-up share capital of the Company as on March 31, 2025, stands increased to Rs. 85,60,39,660 (Rupees Eighty-Five Crores Sixty Lakhs Thirty-Nine Thousand Six Hundred Sixty only) comprising 8,56,03,966 (Eight Crores Fifty-Six Lakhs Three Thousand Nine Hundred Sixty-Six) equity shares of Rs. 10/- each. It is clarified that only the equity shares issued during the year under review have been included in the calculation of the paid-up share capital of the Company as on March 31, 2025.

During the year, the Company also issued 36,03,602 (Thirty-Six Lakhs Three Thousand Six Hundred Two) fully convertible warrants to certain promoters and non-promoters. These warrants are yet to be converted into equity shares and hence do not form part of the paid-up share capital as of the reporting date.

Further, out of the amount of Rs. 2000 lakhs received against aforesaid issue of shares and Rs. 250 lakhs against the issue of warrants, for the period ended 31<sup>st</sup> March 2025, the company has utilized the money for project in Jammu and Kashmir - Rs.71.29 lakhs, General Corporate Purpose - Rs.749.50 lakhs and balance Rs.1429.21 lakhs has been parked in fixed deposits, pending utilization.

The said warrants are convertible into equity shares of the Company within a period of 18 months from the date of

their allotment i.e. August 3, 2024 and shall lapse if not converted on or before February 3, 2026.

**(b) Employees Stock Option Plan and General Employee Benefits Scheme**

During the year, there has been no allotment of employee stock option plan and general employee benefits scheme with affect the company share capital.

**VIGIL MECHANISM**

As per Regulation 22 of Listing Regulations and Section 177(9) of the Companies Act 2013, the Company has established Vigil Mechanism through which Directors, Employees and Business Associates may report unethical behavior, malpractices, wrongful conduct fraud, and violation of company's code of conduct without any fear of reprisal. Vigil Mechanism is being overseen by the Audit Committee for the genuine concerns expressed by the employees and the Directors. The said Policy provides adequate safeguards against victimization of employees and Directors who express their concerns.

The Company has also provided direct access to the Audit Committee on reporting issues concerning the interests of employees and the Company and no employee was denied access to the Audit Committee. The policy as approved by the Board is uploaded on the Company's website at [www.svendgaard.com/policy](http://www.svendgaard.com/policy).

**GENERAL**

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

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of equity shares (including sweat equity shares) to employees of the Company under any scheme.
- Your Company has not resorted to any buy back of its Equity Shares during the year under review.
- Neither Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No application was filed by/ on the Company under the Insolvency and Bankruptcy Code, 2016.
- The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - Not Applicable.
- The Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively. The Company Secretary & Compliance Officer of the Company shall ensure compliance of Insider Trading

Rules of the Company and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year – Not Applicable.

Further, in terms of Regulation 30A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, there no such agreements which are required to be disclosed in the Annual Report.

Also, the Company is not falling under the list of top 1000 Companies, for the purpose of determination of applicability of dividend distribution policy, Risk Management Committee and business responsibility & sustainability reporting.

**INDUSTRIAL RELATIONS**

The Company has been maintaining healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to remain at the leadership position in the industry. It has taken various steps to improve productivity across organization.

**ACKNOWLEDGEMENTS**

Your Directors take this opportunity to thank all customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and the Central Government and the State Government for their consistent support and encouragement provided by them in the past. Your Directors conveying their sincere appreciation to all employees of the Company and its subsidiaries and associates for their hard work and commitment. Their dedication and competence have ensured that the Company continues to be a significant and leading player in this industry.

**For and on behalf of the Board**

|                         |                          |                       |
|-------------------------|--------------------------|-----------------------|
|                         | <b>Sd/-</b>              | <b>Sd/-</b>           |
|                         | <b>Nikhil Nanda</b>      | <b>Paramvir Singh</b> |
| <b>Date: 12/08/2025</b> | <b>Managing Director</b> | <b>Director</b>       |
| <b>Place: New Delhi</b> | <b>DIN: 00051501</b>     | <b>DIN: 00098684</b>  |

## ANNEXURE- 1

### Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

| Relevant Clause u/r 5(1) | Prescribed Requirement  | Particulars |
|--------------------------|---|-------------|
| i.                       | Ratio of the remuneration of each director to the Median Remuneration to the employees of the Company for the financial year  | 35.91       |
| ii.                      | The percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in the financial year   | 17.60%      |
| iii.                     | Percentage increase in median remuneration of employees in the financial year.  | 2.92%       |
| iv.                      | Number of permanent employees on the rolls of the Company.  | 263         |
| v.                       | Average percentile increases already made in the salaries of employees other than the 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 | Nil         |

1. Remuneration payable to non-executive directors is based on the number of meetings of the Board and its Committees attended by them as member during the year.
2. The term 'Permanent Employees' does not include trainees, probationers and contract employees.
3. The remuneration paid as above was as per the Remuneration Policy of the Company.

For and on behalf of the Board

Sd/-

Nikhil Nanda

Managing Director

DIN: 00051501

Sd/-

Paramvir Singh

Director

DIN: 00098684

Date: 12.08.2025

Place: New Delhi



## **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**

**JHS SVENDGAARD LABORATORIES LIMITED**

**TRILOKPUR ROAD, KALA AMB,**

**NAHAN DISTRICT, SIRMOUR, 173030**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JHS Svendgaard Laboratories Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2025, generally 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2025 according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contract (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;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period);
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period);
  - f) 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 to the Company during the audit period);
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) and;
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period);
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. Other laws applicable specifically to the Company namely: -
- a) Information Technology Act, 2000 and the rules made thereunder;
  - b) The Indian Copyright Act, 1957;
  - c) The Patents Act, 1970;
  - d) The Trade Marks Act, 1999

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines etc.

**Thanking you,**

**For Dahiya & Associates**

**Sd/-  
Mohit Dahiya  
Proprietor  
Practicing Company Secretary  
Membership No-F9540  
COP No- 23052  
UDIN: F009540G000789484**

**Place: New Delhi  
Date: 16.07.2025**

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,  
JHS SVENDGAARD LABORATORIES LIMITED**

Our report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we 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 management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Thanking you,**

**For Dahiya & Associates**

**Sd/-  
Mohit Dahiya  
Proprietor  
Practicing Company Secretary  
Membership No-F9540  
COP No- 23052  
UDIN: F009540G000789484**

**Place: New Delhi  
Date : 16.07.2025**

## ANNEXURE- 3

### 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

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| Sl. No. | Particulars   | Details   |
|---------|---|---|
| 1.      | Name of the subsidiary  | JHS Svendgaard Mechanical and Warehouse Private Limited |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | -   |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | -   |
| 4.      | Share capital   | 1.00  |
| 5.      | Reserves & surplus  | (40.49)   |
| 6.      | Total assets  | 1,435.52  |
| 7.      | Total Liabilities   | 1475  |
| 8.      | Investments   | -   |
| 9.      | Turnover  | -   |
| 10.     | Profit/Loss before taxation   | (0.58)  |
| 11.     | Provision for taxation  | -   |
| 12.     | Profit after taxation   | (0.58)  |
| 13.     | Proposed Dividend   | -   |
| 14.     | % of shareholding   | -   |

#### Part "B": Associates and Joint Ventures: NIL

(Rs. in lakhs)

| Sl. No. | Particulars   | Details |
|---------|---|---------|
| 1.      | Name of the subsidiary  |         |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     |         |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries |         |
| 4.      | Share capital   |         |
| 5.      | Reserves & surplus  |         |
| 6.      | Total Assets  |         |
| 7.      | Total Liabilities   |         |
| 8.      | Investments   |         |
| 9.      | Turnover  |         |
| 10.     | Profit/(Loss) before taxation   |         |
| 11.     | Provision for taxation  |         |
| 12.     | Profit / Loss after taxation  |         |
| 13.     | Proposed Dividend   |         |
| 14.     | % of shareholding   |         |

For and on behalf of the Board  
JHS Svendgaard Laboratories Limited

Sd/-  
Nikhil Nanda  
Managing Director  
DIN: 00051501

Sd/-  
Paramvir Singh  
Director  
DIN: 00098684

Date: 12.08.2025  
Place: New Delhi

## ANNEXURE- 4

### 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 arm's length transaction under third proviso thereto for the financial year ended 31 March 2025.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

| SL. No. | Particulars   | Details        |
|---------|---|----------------|
| a)      | Name (s) of the related party & nature of relationship  | Not Applicable |
| b)      | Nature of contracts/arrangements/transaction  |                |
| c)      | Duration of the contracts/arrangements/transaction  |                |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any                         |                |
| e)      | Justification for entering into such contracts or arrangements or transactions'                                   |                |
| f)      | Date of approval by the Board   |                |
| g)      | Amount paid as advances, if any   |                |
| h)      | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 |                |

2. Details of contracts or arrangements or transactions at Arm's length basis.

| SL. No. | Particulars   | Details  |
|---------|---|--|
| a)      | Name (s) of the related party & nature of relationship                                    | 1. Apogee Enterprises Private Limited.<br>2. Guru Nanda LLC<br>3. Mr. Nikhil Nanda<br>4. JHS Svendgaard Retail Ventures Limited                        |
| b)      | Nature of contracts/ arrangements/ transaction  | 1. Sale of products<br>2. Leasing of immovable property<br>3. Purchase of Products   |
| c)      | Duration of the contracts/ arrangements/transaction                                       | 1 <sup>st</sup> April, 2024 to 31 <sup>st</sup> March, 2025  |
| d)      | Salient terms of the contracts or arrangements or transaction including the value, if any | Transactions shall be undertaken as per the prevailing market price or as may be approved by the Audit Committee/Board (as required) from time to time |
| e)      | Date of approval by the Board   | 18.05.2024   |
| f)      | Amount paid as advances, if any   | -  |

For and on behalf of the Board  
JHS Svendgaard Laboratories Limited

Sd/-  
Nikhil Nanda  
Managing Director  
DIN: 00051501

Sd/-  
Paramvir Singh  
Director  
DIN: 00098684

Date: 12.08.2025  
Place: New Delhi

## ANNEXURE- 5

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

#### 1. Conservation of Energy

Wherever possible, energy conservation measures have been implemented. However, efforts to conserve and optimize the use of energy through improved operational methods and other means are being continued on an on-going basis. The energy consumption and the cost of production are kept under control. Wastage of energy has been minimized to a negligible level by switching off the electronic equipment as and when not in use.

Requisite data in respect of energy conservation is given below:

| Power and fuel Consumption  | Units        | 2024-2025 | 2023-2024 |
|---|--------------|-----------|-----------|
| <b>1. Electricity</b>   |              |           |           |
| (A) Purchased   |              |           |           |
| --- Units   | Kwh          | 37,23,646 | 31,42,320 |
| --- Total Amount  | Rs. In Lacs  | 293.79    | 273.34    |
| --- Rate/Unit   | Rs.          | 7.89      | 7.67      |
| (B) Own Generator   |              |           |           |
| --- Through Diesel Generator Units                                | Kwh          | 1,02,275  | 72,252    |
| --- Unit per litre of Diesel Oil                                  | Kwh          | 3.23      | 3.07      |
| --- Cost/Unit   | Rs.          | 27.06     | 27.68     |
| --- Through steam turbine/generator                               | (87.5/-Ltr)  | (85/-Ltr) | (85/-Ltr) |
| <b>2. Other/ Internal generation light/diesel oil/furnace oil</b> |              |           |           |
| (A) Quantity  |              |           |           |
| Total Cost  |              | --        | --        |
| Average Rate  |              |           |           |
| (B) Consumption Per unit of Production                            |              |           |           |
| 1) Electricity  | Kwh/Per Unit |           |           |
| Oral Care Products  |              | --        | --        |
| 2) Through Diesel Generator                                       | Kwh/Per Unit |           |           |
| Oral Care Products  |              |           |           |

#### 2. Disclosure of particulars with respect to Technology Absorption

##### i. Efforts made towards Technology Absorption

The company has continued its endeavor to absorb best of the technologies for its products range to meet the requirements of globally competitive markets. The Company undertakes from time to time, various studies for process improvement, quality improvement and economies in production cost. The Company has a R&D team having good experience and well equipped with all the latest technologies and machines that help the Company to compete with the competitors who exist in both Organized and unorganized Sector.

##### ii. the benefits derived like product improvement, cost reduction, product development or import substitution: NIL

##### iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

##### a) the details of technology imported: NIL

##### b) the year of import: NIL

##### c) whether the technology been fully absorbed: NIL

##### d) if not fully absorbed, areas where absorption has not taken place, and the reasons there of: NIL, and

##### iv. the expenditure incurred on Research and Development: NIL

#### 3. Foreign Exchange Earnings and Outgo

| Particulars                           | 2024-25 | 2023-24 |
|---------------------------------------|---------|---------|
| Foreign Exchange and Outgo (in Lakhs) | 334.83  | 199.12  |
| Earning in Foreign Exchanges          | -       | -       |

For and on behalf of the Board  
JHS Svendgaard Laboratories Limited

Sd/-  
Nikhil Nanda  
Managing Director  
DIN: 00051501

Sd/-  
Paramvir Singh  
Director  
DIN: 00098684

Date: 12.08.2025

Place: New Delhi

# CORPORATE GOVERNANCE REPORT

## 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Our corporate governance is 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. At JHS Svendgaard Laboratories Limited (JHS), we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At JHS, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation.

The Board of Directors are responsible for and committed to sound principles of Corporate Governance in the Company. The Board of Directors plays a crucial role in overseeing how the Management serves the short and long-term interests of Members and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review.

The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with para C and D of Schedule V and clauses (b) to (i) & (t) to Sub-Regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") with regard to Corporate Governance. The Company is committed to achieve the best standards of Corporate Governance. The Company has built up a strong foundation for making Corporate Governance a way of life by having an independent Board with experts of eminence, forming a core team of top-level executives, inducting competent professionals across the organization and putting in place best systems and processes. Going beyond, the Company has endeavored to ensure regulatory and legal compliances and adopt practices of high level of business ethics.

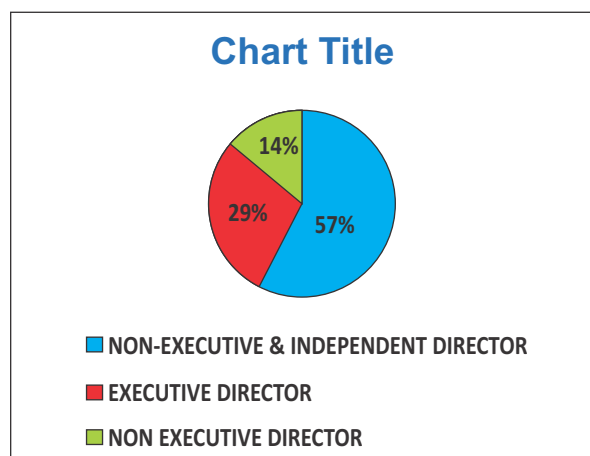
## 2. BOARD OF DIRECTORS AND GOVERNANCE FRAMEWORK

The Board of Directors ('the Board') have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board has delegated the operational conduct of the business to the Managing Director of the Company and Chief Executive Officer (CEO), Chief Financial Officer (CFO) and functional heads, who look after the management of the day-to-day affairs of the Company.

### a) Composition of the Board of Directors as on 31<sup>st</sup> March, 2025:

As on 31<sup>st</sup> March 2025, the Company's Board consists of Seven(7) directors. The Chairman of the Board is a Non-Executive Independent Director. The Company has an optimum combination of executive and Non-Executive directors in accordance with the provisions of applicable regulations of the SEBI Listing Regulations. The Board has two (2) executive director and five (5) non-executive directors, out of whom four(4) are Independent Directors including (1) One Women-Independent Director. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interests of stakeholders and the Company.

The Chairman of the Board is a Non-Executive Director and not related to the Promoter of the Company. A clear distinction exists between the roles and duties of the Chairman and those of the Managing Director & CEO.



None of the directors hold directorship in more than 7 listed companies. Further, none of the Independent Directors who are also whole-time directors or managing directors in any listed entity serve as an Independent Director in more than three listed entities. Moreover, none of the Director hold directorships in more than 20 Indian companies, including not more than 10 public limited companies.

None of the Directors is member of more than 10 committees or acts as Chairman of more than 5 committees (being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of the Listing Regulations) across all the public limited companies in which he/she is a director. The necessary disclosures regarding committee positions have been made by the Directors.

All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act) and Listing Regulations and letter of appointment are issued to Independent Directors and Term & Conditions are posted on company's website [www.svendgaard.com/](http://www.svendgaard.com/)



## CLASSIFICATION OF BOARD:

### a) Key functions of the Board

The Board performs various statutory and other functions in connection with managing the affairs of the Company. The key functions performed by the Board of the Company are:

- Reviewing and guiding corporate strategy, major plans of action, annual budgets and business plans, setting performance objectives, monitoring corporate performance and overseeing major capital expenditures, acquisitions and divestments.
- Monitoring effectiveness of the Company's governance practices and making changes as needed.
- Selecting, compensating, monitoring and when necessary, replacing Key Managerial Personnel and overseeing succession planning.
- Aligning remuneration of the Key Managerial Personnel and the Board with long term interests of the Company and its shareholders.
- Ensuring a transparent Board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.
- Monitoring and managing potential conflicts of interest of management, Board members and shareholders, including misuse of corporate assets and abuse in related party transactions.
- Ensuring integrity of the Company's accounting and financial reporting systems, including the independent audit and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational controls and compliance with the law and relevant standards.
- Overseeing the process of disclosure and communications.
- Monitoring and reviewing Board Evaluation framework.

### b) Selection and appointment of new directors

The Board of Directors, appointed by the shareholders of the Company, serves as the highest governing body responsible for overseeing the overall functioning of the Company. It provides strategic direction, leadership, and guidance to the Company's management and monitors its performance with the objective of creating long-term value for the Company's stakeholders.

- The Nomination and Remuneration Committee of the Board ("NRC") is entrusted with the responsibility for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects an in-depth understanding of the Company, including its strategies, environment, operations, financial condition, and compliance

requirements. The NRC advises the Board on the appointment and reappointment of Directors, and also conduct periodic gap analyses to refresh the Board and reviewing potential candidates' profiles to ensure they have the required competencies. The NRC also undertakes reference and due diligence checks and meets potential candidates before making recommendations to the Board. The appointee is briefed on the specific requirements for the position, including expected expert knowledge. Once a suitable candidate is identified, the NRC recommends their appointment to the Board for approval. Upon receiving the NRC's recommendation, the Board considers and appoints the individual as an additional director and proposes the appointment to the shareholders for their approval.

#### Process of appointment of a director

- Recommendation by NRC
- Appointment by the Board and recommendation to shareholders
- Approval of Shareholders

Each Director of the Company is appointed with the approval of the Board and Shareholders. All directors seek periodic re-appointment by the shareholders, none of the Director has perpetual office. Periodicity of re-appointment of directors is as under:

| Executive Directors and Independent Director | Non-Executive (Non-Independent) |
|--|---------------------------------|
| 5 years                                      | Retire by Rotation              |

The primary focus of the Company's governance guidelines pertains to the composition and duties of the Board, Chairman, and Directors, as well as Board diversity and Committees. Additionally, in accordance with the Company's policy on Director retirement, Managing/ Executive Directors are required to retire at 70 years of age, while Non-Executive (Non-Independent) Directors must retire at 75 years and Non-Executive, Independent Directors at 75 years. For appointment of non-executive directors beyond 75 years of age, shareholders approval by a special resolution is required.

As of March 31st, 2025, the Board is comprised of highly experienced and reputable individuals.

### d) Directors' attendance record and their other Directorships/ Committee Memberships

The details of the Directors on the Board as on 31st March, 2025, their attendance at Board Meetings during the year and the number of directorship and chairmanships/ memberships of committee of each Director held in other public companies and attendance at last Annual General Meeting are shown below in Table 1.1:

TABLE 1.1

| Name of Director                     | Category                                      | No. of Board Meetings Entitled to attend | No. of Board Meetings Attended | Attendance at last AGM | Directorships in other Companies | Directorships in other | Committee positions held in other Cos.* |        |
|--------------------------------------|---|--|--------------------------------|------------------------|----------------------------------|------------------------|---|--------|
|                                      |   |  |                                | 10.09.2024             |                                  | Listed Companies       |   |        |
|                                      |   |  |                                |                        |                                  | Category               | Chairman                                | Member |
| Mr. Rajagopal Chakravarthi Venkatesh | Chairman, Non-Executive, Independent Director | 9  | 6                              | Yes                    | 2                                | 0                      | -                                       | -      |
| Mr. Nikhil Nanda                     | Managing Director                             | 9  | 8                              | Yes                    | 3                                | 1                      | 0                                       | 2      |
| Mr. Kapil Minocha                    | Non- Executive, Independent Director          | 9  | 9                              | Yes                    | 0                                | 0                      | -                                       | -      |
| Mr. Mukul Pathak                     | Non- Executive, Independent Director          | 9  | 5                              | Yes                    | 1                                | 0                      | -                                       | -      |
| *Mr. Paramvir Singh                  | Non- Executive, Independent Director – Woman  | 3  | 3                              | NA                     | 1                                | 0                      | -                                       | -      |
| Mr. Vinay Mittal                     | Non-Executive Non-Independent Director        | 9  | 7                              | Yes                    | 0                                | 0                      | -                                       | -      |
| Mrs. Upma Chawdhry                   | Non-Executive Independent Director            | 9  | 6                              | NA                     | 0                                | 0                      | -                                       | -      |

**Note-**

1. Mr. Nikhil Nanda is a Promoter of the company.
2. Directorships include Directorships in Section 8 companies.
3. Pursuant to Regulation 26 of the Listing Regulations, Chairmanship/ Membership of the Audit Committee and the Stakeholders Relationship Committee of Indian Public Companies (excluding Section 8 companies), whether listed or not, have been considered. Chairmanship/Membership of the Audit Committee and Stakeholders Relationship Committee held by the Directors in the Company are also included.

*\*Mr. Paramvir Singh was appointed as Executive Director of the Company w.e.f. 13<sup>th</sup> November, 2024, as approved by the board of Directors and by the shareholder's approval via postal ballot dated 10<sup>th</sup> February, 2025.*

**e) Date of Board Meetings**

The Company has held a minimum of one Board Meeting in each quarter and maximum gap between two consecutive meetings did not exceed 120 days which is in compliance with the SEBI Listing Regulations and provisions of the Act. An annual calendar of meetings is prepared well in advance and shared with the Directors before commencement of the year to enable them to plan their attendance at the meetings. Directors are expected to attend the Board and Committee meetings, spend necessary time and meet as frequently as the situation warrants to properly discharge their responsibilities.

The Board of Directors met 9 (Nine) times during the year on:

| No. of Meeting  | Date of Meeting |
|-----------------|-----------------|
| 1 <sup>st</sup> | 18-05-2024      |
| 2 <sup>nd</sup> | 04-06-2024      |
| 3 <sup>rd</sup> | 15-06-2024      |
| 4 <sup>th</sup> | 03-08-2024      |
| 5 <sup>th</sup> | 12-08-2024      |
| 6 <sup>th</sup> | 13-11-2024      |
| 7 <sup>th</sup> | 08-01-2025      |
| 8 <sup>th</sup> | 11-02-2025      |
| 9 <sup>th</sup> | 05-03-2025      |

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 ("Act") and SEBI Listing Regulations.

To ensure well- informed decision-making, the agenda and related documents were distributed to the Directors in advance. The minutes of all Board and Committee meetings were also circulated to all Directors, with comments taken into account before finalization. In urgent situations, resolutions may be passed via circulation in accordance with applicable laws, and these are then noted during the subsequent Board meeting. The necessary quorum was present for all the meetings.

### Information flow to the Board

The Management provides the Board with additional information beyond what is required by regulation, which enables informed decision-making and contributes to the Company's growth. The Managing Director and Executive Director are responsible for day-to-day management. The Board periodically reviews updates on projects, potential acquisitions, corporate restructuring plans, strategic plans, performance, risk management, and other key areas impacting the business, and also on organization talent and culture and succession planning for critical roles including senior management. Information is provided continuously for review and approval, including strategic and operating plans, financial statements, appointments in senior management and directors, audits, legal and compliance matters and regulatory updates. Follow-up and reporting occur after meetings.

A formal system for follow-up, review, and reporting on actions taken by management on board decisions is in place. The Board Members are provided with continuous information about the Company's operations for their review, input, and approval. This includes presenting our annual strategic plan, Budget and mid-term plan to the Board. Various matters such as appointment of Directors and Key Managerial Personnel, corporate actions and updates, review of internal and statutory audits, details of investor grievances, specific cases of acquisitions and business integrations, important managerial decisions, material positive/negative developments, risk management initiatives including cyber security along with mitigation actions and legal/statutory matters are presented to the respective Committees of the Board. These matters are later presented to the Board of Directors for approval/noting, as may be required.

*Other than Mr. Nikhil Nanda and Mr. Paramvir Singh who holds 2,64,98,602 equity shares and 125,010 equity shares respectively as on 31<sup>st</sup> March, 2025, no shares or convertible instruments are held by Non-Executive directors.*

#### Note:-

**\*Mr. Paramvir Singh, Chief Executive Officer (CEO) was appointed as Executive Director of the Company w.e.f. 13<sup>th</sup> November, 2024, as approved by the board of Directors and by the shareholder's approval via postal ballot dated 10<sup>th</sup> February, 2025.**

- **There are no inter-se relationships between the Board members.**
- **The Company has not issued any convertible instruments to non-executive directors of the company.**

#### f) Confirmation of Independence

The definition of 'Independence' of Directors is derived from Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations. The Independent Directors have confirmed that they meet the criteria of Independence laid down under the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations.

At the time of appointment and thereafter at the beginning of each financial year, the Independent Directors submit self-declaration, confirming their independence and compliance with various eligibility criteria laid down by the Company, among other disclosures and the Company also ensures that its Directors meet the above eligibility criteria. All such declarations are placed before the Board for information. In the opinion of the Board, the independent directors fulfill the conditions specified in these regulations and independent of the management of the Company.

#### Certificate from Practicing Company Secretary on qualification of Directors

The Company has obtained a certificate from the Practicing Company Secretary, Mr. Mohit Dahiya, Company Secretary in Practice (Membership No. FCS- 9540, CP No. 23052), confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The Certificate is attached as **Annexure-A**.

#### g) Familiarisation Programmes of the Independent Directors

The Company has an orientation process/ familiarization program for its directors (including Independent Directors), which includes sessions on various business and functional matters and strategy sessions. The Company ensures induction and training programs are conducted for newly appointed Directors. New Directors are taken through a detailed induction and familiarization program, including briefing on their role, responsibilities, duties, and obligations, the nature of the business and business model, matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc.

In FY 2024-2025, Independent Directors were educated on various aspects of the Company's business and operations. The specifics of the familiarization programs provided to the Independent Directors are available on the Company's website and can be accessed at [www.svendgaard.com/familiarizationprogramme](http://www.svendgaard.com/familiarizationprogramme)

#### Skills/Expertise/Competencies Identified by The Board of Directors

The Board comprises of the qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

In the table below, specific areas of focus or expertise of individual Board Members have been highlighted. However, the absence of the mark against a members' name does not necessarily mean the member does not possess the corresponding skill or qualification:

| SKILLS AND EXPERTISE OF BOARD  | NAME OF DIRECTORS                     |                  |                   |                  |                     |                  |                    |
|--|---------------------------------------|------------------|-------------------|------------------|---------------------|------------------|--------------------|
|  | Mr. Rajagopal Chakravarthi Venkateish | Mr. Nikhil Nanda | Mr. Kapil Minocha | Mr. Mukul Pathak | *Mr. Paramvir Singh | Mr. Vinay Mittal | Mrs. Upma Chawdhry |
| Deep understanding of Company's business/ strategy and structure   | ✓                                     | ✓                |                   |                  | ✓                   | ✓                | ✓                  |
| Industry experience  | ✓                                     | ✓                |                   |                  | ✓                   | ✓                | ✓                  |
| Financial acumen   | ✓                                     | ✓                | ✓                 |                  |                     | ✓                | ✓                  |
| Knowledge in Accounting and Auditing Standards and tax matters   | ✓                                     | ✓                | ✓                 |                  |                     | ✓                |                    |
| Knowledge of the Companies Act, applicable SEBI and Stock Exchange Regulations   | ✓                                     | ✓                | ✓                 |                  |                     | ✓                | ✓                  |
| Knowledge of Employee Benefit Schemes and matters related to employee hiring / skill development, gender diversity, etc.                     | ✓                                     | ✓                | ✓                 | ✓                | ✓                   | ✓                | ✓                  |
| Entrepreneurial skills to evaluate risk and rewards and perform advisory role  | ✓                                     | ✓                | ✓                 | ✓                | ✓                   | ✓                | ✓                  |
| Focus on compliance  | ✓                                     | ✓                | ✓                 | ✓                | ✓                   | ✓                | ✓                  |
| Understanding of the processes and systems for defining high corporate governance standards  | ✓                                     | ✓                | ✓                 | ✓                | ✓                   | ✓                | ✓                  |
| Understanding rights of Shareholders and obligations of the Management   | ✓                                     | ✓                | ✓                 | ✓                | ✓                   | ✓                | ✓                  |
| Knowledge in global standards on Corporate Sustainability and Sustainability Reporting based on Global Reporting Initiatives (GRI) Standards | ✓                                     | ✓                | ✓                 | ✓                | ✓                   | ✓                | ✓                  |
| Experience in Risk Management/ Operational Risk Management/ Financial Risk Assessment experience   | ✓                                     | ✓                | ✓                 | ✓                | ✓                   | ✓                | ✓                  |
| Information Technology skills  | ✓                                     | ✓                | ✓                 | ✓                | ✓                   | ✓                | ✓                  |

**Note:-**

*\*Mr. Paramvir Singh was appointed as Executive Director of the Company w.e.f. 13<sup>th</sup> November, 2024, as approved by the board of Directors and by the shareholder's approval via postal ballot dated 10<sup>th</sup> Feb, 2025.*

**h) Separate Meeting of the Independent Directors**

In compliance with Regulation 25 (3) of the SEBI Listing Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was convened on March 24, 2025. The meeting was held without the presence of Non-Independent Directors and members of the management. The objective of the meeting was to review the performance of Non-Independent Directors and the Board as a whole, assess the performance of the Chairman of the Company, and evaluate the quality, quantity, and

timeliness of the flow of information between the Company management and the Board. The Independent Directors discussed matters pertaining to the Company's affairs and presented their collective views to the Board of Directors.

**3. COMMITTEES OF THE BOARD**

To focus effectively on the issues and ensure expedient resolution of diverse matters, the Board has constituted several Committees of Directors with specific terms of reference. The Committees operate as empowered agents of the Board as per their term of reference that set forth their purposes, goals and responsibilities. Committee members are appointed by the Board with the consent of individual Directors. These Committees meet as often as required or as statutory required.

The Board as on 31<sup>st</sup> March, 2025 had four statutory committees to focus effectively on the issues and ensure expedient resolution for diverse matters namely:

- **Audit Committee**
- **Stakeholders' Relationship Committee**
- **Nomination and Remuneration Committee**
- **Corporate Social Responsibility Committee**

The Board is responsible for constituting, assigning, and fixing the terms of reference for the members of various committees. Recommendations made by these Committees have been accepted by the Board. The Company Secretary officiates as the Secretary of these Committees. Terms of reference, composition, quorum, meetings, attendance and other relevant details of these Committees are as under:

#### **AUDIT COMMITTEE**

##### **Brief Description of the terms of reference:**

The powers and role of the Audit Committee is in accordance with the provisions of Regulation 18 and Part C of Schedule II of the SEBI Listing Regulations and section 177 of the Companies Act, 2013.

All the members of the committee are eminent professionals and draw upon their experience and expertise across a wide spectrum of functional areas such as finance and corporate strategy.

##### **Terms of Reference**

The broad terms of reference of Audit Committee, inter-alia, includes the following:

- a. 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;
- b. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
- e. Matters required to be included in the Director's Responsibility Statement;
- f. Changes, if any, in accounting policies and practices and reasons for the same;
- g. Major accounting entries involving estimates based on the exercise of judgment by management;
- h. Significant adjustments made in the financial statements arising out of audit findings;
- i. Compliance with listing and other legal requirements relating to financial statements;
- j. Disclosure of any related party transactions;
- k. Modified opinions in the draft audit report;
- l. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- m. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of

funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- n. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- o. Approval or any subsequent modification of transactions of the Company with related parties;
- p. Scrutiny of inter-corporate loans and investments;
- q. Valuation of undertakings or assets of the Company, wherever it is necessary;
- r. Evaluation of internal financial controls and risk management systems;
- s. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- t. 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;
- u. Discussion with internal auditors of any significant findings and follow up there on;
- v. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- w. 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;
- x. 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;
- y. To review the functioning of the Whistle Blower mechanism;
- z. 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;
- aa. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- bb. Reviewing the utilization of loans/advances from/ investment by the holding Company in the subsidiary exceeding rupees 100 crore 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.
- cc. Considering and commenting on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee mandatorily reviews the following information(s) as well:

- a) Management discussion and analysis of financial



- condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
  - Statement of deviations:
    - quarterly statement of deviation (s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32 (1).
    - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32 (7).

#### Composition of Audit Committee:

As on 31<sup>st</sup> March, 2025, the Company's Audit Committee comprises of 6 (Six) members, out of whom four (4) are Independent Non-Executive Directors and two (2) are Executive Directors. The Company Secretary acts as the Secretary to Committee. The Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations.

#### Meeting and attendance of Audit Committee Meeting:

During the year under review total 7 (seven) meetings of Audit Committee were held on:

| No. of Meeting  | Date of Meeting |
|-----------------|-----------------|
| 1 <sup>st</sup> | 18-05-2024      |
| 2 <sup>nd</sup> | 15-06-2024      |
| 3 <sup>rd</sup> | 03-08-2024      |
| 4 <sup>th</sup> | 12-08-2024      |
| 5 <sup>th</sup> | 13-11-2024      |
| 6 <sup>th</sup> | 11-02-2025      |
| 7 <sup>th</sup> | 05-03-2025      |

The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

#### Constitution and Attendance Record:

| Name of the Member                    | Category                      | No of Meetings entitled to attend | No of Meetings Attended |
|---------------------------------------|-------------------------------|-----------------------------------|-------------------------|
| Mr. Mukul Pathak                      | Chairman-Independent Director | 7                                 | 3                       |
| Mr. Nikhil Nanda                      | Member-Executive Director     | 7                                 | 6                       |
| Mr. Rajagopal Chakravarthi Venkateish | Member-Independent Director   | 7                                 | 6                       |
| Mrs. Upma Chawdhry                    | Member-Independent Director   | 7                                 | 5                       |
| Mr. Kapil Minocha                     | Member-Independent Director   | 7                                 | 7                       |
| Mr. Paramvir Singh                    | Member-Executive Director     | 1                                 | 1                       |

#### Note: -

*\*Mr. Paramvir Singh was appointed as a member of the Committee w.e.f. 11<sup>th</sup> February, 2025.*

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### Brief description of terms of reference

##### Composition of Committee:

As on 31<sup>st</sup> March, 2025, the Nomination and Remuneration Committee (NRC) comprises 4 (four) Non-executive Independent Directors. Mr. Mukul Pathak acts as Chairman of the Committee. The Nomination and Remuneration Committee meet 3 (three) times during the year i.e.:

| No. of Meeting  | Date of Meeting |
|-----------------|-----------------|
| 1 <sup>st</sup> | 18-05-2024      |
| 2 <sup>nd</sup> | 13-11-2024      |
| 3 <sup>rd</sup> | 11-02-2025      |

The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

The Company Secretary acts as the Secretary to Committee.

##### Constitution and Attendance Record:

| Name of the Member                    | Category                      | No of Meetings Entitled to Attend | No of Meetings Attended |
|---------------------------------------|-------------------------------|-----------------------------------|-------------------------|
| Mr. Mukul Pathak                      | Chairman-Independent Director | 3                                 | 2                       |
| Mr. Rajagopal Chakravarthi Venkateish | Member – Independent Director | 3                                 | 2                       |
| Mrs. Upma Chawdhry                    | Member-Independent Director   | 3                                 | 1                       |
| Kapil Minocha                         | Member-Independent Director   | 3                                 | 3                       |

#### Terms of Reference

The broad terms of reference of the Committee, inter-alia, includes the following:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, KMP, senior management and other employees;

3. Formulate a familiarization programme to acquaint Directors with the Company and its business etc.
4. Formulating the criteria for evaluation of every director's performance;
5. Devising a policy on Board diversity;
6. The Committee shall take into consideration and ensure the compliance of provisions of Section 196, read with Schedule V of the Companies Act, 2013 while appointing and fixing remuneration of Managing Director / Whole-time Directors;
7. While approving the remuneration, the Committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee;
8. Recommend to the board, all remuneration, in whatever form, payable to senior management.
9. The Committee shall consider and recommend to the Board, shares to be allotted to the eligible employees pursuant to the ESOP Scheme of the Company. Further, the Committee shall have the authority in its discretion:
  - i. To determine the Exercise Price;
  - ii. To select the Employees to whom Options may from time to time be granted hereunder;
  - iii. To determine whether and to what extent Options are granted hereunder;
  - iv. To determine the number of Shares to be covered by each Options granted hereunder;
  - v. To approve forms of SEBI Listing Regulations for use under the Plan;
  - vi. To determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder;
  - vii. To prescribe, amend and rescind rules and regulations relating to the Plan;
  - viii. To construe and interpret the terms of the Plan and Shares issued pursuant to the Plan; and
  - ix. To take decisions on other matter as may be necessary for administration of this Plan.
10. The Committee shall perform other activities as requested by the Board of Directors or to address issues related to any significant subject within its term of reference.

#### **Performance Evaluation**

The Company has devised a formal process for annual evaluation of performance of the Board, its Committees and Individual Directors including Independent Directors. The process provides that the performance evaluation shall be carried out on annual basis.

During the year, the Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. The evaluation process focused on various aspects of the Board and Committees functioning such as structure, composition, quality, board meeting practices and overall Board effectiveness. The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Nomination and Remuneration Committee reviewed the performance of individual directors including Independent Directors on the basis of criteria such as the contribution of the individual director to the Board and committee meetings like meaningful and constructive contribution and inputs in meetings, etc.

The performance evaluation criteria for independent Directors is determined by NRC. An indicative list of factors on which evaluation was carried out includes:

- Participation and contribution by a Director.
- Commitment, including guidance provided to the Senior Management outside of Board/ Committee Meetings.
- Effective deployment of knowledge and expertise.
- Effective management of relationship with various stakeholders.
- Independence of behavior and judgment.
- Maintenance of confidentiality of critical issues.

#### **Process of Evaluation**

To evaluate the performance of the Board, its committees, and individual directors, the Nomination and Remuneration Committee led an internal evaluation process in accordance with the Act, Listing Regulations, and the Corporate Governance Guidelines of the Company. To facilitate the evaluation process, questionnaire was developed based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India (SEBI) on January 5, 2017, and sent to all Directors to solicit feedback on the functioning of the Board and the Committees of which they were a member or Chairperson as well as self-assessment by individual directors including Chairperson. To ensure confidentiality, the evaluation process was undertaken through a Board application for evaluation, managed by an independent agency. The responses received from the Board members were compiled and a consolidated report was submitted to the Chairman of the NRC and the Chairman of the Board. The consolidated responses were also presented at a meeting of the Independent Directors, the Nomination and Remuneration Committee, and the Board for evaluation. The Board and the NRC reviewed the

performance of individual Directors based on criteria such as the contribution of the individual Director to the Board and Committee meetings including preparedness on the issues to be discussed, meaningful and constructive contributions and inputs in meetings, etc. In a separate meeting of Independent Directors, the performance of Non-Independent Directors and the Board as a whole, and the Chairman of the Company was evaluated taking into account the views of Executive Directors and Non-Executive Directors. At such meeting, the Independent Directors also assessed the quality, quantity, and timeliness of the flow of information between the company management and the Board that was necessary for the Board to effectively and reasonably perform their duties. They expressed their satisfaction over the same.

#### Outcome of Evaluation Process

The Board was satisfied with the professional expertise and knowledge of each of its Directors. All the Directors effectively contributed to the decision-making process by the Board. Further, all the Committees were duly constituted and were functioning effectively. The Board also expressed its satisfaction in relation to the provision of supporting documents to the Board enabling it to assess the policy & procedural requirements for proper functioning of the Company. The Board expressed its satisfaction with the decision making and decision implementing procedure followed by it.

#### 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee oversees various aspects of interest of security holders like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the quantum of unclaimed dividends, redressal of shareholder and investor grievances and related matters in accordance with the provisions of the Act and Regulation 20 read with Part D of Schedule II to the SEBI Listing Regulations. Additionally, the Board has authorised the Chief Financial Officer and the Company Secretary to jointly exercise the powers of approving transfer/ transmission of shares.

In Compliance with the Regulation 20 of SEBI Listing Regulations and provisions of Section 178 of the Companies Act, 2013, the company has a Stakeholders' Relationship Committee. As on the 31<sup>st</sup> March, 2025, the Stakeholders Relationship Committee comprises of 3(three) Non-Executive directors and 1 (one) executive director.

The Committee meets as frequently as circumstances necessitate with at least one meeting in a year. The quorum for the meeting is two members or one-third of members, whichever is higher. During the year under review, the Stakeholder Relationship Committee meeting was held on the February 11, 2025. The Company Secretary acts as the secretary to committee.

| Name of the Member                    | Category                      | No of Meetings entitled to attend | No of Meetings Attended |
|---------------------------------------|-------------------------------|-----------------------------------|-------------------------|
| Mr. Rajagopal Chakravarthi Venkateish | Chairman-Independent Director | 1                                 | 1                       |
| Mr. Mukul Pathak                      | Member-Independent Director   | 1                                 | 0                       |
| Mr. Nikhil Nanda                      | Member-Executive Director     | 1                                 | 0                       |
| Mr. Kapil Minocha                     | Member-Independent Director   | 1                                 | 1                       |
| *Mr. Paramvir Singh                   | Member-Executive Director     | 0                                 | 0                       |

**Note:-**

**\*Mr. Paramvir Singh was appointed as a member of the Committee w.e.f. 11<sup>th</sup> February, 2025.**

#### Terms of Reference

The terms of reference of the Committee, inter-alia, includes the following:

- The Committee is entrusted with the responsibility of addressing the shareholders' and investors' complaints with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc.
- Review of measures taken for effective exercise of voting rights by shareholders
- Ensuring an expeditious share transfer process in line with the proceedings of the Share Transfer Committee.
- The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agent of the Company.
- Providing continuous guidance to improve the service levels for the investors.
- 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.

#### a. Name & Designation of Compliance Officer:

**Komal Jha**

#### Company Secretary and Compliance Officer

During the year under review, no shareholder's complaint was received as well as no complaint was pending at the beginning of the financial year i.e. on 1st April, 2024.



## 5A TRANSMISSION OF SHARES

During the year, the Company has not received any request for share transmission. The Company has 25,567 shareholders as on March 31, 2025

## 5B. RISK MANAGEMENT COMMITTEE

The provision of Regulation 21 of SEBI (LODR) Regulations, 2015 dealing with Risk Management Committee are not applicable on the Company.

## 5C. SENIOR MANAGEMENT

| NAME                  | DESIGNATION       | CHANGES (if any) |
|-----------------------|-------------------|------------------|
| Sapana Singh          | HR Manager        | NA               |
| Vivek Kumar Chhabra   | Deputy manager-QA | NA               |
| Rishendra Srivastava  | Manager Engg      | NA               |
| Anurag Kumar Mathur   | DGM (Paste)       | NA               |
| Jitendra kumar Sharma | DY Manager        | NA               |
| Arun Kumar Singh      | DGM               | NA               |
| Vipan Dogra           | Accounts Manager  | NA               |

## 5D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors constituted a Corporate Social responsibility (CSR) Committee and formulated the CSR Policy of the Company which is available on the website of the Company [www.svendgaard.com/policy](http://www.svendgaard.com/policy)

During the year under review Section 135 of the Companies Act, 2013 and other relevant rules related to Corporate Social Responsibility were not applicable to the Company.

## 6. REMUNERATION OF DIRECTORS

Non-executive Directors: The Company has no pecuniary relationship or transaction with its Non-executive Directors other than payment of sitting fees to them for attending Board and Committee meetings. The criteria of making payments to non-executive directors is available on the website of the Company at [www.svendgaard.com/criteriaformakingpayment](http://www.svendgaard.com/criteriaformakingpayment).

The Independent Directors, are paid sitting fees for attending the meetings of the Board and Committees of the Board. The Company pays a sitting fee of Rs. 10,000 per meeting per Director for attending meetings of the Board, Audit, Nomination and Remuneration and Stakeholder Relationship Committees.

- ii) Executive Directors: The remuneration policy is directed towards rewarding performance. It is aimed at attracting

and retaining high caliber talent. The Company does have an incentive plan which is linked to performance and achievement of the Company's objectives.

Remuneration paid to the Mr. Nikhil Nanda, Managing Director of the Company during the year ended 31st March, 2025 is detailed below:

| Particulars                | (Rs. In Lakhs) |
|----------------------------|----------------|
| Salary                     | 60.00          |
| Sitting Fees               | Nil            |
| Other Perquisites/Benefits | Nil            |
| Commission on Profit       | Nil            |
| <b>Total</b>               | <b>60.00</b>   |

## Service Contract, Notice Period and Severance Fee

Services of Mr. Nikhil Nanda, Managing Director may be terminated by either party, giving three months' notice or the Company paying three months' salary in lieu thereof. There is no separate provision for payment of severance fees.

No notice or severance fee is payable to any other director. Further, there were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

## Details of Equity Held as on 31st March, 2025

| Name of Director   | No. of Equity Shares Held |
|--------------------|---------------------------|
| Mr. Nikhil Nanda   | <b>26498602</b>           |
| Mr. Paramvir Singh | <b>125010</b>             |

## Sitting Fees paid to Independent Directors during the year as follows:

| SNO.     | NAME OF INDEPENDENT DIRECTORS        | SITTING FEES PAYABLE/PAID IN FY 2024-2025 |
|----------|--------------------------------------|---|
| <b>1</b> | Mr. Rajagopal Chakravarthi Venkatesh | 1,50,000/-                                |
| <b>2</b> | Mr. Mukul Pathak                     | 100,000/-                                 |
| <b>3</b> | Mr. Kapil Minocha                    | 200,000/-                                 |
| <b>4</b> | Mrs. Upma Chawdhry                   | 1,20,000/-                                |

## 7. GENERAL BODY MEETINGS

### I. General Meeting:

#### a) Annual General Meeting

The last three Annual General Meetings of the Company:

| Year    | Venue                           | Date       | Time       | Special Resolution  |
|---------|---------------------------------|------------|------------|---|
| 2023-24 | Held through Video Conferencing | 10.09.2024 | 01:00 P.M. | <p>Addition of new clauses to existing clauses of main object in the Objects Clause (Clause III) of Memorandum of Association.</p> <p>To advance any Loan/Give Guarantee /Provide Security under Section 185 of the Companies Act, 2013.</p> <p>To advance any Loan/Give Guarantee/Provide Security under Section 185 of the Companies Act, 2013.</p> <p>Approval of Material Related Party Transactions with Magna Waves Buildtech Private Limited for the Financial Year 2024-25.</p> |
| 2022-23 | Held through Video Conferencing | 28.09.2023 | 02:00 P.M. | <p>Appointment of Mrs. Upma Chawdhry as an Independent Director of the Company.</p>   |
| 2021-22 | Held through Video Conferencing | 30.09.2022 | 11:00 A.M. | <p>To confirm the remuneration of Mr. Nikhil Nanda Managing Director of the Company.</p> <p>Increase in Authorized Share Capital and consequent alteration of the capital clause in the Memorandum of Association of the company.</p> <p>Preferential Issue of up to 1,55,00,000 fully Convertible Warrants to the persons belonging to promoter &amp; promoter group and non-promoter category.</p>  |

**b) Extra-Ordinary General Meeting:**

During the year, 1(one) EGM was held on 4<sup>th</sup> July, 2024 through Video Conferencing.

**c) Special Resolution passed last year through postal ballot.**

- Approval for the adoption of new set of Articles of Association (AOA) of the company as per the provisions of the companies act, 2013

**d) No Special Resolution is proposed to be conducted through postal ballot**

**e) Procedure for Postal Ballot**

- In accordance with the provisions of Section 108 and Section 110 of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, read with the Circulars issued by the Ministry of Corporate Affairs and Regulation 44 of the Listing Regulations, as amended from time to time read with SEBI Circulars, Secretarial Standards

on General Meetings issued by the Institute of Company Secretaries of India, the notices containing the proposed resolutions and explanatory statement were sent in electronic mode to the shareholders whose e-mail address were registered with the Company or the Depository Participant(s).

- The communication of assent / dissent received by the shareholders through the remote e-voting within 30 days of sending the notice are considered by the Scrutinizer;
- The Scrutinizer submits his report to the Chairman/ Co-Chairman of the Company or a person authorized by them, who on the basis of the report, announces the results; and
- The Company has entered into an agreement with National Securities Depository Limited ('NSDL') for providing e-voting facility to its shareholders. Under this facility, shareholders are provided an electronic platform to participate and vote on the resolutions to be passed through Postal Ballot.

**f) The postal ballot was conducted by Dahiya & Associates a Practicing Company Secretary.**

**8. MEANS OF COMMUNICATION:**

All vital information relating to the Company and its performance, including quarterly results, official press releases are posted on the website of the Company i.e. [www.svendgaard.com](http://www.svendgaard.com). The quarterly and annual results of the Company's performance are published in Business Standard (English) circulated all over India, Business Standard (Hindi) circulated in Regional Area.

The quarterly and annual financial results of the Company are also available on the websites of Bombay Stock Exchange Limited and National Stock Exchange of India Ltd. viz. [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

Further, official news releases have also been posted on the website of the Company and presentations are made to institutional investors and analysts on the Company's audited annual financial results.

**9. GENERAL SHAREHOLDER INFORMATION:**

**COMPANY'S WEBSITE:**

The website of the Company is [www.svendgaard.com](http://www.svendgaard.com) which contains all relevant information about the Company the Annual Report, Shareholding Pattern, Results and all other material information as and when prepared are updated on this site.

**ENSUING ANNUAL GENERAL MEETING**

Date of AGM : 20<sup>th</sup> September, 2025

Time : 01:00 P.M.

Venue : Trilokpur, Kala Amb, Dist. Sirmaur, Himachal Pradesh - 173030

#### • FINANCIAL CALENDER

Financial year: 1<sup>st</sup> April, 2024 to 31<sup>st</sup> March, 2025

#### • TENTATIVE CALENDAR FOR FINANCIAL YEAR ENDING 31<sup>ST</sup> MARCH, 2025

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

|                                      |   |
|--------------------------------------|---|
| First Quarter Results                | Within 45 days of the end of the first quarter  |
| Second Quarter & Half Yearly Results | Within 45 days of the end of the first quarter  |
| Third Quarter & Nine Months Results  | Within 45 days of the end of the first quarter  |
| Fourth Quarter and Annual Results    | Within 60 days of the end of the financial year |

#### • DIVIDEND

The Board of Directors have not recommended any dividend for the year under review.

#### • BOOK CLOSURE DATE

Not Applicable.

#### • LISTING INFORMATION:

The Company's shares are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited. Listing fees as prescribed have been paid to the respective Stock Exchanges for the financial year ended 31st March, 2025.

#### • STOCK CODE

Bombay Stock Exchange Limited: **532771**

National Stock Exchange of India Limited: **JHS**

ISIN Code: **INE544H01014**

#### • REGISTRARS AND TRANSFER AGENTS

Name and Address : Alankit Assignments Limited,  
Alankit Heights  
1E/13, Jhandewalan Extension,  
New Delhi – 110055

Telephone : +91-11-4254 1234

Fax : +91-11-4254 1201

Email : jksingla@alankit.com

#### • SHARE TRANSFER SYSTEM

As per SEBI circular dated 8<sup>th</sup> Jan. 2022 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories. All such requests are handled and disposed off by Company's Registrar & Share Transfer Agent i.e. Alankit Assignments Limited, within fifteen days from the date of receipt of request, provided the documents are found to be in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants.

Further pursuant to Regulation 40(9) of SEBI Listing Regulations, certificate on half yearly basis confirming the due compliance of share transfer formalities by the Company from Practicing Company Secretary have been submitted to Stock Exchanges within stipulated time.

#### • SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH 2025

| Category | Category of shareholders       | No. of Share-holders | No of Shares       | % of Holding  |
|----------|--------------------------------|----------------------|--------------------|---------------|
| (A)      | Promoter and Promoter Group    | 4                    | 2,95,85,818        | 34.56         |
| (B)      | Public                         | 25,563               | 5,60,18,148        | 65.44         |
| (C)      | Non-Promoter-Non Public        | 0                    | 0                  | 0             |
| (C1)     | Shares underlying DRs          | 0                    | 0                  | 0             |
| (C2)     | Shares held by Employee Trusts | 0                    | 0                  | 0             |
|          | <b>Grand Total</b>             | <b>25,567</b>        | <b>8,56,03,966</b> | <b>100.00</b> |

#### • DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2025

| No. of shares             | Holding         | % to capital | Number of Accounts | % to total Accounts |
|---------------------------|-----------------|--------------|--------------------|---------------------|
| <b>1 – 500</b>            | 2703496         | 3.16         | 18054              | 70.62               |
| <b>501 - 1000</b>         | 2509745         | 2.93         | 2993               | 11.71               |
| <b>1001 - 2000</b>        | 2903360         | 3.39         | 1850               | 7.24                |
| <b>2001 - 3000</b>        | 1821064         | 2.13         | 703                | 2.75                |
| <b>3001 - 4000</b>        | 1369612         | 1.60         | 377                | 1.47                |
| <b>4001 - 5000</b>        | 1763420         | 2.06         | 370                | 1.45                |
| <b>5001 - 10000</b>       | 4395895         | 5.14         | 585                | 2.29                |
| <b>10001 - 9999999999</b> | 68137374        | 79.60        | 634                | 2.48                |
| <b>Total</b>              | <b>85603966</b> | <b>100</b>   | <b>25566</b>       | <b>100</b>          |

• **TOP 10 SHAREHOLDERS**

The top 10(ten) Shareholders of the Company as on 31st March, 2025 are, namely:

| S.N. | Name of Shareholder                  | Holdings |
|------|--------------------------------------|----------|
| 1    | NIKHIL NANDA                         | 26498602 |
| 2    | SUSHMA NANDA                         | 3065985  |
| 3    | VIJAY MOHAN GOVILA                   | 2394000  |
| 4    | M.B. FINMART PRIVATE LIMITED         | 1801801  |
| 5    | MILKY INVESTMENT AND TRADING COMPANY | 1801801  |
| 6    | PURAN ASSOCIATES PRIVATE LIMITED     | 1801801  |
| 7    | VIC ENTERPRISES PRIVATE LIMITED      | 1801801  |
| 8    | AEGIS INVESTMENT FUND PCC            | 1341000  |
| 9    | GRK ASSOCIATES PRIVATE LIMITED       | 699742   |
| 10   | ANITA JAIDEEP SAMPAT                 | 657979   |

• **DEMATERIALIZATION OF SHARES**

The equity shares of your Company are under compulsory dematerialization mode as on 31st March, 2025.

99.99 % of shares of the Company are dematerialized as on 31<sup>st</sup> March, 2025. Trading in Equity shares of the Company is permitted only in Demat mode. The Equity shares of your company are frequently traded. (In April 2007 all shares of the company have been Listed on Stock Exchange).

| PARTICULARS  | AMOUNT            |
|--------------|-------------------|
| NSDL         | 62,367,869        |
| CDSL         | 23,235,891        |
| PHYSICAL     | 206               |
| <b>TOTAL</b> | <b>85,603,966</b> |

• **OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

There is outstanding 36,03,602 fully convertible warrants as at the end of the financial year ended on 31<sup>st</sup> March 2025.

- Conversion Date : 03 February, 2026
- Diluted Capital : 89207568

• **CREDIT RATING**

The Company has not obtained credit rating for the debt instruments/facilities of the Company.

• **UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT AS SPECIFIED UNDER REGULATION 32 (7A)**

Funds raised through the preferential allotment of equity shares on August 3, 2024, were initially utilized in accordance with the objectives outlined in the object clause. The unutilized portion was placed in fixed

deposits, awaiting further deployment. Subsequently, during the Board of Directors' meeting on May 17, 2025, approval was granted to alter the end-use alignment for the funds raised through that preferential issue objects of the issue. The update objects as are follows:

- Fund the capital expenditure for acquiring equipment for manufacturing facility
- Infusion of funds in Group entity i.e. JHS Svendgaard Retail Ventures Ltd., for funding the expansion plan through strategic fund infusion.
- For General Corporate Purpose

Further, the amount of Rs. 2000 lakhs received against aforesaid issue of shares and Rs. 250 lakhs against the issue of warrants, for the period ended 31 March 2025, the company has utilized the money for project in Jammu and Kashmir - Rs.71.29 lakhs, General Corporate Purpose - Rs.749.50 lakhs and balance Rs.1429.21 lakhs has been parked in fixed deposits, pending utilization.

• **MANUFACTURING UNITS**

**Himachal Pradesh**

Trilokpur Road, Kheri Kala-Amb, Tehsil - Nahan,  
Distt: Sirmaur, Himachal Pradesh-173030

• **ADDRESS FOR INVESTOR CORRESPONDENCE**

All shareholders' correspondence should be forwarded to Alankit Assignments Limited, the Registrar and Transfer Agent of the Company or to the Investor Service Department at the Registered Office of the Company at the addresses mentioned below. An exclusive e-mail id, investor@svendgaard.com for redressal of investor complaints has been created and the same is available on our website.

**For Correspondence:**

JHS Svendgaard Laboratories Limited  
B-1/E-23, Mohan Cooperative Industrial Area,  
Mathura Road, New Delhi-110044  
Ph: 011-40539487; Fax: 011-26900434

**Registered Office:**

JHS Svendgaard Laboratories Limited  
Trilokpur Road, Kheri (Kala-Amb), Tehsil –  
Nahan, District Sirmour,  
Himachal Pradesh – 173030  
Ph: 7906848423 Fax: 01702-238830

**Compliance Officer:**

Mrs. Komal Jha,  
Company Secretary & Compliance officer  
Phone: 011-40539487; Fax: 011-26900434  
e-mail: [cs@svendgaard.com](mailto:cs@svendgaard.com)

## 10. OTHER DISCLOSURE

### a) RELATED PARTY TRANSACTIONS:

Attention of the members is drawn to the disclosure set out in Note no. 42 to the standalone financial statements forming a part of the Annual Report for accessing the details of related party transactions.

Besides this, the Company has no material significant transaction with the related parties viz. promoters, directors of the Company, management, their relatives, subsidiaries of promoter Company etc. that may have a potential conflict with the interest of the Company at large.

Apart from the transactions specified in above notes of financial statements, there is no transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity.

All related party transactions are negotiated on an arm's length basis and are intended to further the Company's interests. In terms of SEBI Listing Regulations, the Company has formulated policy on dealing with Related Party Transactions and available at our website:

[www.svendgaard.com/policy](http://www.svendgaard.com/policy).

### b) DETAILS OF NON-COMPLIANCE:

The Company has complied with all requirements specified under the SEBI Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three Financial years except events given below:

Delay in filing of the voting results under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the meeting of Equity Shareholders held on November 12, 2022 in pursuance of NCLT order dated August 30, 2022 in relation to ongoing Composite Scheme of Demerger and Amalgamation between JHS Svendgaard Laboratories Limited ("Demerged Company"/Transferee Company"), JHS Svendgaard Retail Ventures Private Limited ("Resulting Company") and JHS Svendgaard Brands Limited ("Transferor Company").

Consequently, a penalty was levied by NSE and BSE amounting to INR 11,800/- (inclusive of GST) each which the Company paid timely as taken note by the Board. The Management also assures the members for being cautious of the same in order to avoid future

inconvenience.

### c) DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has formulated Vigil Mechanism and Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website at :

[www.svendgaard.com/download/investor/Vigil\\_Mechanism/VIGIL%20MECHANISM%20POLICY.pdf](http://www.svendgaard.com/download/investor/Vigil_Mechanism/VIGIL%20MECHANISM%20POLICY.pdf)

### d) COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS:

The Company is fully compliant with the applicable mandatory requirements of the SEBI Listing Regulations.

The compliance with non-mandatory requirements can be understood from the following:

#### A. The Board

The Board is headed by a Non-executive Independent Director as Chairman.

#### B. Modified opinion(s) in audit report

The audit report on the financial statements have been issued with an unmodified audit opinion.

#### C. Reporting of internal auditor

The internal auditor may report directly to the audit committee.

### e) DISCLOSURE IN RESPECT OF POLICY FOR DETERMINING MATERIAL SUBSIDIARIES:

The Company does not have any material subsidiary as defined under the SEBI Listing Regulations.

The Company has also formulated a policy for determining material subsidiaries in accordance with Regulation 16(1) (c) of the SEBI Listing Regulations and it has placed the same on the website of the company at [www.svendgaard.com/policy](http://www.svendgaard.com/policy).

### f) DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS:

The Company has followed accounting principles generally accepted in India, including the Indian Accounting Standard (Ind AS) as specified under Section 133 of Act ("the Act") and other relevant provision of the Companies Act, 2013. The



Company has uniformly applied the Accounting Policies during the period presented. Kindly refer notes to the financial statements (standalone and consolidated) for significant accounting policies adopted by the Company.

**g) CEO/CFO CERTIFICATION:**

As required by the SEBI Listing Regulations, the CEO and CFO certification is provided in this Annual Report as [Annexure-A](#).

**h) CERTIFICATE OF NON-DISQUALIFICATION**

A certificate from a Company Secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to the Annual Report as [Annexure B](#).

**i) The Company has not undertaken commodity price risk or foreign exchange risk and hedging activities;**

**j) The Board had accepted all the recommendation of the committee(s) of the Board which is mandatorily required, in the year under review.**

**k) The provision of Regulation 21 of SEBI Listing Regulations dealing with Risk Management Committee are not applicable on the Company.**

**l) There have been loans or advances extended by the Company and its subsidiaries, which bear resemblance to loans, to any firms or companies where the Directors of the Company hold an interest.**

**m) Detail of total fees paid by the company along with subsidiaries to the statutory auditors and their network firms**

The details of total fees for all services incurred 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, are as follows:

| Particulars                                 | Amount<br>(In Lacs) |
|---|---------------------|
| Services as statutory auditors              | 4.00                |
| Tax audit                                   | 0.50                |
| Limited Reviews                             | 3.00                |
| Other matters (certification and reporting) | -                   |
| Re-imbursement of out of pocket expenses    | -                   |
| <b>Total</b>                                | <b>7.50</b>         |

**n) DISCLOSURES IN RELATION TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

An Internal Complaints Committee has been constituted to look into grievance/complaints of sexual harassment lodged by employees as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, no complaints were received during the year and no complaint is pending on 31<sup>st</sup> March, 2025.

**o) COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

In terms of Regulation 34 of the SEBI Listing Regulations, the compliance certificate from Practicing Company Secretaries to the effect of compliance of conditions of corporate governance by the Company is annexed with this Report as [Annexure-C](#).

**p) CODE FOR PREVENTION OF INSIDER TRADING PRACTICES**

The Company has in place a Code of Conduct for Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the Management, staff and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of JHS, and cautioning them of the consequences of violations. Also, the company has been complying with SDD Disclosure. The Company Secretary is the compliance officer under the Code responsible for complying with the procedures, monitoring adherence to the rules for the prevention.

**q) CODE OF CONDUCT**

The Company has adopted a Code of Conduct for all its Directors, Senior Management and Employees. This Code of Conduct has been communicated to all of them. The Code of Conduct has also been put on the Company's website i.e. [www.svendgaard.com/Codes](http://www.svendgaard.com/Codes).

The Code was circulated to all the Board members and Senior Management Personnel and compliance of the same has been affirmed by them for the financial year 2024-25. A declaration signed by the all board Members and senior management of the Company is attached as [Annexure- D](#). The Company has implemented various policies to reinforce governance practices, such as the Whistle blower Policy, and Prevention of Sexual Harassment Policy. The Company has "Zero Tolerance" policy for any form of ethical violation and stresses the importance of workplace integrity, ethical personal conduct, diversity, fairness, and respect, among other things. The abovementioned policies are available on the website of the Company and can be accessed at [www.svendgaard.com/investors/policy](http://www.svendgaard.com/investors/policy)



**r) PROVISION OF REGULATION 24 OF SEBI (LODR) REGULATIONS, 2015** is not applicable on the company as there is no material subsidiary of the Company. However, provision relating to unlisted subsidiary companies were complied during the year

**s) DIRECTOR & OFFICER LIABILITY INSURANCE**

The Regulation 25(10) of the SEBI (LODR) Regulations, 2015 is not applicable on the company as the company does not fall under the top 1000 companies as per market capitalization as on 31<sup>st</sup> March 2025.

**t) DEMAT SUSPENSE ESCROW ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

- The aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year are 5 and 1356 respectively.
- Number of shareholders who approached listed entity for transfer of shares from suspense account during the year are **Nil**.
- Number of shareholders to whom shares were transferred from suspense account during the year are **Nil**.
- The aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year are 5 and 1356 respectively.
- That the voting rights in these shares shall remain frozen till the rightful owner of such shares claim the shares.

**u) SECRETARIAL AUDIT**

Secretarial Audit report issued by Practicing Company Secretary for the financial year 31<sup>st</sup> March, 2025 in the MR-3 is part of the annexure of Board report.

The Company ensures compliance with sub section (1C) & (2) for appointment, re-appointment or continuation of the Secretarial Auditor and Secretarial Compliance Report of the Company.

**v) DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES**

The company were not entered into any type of agreement mentioned under clause 5A of paragraph A of Part A of Schedule III of SEBI (LODR) Regulations, 2015.

**11. DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED SEBI LISTING REGULATIONS**

During the year under review the company has complied:

- With the requirement of Schedule V of the SEBI

Listing Regulations.

- With Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) & (t) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations and necessary disclosure thereof have been made in this Corporate governance Report.

**12. SUCCESSION PLANNING FOR THE BOARD AND SENIOR MANAGEMENT**

The Company has a robust system in place to ensure smooth transitions in leadership, including for our Directors, Executive Directors, Senior Management Team, and other critical talents and key roles. Additionally, the Company regularly reviews talents for senior management and other executive officers.

This process provides a comprehensive overview of our leadership level talent inventory and capabilities, ensuring that we meet our critical talent needs in alignment with our business drivers.

**13. COMPLIANCE FRAMEWORK**

The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and providing updates to senior management and the Board periodically. The Audit Committee and the Board of Directors periodically review the status of the compliances with the applicable laws.

**For and on behalf of the Board**

Sd/-

**Nikhil Nanda**

**Managing Director**

**DIN: 00051501**

Sd/-

**Paramvir Singh**

**Director**

**DIN: 00098684**

**Place: New Delhi**

**Date: 12/08/2025**

## Annexure- A

### CEO CFO CERTIFICATION

We, Paramvir Singh, Chief Executive Officer and Ashish Goel, Chief Financial Officer, of JHS Svendgaard Laboratories Limited, to the best of our knowledge and belief certify that:

- A. We have reviewed the financial statements and the Cash Flow Statement of the Company for the Financial Year ended 31.03.2025 and that to the best of our 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 Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We also certify, that based on our knowledge and the information provided to us, there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. The Company's other certifying officers and we are responsible for establishing and maintaining internal controls for financial reporting and procedures for the Company and that we have evaluated the effectiveness of Company's internal control systems and procedures pertaining to financial reporting.
- D. The Company's other certifying officers and we have indicated, based on our most recent evaluation, wherever applicable, to the Company's Auditors and through them to the Audit Committee of the Company's Board of Directors:
1. Deficiencies in the design or operation of internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;
  2. Significant changes in internal control over financial reporting during the year;
  3. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  4. Any fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi  
Date : 12.08.2025

Sd/-  
Paramvir Singh  
CEO

Sd/-  
Ashish Goel  
CFO

**Annexure- B****CERTIFICATE OF NON-DISQUALIFICATION  
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**

**JHS SVENDGAARD LABORATORIES LIMITED**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JHS Svendgaard Laboratories Limited having CIN L74110HP2004PLC027558 and having registered office at Trilokpur Roadkala AMB Distt Sirmaur 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 31st 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 Director                  | DIN      | Date of Appointment |
|--------|-----------------------------------|----------|---------------------|
| 1      | NIKHIL NANDA                      | 00051501 | 08/10/2004          |
| 2      | MUKUL PATHAK                      | 00051534 | 14/07/2015          |
| 3      | RAJAGOPAL CHAKRAVARTHI VENKATEISH | 00259537 | 23/06/2020          |
| 4      | KAPIL MINOCHA                     | 02817283 | 23/06/2020          |
| 5      | UPMA CHAWDHRY                     | 02333321 | 14/08/2024          |
| 6      | VINAY MITTAL                      | 08232559 | 27/05/2022          |

Mrs. Upma Chawdhry (DIN: 02333321) appointed as Non-Executive Independent Director on the Board of the Company w.e.f. 14th August 2024.

Ensuring the eligibility of 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: 16.07.2025**

**Place: New Delhi**

**For Mohit & Associates  
Company Secretaries**

**Sd/  
(CS Mohit Dahiya)  
(M. No. F9540 and C P. No. 23052)  
UDIN: F009540G000789484**

## Annexure- C

### COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,  
**The Members of**  
**JHS Svendgaard Laboratories Limited**  
B1/E23, Mohan Co-Operative  
Industrial Area, Mathura Road  
New Delhi-110 044

We have examined the compliance of condition of JHS Svendgaard Laboratories Limited ("the Company") for the year ended on 31st March, 2025, as stipulated in chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in chapter IV of the Listing Regulations. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Date: 16.07.2025**  
**Place: New Delhi**

**For Mohit & Associates**  
**Company Secretaries**

**Sd/**  
**(CS Mohit Dahiya)**  
**(M. No. F9540 and C.P. No. 23052)**  
**UDIN: F009540G000789484**



## Annexure- D

### CERTIFICATION BY CHIEF EXECUTIVE OFFICER OF THE COMPANY

I, Paramvir Singh, Chief Executive Officer of the Company, hereby certify that the members of the Board of Directors of the Company and the Management Personnel have affirmed the compliance with the code of conduct adopted by the Company for the financial year ended March 31, 2025 in terms of Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: New Delhi  
Date : 12.08.2025

Sd/-  
Paramvir Singh  
CEO

# STANDALONE FINANCIAL REPORT 2024-25

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# Independent Auditor's Report

**Independent Auditor's Review Report on Standalone Financial Statements of JHS Svendgaard Laboratories Limited pursuant to Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of  
JHS Svendgaard Laboratories Limited  
Report on Standalone Financial Statements**

We have audited the accompanying standalone financial statements of JHS Svendgaard Laboratories Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2025, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year ended on that date and a summary of significant accounting policies and other explanatory information on (hereinafter referred to as the "standalone financial statements").

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

- Footnote under Note 7 (Deferred tax assets (net)) to the financial statements which describes the Company's reassessment of the virtual certainty of its carry-forward losses. Based on this review, the company has revised its Deferred Tax Asset by Rs. 718.84 lakhs approx. and has recognized the impact of this adjustment in the financial statements for the period under review resulting in negative impact on profit after tax to that extent.
- Footnote under Note 3.1 (Property, plant and equipment) to the financial statements, which describes that the company has carried out detailed physical and technical inspection wherein number of machines which have become technologically obsolete were impaired to the extent of Rs. 285.94 lakhs to reflect the fair value as per Ind AS. The same is reflected under exceptional items in the accompanying profit and loss statement.
- Footnote under Note 10 (Inventories) to the financial statements, which describes the provision of Rs. 263.02 Lakhs made for obsolete inventory. Attention is drawn as the amount is material with respect to turnover of the company.
- Footnote under Note 11 (Trade Receivables) to the financial statements, which describes the provision of Rs. 156.29 lakhs and write off of Rs. 72.23 lakhs made for Trade Receivables. Attention is drawn as the amount is material with respect to turnover of the company.
- Footnote under Note 9 (Other non-current assets) to the financial statements which deals with the Capital Advances given in earlier years to various parties amounting to Rs. 2,895.13 lakhs for setting up new production manufacturing facilities in Himachal Pradesh and Rs. 1,328.30 lakhs through its wholly owned subsidiary, towards pre-emption rights in the upcoming project in Union Territory of Jammu & Kashmir. Management has considered the above amounts same recoverable and adjustable against the future expansion plans.

Our Opinion is not modified in respect of these matters.

## Key Audit Matters

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

| 1 | Key Audit Matter  | Auditor's Response   |
|---|---|--|
| 1 | <p><b>Revenue recognition</b></p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in the case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance.</p> <p>Refer Note 2(a) to the Standalone Financial Statements – Significant accounting policies.</p>   | <p><b>Principal audit procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of the Company's revenue recognition accounting policies in line with IND AS 115 ("Revenue from Contracts with Customers") and testing thereof.</li> <li>Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included goods dispatch notes and shipping documents.</li> <li>Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> <li>Based on the above procedure performed, the recognition and measurement of revenue from sale of goods are considered to be adequate and reasonable.</li> </ul>  |
| 2 | <p><b>Assessment of impairment of assets and provisioning for the same</b></p> <p>The company holds significant balances of property, plant and equipment, trade receivables, and inventories.</p> <p>Management is required to assess these assets for indicators of impairment or irrecoverability of PPE, trade receivables, and inventories and to determine appropriate provisions where necessary. These evaluations involve significant management judgment and estimates,</p> <p>Given the degree of estimation and judgment involved, and the material nature of provision for impairment done by the management, we have identified the evaluation of these provisions as a key audit matter.</p> <p>Refer Note 2(f), 1(c)(v) &amp; 2(h) to the Standalone Financial Statements – Significant accounting policies</p> | <p><b>Principal audit procedures</b></p> <p><u>For impairment of Fixed Assets:</u></p> <ul style="list-style-type: none"> <li>Evaluating the methodologies used by management to assess indicators of impairment.</li> <li>Chartered Engineer was engaged to conduct a technical assessment of certain machinery and equipment at our manufacturing facility. Following the expert's recommendation, the carrying values of these assets have been impaired to reflect their recoverable (scrap/realisable) value.</li> <li>Assessing the assumptions used in determining value-in-use calculations, including projected cash flows, growth rates, and discount rates, with the involvement of our valuation specialists.</li> </ul> <p><u>For doubtful debts:</u></p> <ul style="list-style-type: none"> <li>We evaluated the design and implementation of controls over the credit risk assessment process.</li> <li>We tested the ageing of receivables, assessed historical loss trends, and reviewed management's forward-looking assumptions used in the expected credit loss model.</li> <li>We performed detailed analyses of significant customer balances, including subsequent receipts and communications with customers, to assess recoverability.</li> </ul> <p><u>For obsolete inventory:</u></p> <ul style="list-style-type: none"> <li>We assessed the inventory provisioning methodology against historical trends and industry practices.</li> <li>We performed ageing analyses and discussed with management the rationale for provisions recorded against specific inventory lines, particularly slow-moving or obsolete stock.</li> <li>We performed physical inventory observations to assess the condition of inventory held.</li> </ul> |

## Management's Responsibility for the Standalone Ind AS Financial Statements

1. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.
2. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
3. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibility

1. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.
  4. 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.

5. 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.
6. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Except for the effects of the material weakness(es) described below, the Company has maintained, in all material respects, effective

internal control over financial reporting as of 31<sup>st</sup> March, 2025.

- g) 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, in our opinion and to the best of our information and according to the explanations given to us:
  - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts that were required to be transferred, to the Investor Education and Protection Fund by the Company.
  - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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 that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
  - No dividend has been declared or paid during the year by the company.

- Based on our examination which included test checks, the Company 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 operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

**For V.K. Khosla & Co.**

Chartered Accountants

**FRN 002283N**

**Sd/-**

**Amit Khosla**

(Partner)

**Memb No. 095943**

**UDIN: 25095943BMJJNW9345**

**Place:** New Delhi

**Date:** May 27, 2025

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the Members of JHS Svendgaard Laboratories Limited on the standalone financial statements as of and for the year ended 31 March 2025)

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

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
  - (ii) The Company has maintained proper records showing full particulars of intangible assets.

- (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every four years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deed of immovable property (other than immovable properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company except:

| Description of property   | Gross carrying value (in lakhs) | Held in name of  | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company*  |
|---|---------------------------------|--|--|---|--|
| Land comprised of (Kh/Kh/No-23/24, Khasra no-50/2/2, as old number) (And its new Kh No 29 Min/30, khasra No-711/50, total measuring 5-07 bighas situated at Mouja – kheri, Tehsil – Nahan, Distt Sirmour (HP) | 1,062                           | Sh. Sita Ram s/o Sh. Kartar Chand s/o Sh. Shyama Ram R / o V i l l Shivpur The Amb District Una H.P. | No   | Held since 27/02/2017                           | The Company has entered into an agreement to sell. As per the management, the Company is in disputed possession of the land. However, in the recent years, the company has been evaluating the mergers with other companies in the manufacturing business. Thus, the company has presently deferred the registration of the said land, to be registered in the name of the merged entity, in the future years. |

- (d) The Company has identified some plant and equipment which had become obsolete and require impairment of value. Accordingly, the company has revalued its Plant and Equipment having carrying value of Rs.346.94 Lakh downwards to Rs. 61.00 Lakh. The amount of impairment or reduction in value of PPE is Rs.285.94 Lakh. The change in value is more than 10%.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the order is not applicable to the company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, accordingly to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has been sanctioned working capital limits in excess of 5 crore, in aggregate from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institution at the quarter end before the due date,



i.e. 10th of the subsequent month, were submitted on provisional basis, as the financial statements were under review for necessary inclusion of financial impact / provisions if required. Thereafter the company submits an updated quarterly returns and/or statement with such banks or financial institution immediately on ascertainment and finalisation of the necessary details. Basis the

original returns and/or statement there were some discrepancies observed in reporting of Net Current assets being (Stock + Book Debts – Trades Payable) in the quarter ending December'24 and March'25, while the Drawing power was comfortably maintained by the company during both the periods. The same is as under

| Working capital limit of Rs 800 lakhs |                    |                  |                        |            |
|---------------------------------------|--------------------|------------------|------------------------|------------|
| Period ended                          | Particular         | AS per financial | As per stock statement | Difference |
| As on 31-12-2024                      | Net current assets | 1537.29          | 2079.02                | 5417.29    |
| As on 31-03-2025                      | Net current assets | 1155.92          | 2022.02                | 8701.07    |

- (iii) (a) The company has not made investment in, or not provided security or granted any loans to companies, firms, limited liability partnerships or any other parties during the year. However, the company has provided Corporate Guarantee and has allowed mortgage over its Land and Building at Himachal Pradesh to SIDBI for facilitating Term loans and Working Capital loans to M/s JHS Svendgaard Retail Venture Limited during the year, details of which are as follows:

| Particulars   | Amount<br>(in Lakhs) |
|---|----------------------|
| Aggregate amount granted during the year:                               |                      |
| - Subsidiaries  | 0.00                 |
| - Others  | 500.00               |
| Balance outstanding as at balance sheet date in respect of above cases: |                      |
| - Subsidiaries  | 0.00                 |
| - Others  | 500.00               |

- (b) In our opinion, the guarantee made and the terms and conditions of the guarantee provided, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The investment made, guarantees provided, security given and the term and condition of the grant of all loan and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (d) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation. However, there is an interest amount of Rs 2.42 lakh which is overdue for more than 90 days as at the balance sheet date. Reasonable steps have been taken by the company for the recovery of the interest.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or

extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

- (f) The Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, reporting under clause 3(iii)(f) of the order is not applicable to the company. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties
- (iv) The company has complied with the provisions of sections 185 and 186 of companies Act 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) Maintenance of Cost Records are mandatory for the company and have been specified under sub-section (1) of section 148 of the Companies Act. We have broadly reviewed the books of accounts maintained by the company and are of the opinion that the company needs to strengthen their Cost Records in compliance with the requirements.
- (vii) In respect of the Statutory Dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six

- months from the date they became payable except as under:
- There are some undisputed outstanding demands under TDS which are pending to be contested or cleared. The aggregate amount under the same is as under:
- TDS: Rs 117,330 (Outstanding for more than four years)
- (b) There are no statutory dues referred in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There were no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961(43 of 1961).
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowing or in payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to information and explanation given to us, the term loans were applied for the purpose for which loans were taken.
- (d) On an overall examination of the financial statements of the company, fund raised on short term basis have, prime facie, not been used during the year for long term purposes by the Company.
- (e) 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 obligation of its subsidiaries.
- (f) According to the information and explanation given to us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(X)(a) of the order are not applicable.
- (b) During the year, the company has not made any private placement of shares or convertible debentures (fully, partially or optionally), however the company has made preferential allotment during the year and requirement of sec 42 and 62 of the Companies have been complied with and the fund raised have been used for the purpose for which the fund was raised.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) There are no whistle blower complaints received by company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone / consolidated financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(a) of the order
- (b) The company has not conducted non- banking financial or housing finance activities during the year. Accordingly, provisions of clause 3(xvi)(b) of the order is not applicable.
- (c) The company is not a Core Investment Company ("CIC") as defined in regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the order is not applicable.
- (d) Based on the information and explanations provided by the management, the Group does not have any CICs, which are part of the Group. Accordingly, provisions of clause 3(xvi)(d) of the Order are not applicable.
- (xvii) The company has not incurred any cash losses during the financial year or in any preceding Financial Year.

(xviii) There was resignation of the statutory auditors from the date of 13th Nov, 2024 of the Company during the year. We have taken into consideration the issues, objections or concerns raised by the outgoing auditor.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is 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) The provisions of section 135 are not applicable to the company. Accordingly, provisions of clause 3(xx) (a) and (b) of the order is not applicable.

(xxi) There have been no qualifications or adverse remarks by the respective auditors in the companies (Auditor's reports of the companies included in the Consolidated Financial Statements).

**For V.K. Khosla & Co.**

Chartered Accountants

**FRN 002283N**

**Sd/-**

**Amit Khosla**

(Partner)

**Memb No. 095943**

**UDIN: 25095943BMJJNW9345**

**Place: New Delhi**

**Date: May 27, 2025**

## **"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of JHS Svendgaard Laboratories Limited on the standalone financial statements as of and for the year ended 31 March 2025)

### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to standalone financial statements of **JHS Svendgaard Laboratories Limited** (the "Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed

risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has developed some internal financial control systems over financial reporting and based on our review, such internal financial controls were generally operating effectively as on 31<sup>st</sup> March 2025.

Except for the effects of the material weakness(es) described below, the Company has maintained, in all material respects, effective internal control over financial reporting as of 31<sup>st</sup> March, 2025:

1. The company has not adequately documented or updated its Risk Control Matrix (RCM), which is a key tool to identify financial reporting risks and assign mitigating controls.

2. The Company is lacking inherent system of regular end-to-end reconciliations of Inter-Unit Accounts and Statutory Liability accounts especially w.r.t GST with its books of accounts on a monthly basis. This indicates control weaknesses in tracking and resolving mismatches on a timely basis, which could result in incorrect tax filings and potential regulatory non-compliance. Further, it was also observed that the internal control framework surrounding the reversal of ineligible Input Tax Credit (ITC) is also inadequate.
3. It was observed that the Company needs to strengthen the reporting system of their integrated ERP system with respect to ageing of trade receivables and trade payables. The report extracted from ERP are not configured to accurately extract the ageing data and thus the company is unable to monitor the overdue balances effectively. Similarly, periodic review of MSME outstanding needs to be closely followed and automated alert system to flag payments due to MSME approaching the threshold needs to be inbuilt into the system. The absence of such controls could lead to potential interest liability.
4. The process with respect to issuance, tracking and return of the material samples sent to customers/ departments for testing or evaluation process, disposal of rejected inventory items needs to be strengthened.
5. The direct tax balances pertaining to Advance Tax, TDS, TCS & provision for income tax for multiple past financial years need to be tracked through a yearly tracker and developments be recorded basis quarterly reconciliation of the same.
6. The Company needs to establish a regular system of identifying the obsolete inventory, ir-recoverability of book debts as required by the Risk Control Matrix (RCM).
7. It has been noted that there are deficiencies in the vendor related controls:

- Inactive vendors in the vendor master where there is no transaction in past few years;
- Formal written quotations were not obtained from vendors prior to procurement;
- Vendor payment due report from ERP is not sent to purchase head on regular basis for review.

In our opinion, to the best of our information and according to the explanations given to us, the Company needs to strengthen the internal financial controls system over financial reporting as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V.K. Khosla & Co.**

Chartered Accountants

**FRN 002283N**

**Sd/-**

**Amit Khosla**

(Partner)

**Memb No. 095943**

**UDIN: 25095943BMJJNW9345**

**Place: New Delhi**

**Date: May 27, 2025**

## STANDALONE BALANCE SHEET AS AT 31 MARCH, 2025

(₹ in lakhs)

| Particulars  | Notes  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|--------|------------------------|------------------------|
| <b>ASSETS</b>  |        |                        |                        |
| <b>Non-current assets</b>  |        |                        |                        |
| (a) Property, plant and equipment  | 3.1    | 8,591.85               | 8,553.44               |
| (b) Capital work-in-progress   | 3.2    | -                      | 81.68                  |
| (c) Right-of-use assets  | 3.3    | 112.23                 | 146.47                 |
| (d) Goodwill   | 3.4    | 79.61                  | 79.61                  |
| (e) Other intangible assets  | 3.5    | 248.90                 | 261.96                 |
| (f) Financial assets   |        |                        |                        |
| i) Investments   | 4      | 365.00                 | 345.83                 |
| ii) Loans  | 5      | 74.21                  | 155.25                 |
| iii) Other financial assets  | 6      | 357.66                 | 126.40                 |
| (g) Deferred tax assets (net)  | 7      | 330.31                 | 1,052.23               |
| (h) Non-current tax assets (net)   | 8      | 103.40                 | 95.70                  |
| (i) Other non-current assets   | 9      | 4,513.40               | 4,503.98               |
| <b>Total non-current assets</b>  |        | <b>14,776.57</b>       | <b>15,402.56</b>       |
| <b>Current assets</b>  |        |                        |                        |
| (a) Inventories  | 10     | 1,188.34               | 1,264.97               |
| (b) Financial assets   |        |                        |                        |
| i) Trade receivables   | 11     | 1,305.91               | 1,287.96               |
| ii) Cash and cash equivalents  | 12     | 672.18                 | 886.63                 |
| iii) Bank balances other than (ii) above                                     | 13     | 1,279.79               | 126.01                 |
| iv) Loans  | 14     | -                      | 1.80                   |
| v) Other financial assets  | 15     | 47.23                  | 106.48                 |
| (c) Other current assets   | 16     | 871.04                 | 668.64                 |
| (d) Current tax assets (net)   | 17     | 15.90                  | -                      |
| <b>Total current assets</b>  |        | <b>5,380.39</b>        | <b>4,342.49</b>        |
| <b>Total assets</b>  |        | <b>20,156.96</b>       | <b>19,745.05</b>       |
| <b>EQUITY AND LIABILITIES</b>  |        |                        |                        |
| <b>EQUITY</b>  |        |                        |                        |
| (a) Equity share capital   | 18     | 8,560.40               | 7,839.68               |
| (b) Other equity   | 19     | 8,752.84               | 9,188.63               |
| <b>Total equity</b>  |        | <b>17,313.24</b>       | <b>17,028.31</b>       |
| <b>LIABILITIES</b>   |        |                        |                        |
| <b>Non-current liabilities</b>   |        |                        |                        |
| (a) Financial liabilities  |        |                        |                        |
| i) Borrowings  | 20(i)  | 68.53                  | 11.89                  |
| ii) Lease liabilities  | 20(ii) | 52.05                  | 104.85                 |
| (b) Provisions   | 21     | 150.57                 | 147.71                 |
| (c) Other non-current liabilities  | 22     | 102.15                 | 118.90                 |
| <b>Total non-current liabilities</b>   |        | <b>373.30</b>          | <b>383.35</b>          |
| <b>Current liabilities</b>   |        |                        |                        |
| (a) Financial liabilities  |        |                        |                        |
| i) Borrowings  | 20(i)  | 445.74                 | 343.92                 |
| ii) Trade payables   |        |                        |                        |
| - total outstanding dues of micro and small enterprises                      | 23     | 392.22                 | 381.94                 |
| - total outstanding dues of creditors other than micro and small enterprises | 23     | 951.52                 | 1,027.56               |
| iii) Lease liabilities   | 20(ii) | 79.53                  | 52.21                  |
| iv) Other financial liabilities  | 24     | 480.72                 | 442.83                 |
| (b) Other current liabilities  | 25     | 105.08                 | 72.61                  |
| (c) Provisions   | 21     | 15.61                  | 12.31                  |
| <b>Total current liabilities</b>   |        | <b>2,470.43</b>        | <b>2,333.38</b>        |
| <b>Total liabilities</b>   |        | <b>2,843.73</b>        | <b>2,716.74</b>        |
| <b>Total equity and liabilities</b>  |        | <b>20,156.96</b>       | <b>19,745.05</b>       |





The accompanying notes are an integral part of these financial statements

As per our report of even dated attached

For V.K. Khosla & Co.

Chartered Accountants

Firm Registration No.: 002283N

Sd/-

Amit Khosla

Partner

Membership No.: 095943

Place : New Delhi

Date : 27 May 2025

For and on behalf of Board of Directors

JHS Svendgaard Laboratories Limited

Sd/-

Nikhil Nanda

Managing Director

DIN : 00051501

Sd/-

Ashish Goel

Chief Financial Officer

Sd/-

Vinay Mittal

Director

DIN : 08232559

Sd/-

Paramvir Singh

Chief Executive Officer  
& Executive Director

Sd/-

Komal Jha

Company Secretary

## STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs)

| Particulars  | Notes  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|--------|-----------------------------|-----------------------------|
| <b>INCOME</b>  |        |                             |                             |
| Revenue from operations  | 26     | 9,199.73                    | 7,079.82                    |
| Other income   | 27     | 287.71                      | 431.44                      |
| <b>Total income</b>  |        | <b>9,487.44</b>             | <b>7,511.26</b>             |
| <b>EXPENSES</b>  |        |                             |                             |
| Cost of materials consumed   | 28(i)  | 5,745.75                    | 4,083.39                    |
| Purchases of stock-in-trade  | 28(ii) | 308.19                      | 201.48                      |
| Changes in inventories of finished goods, work in progress and stock-in-trade              | 29     | 50.28                       | 132.65                      |
| Employee benefits expense  | 30     | 1,011.63                    | 921.31                      |
| Finance costs  | 31     | 56.50                       | 46.00                       |
| Depreciation and amortisation expenses   | 32     | 795.02                      | 634.58                      |
| Other expenses   | 33     | 2,484.30                    | 1,834.00                    |
| <b>Total expenses</b>  |        | <b>10,451.67</b>            | <b>7,853.41</b>             |
| <b>Profit/ (Loss) before exceptional items and tax</b>                                     |        | <b>(964.23)</b>             | <b>(342.15)</b>             |
| <b>Exceptional items</b>   | 34     | (285.94)                    | -                           |
| <b>Profit/(Loss) before tax</b>  |        | <b>(1,250.17)</b>           | <b>(342.15)</b>             |
| <b>Tax expense</b>   | 35     |                             |                             |
| a) Current tax   |        | -                           | -                           |
| b) Tax for previous years  |        | 4.83                        | -                           |
| c) Deferred tax charge/(credit)  |        | 718.84                      | 62.91                       |
| <b>Profit/ (Loss) for the year from continuing operations</b>                              |        | <b>(1,973.85)</b>           | <b>(405.06)</b>             |
| <b>Profit/(Loss) for the year</b>  |        | <b>(1,973.85)</b>           | <b>(405.06)</b>             |
| <b>Other comprehensive income</b>  |        |                             |                             |
| <u>-Items that will not be reclassified subsequently to profit or loss</u>                 |        |                             |                             |
| Re-measurement gains/ (losses) on defined benefit plans                                    |        | 11.86                       | 6.29                        |
| Less: Income tax expense relating to Items that will not be reclassified to profit or loss | 35     | (3.08)                      | (1.64)                      |
| <b>Total other comprehensive income for the year, net of tax</b>                           |        | <b>8.78</b>                 | <b>4.66</b>                 |
| <b>Total comprehensive income for the year</b>   |        | <b>(1,965.06)</b>           | <b>(400.40)</b>             |
| <b>Earnings per equity share</b>   |        |                             |                             |
| a) Basic (Face value of Rs. 10 each)   |        | (2.37)                      | (0.52)                      |
| b) Diluted (Face value of Rs. 10 each)   |        | (2.37)                      | (0.52)                      |

The accompanying notes are an integral part of these financial statements

As per our report of even dated attached

For V.K. Khosla & Co.  
Chartered Accountants  
Firm Registration No.: 002283N

Sd/-  
Amit Khosla  
Partner  
Membership No.: 095943

For and on behalf of Board of Directors  
JHS Svendgaard Laboratories Limited

Sd/-  
Nikhil Nanda  
Managing Director  
DIN : 00051501

Sd/-  
Ashish Goel  
Chief Financial Officer

Sd/-  
Vinay Mittal  
Director  
DIN : 08232559

Sd/-  
Paramvir Singh  
Chief Executive Officer  
& Executive Director

Sd/-  
Komal Jha  
Company Secretary

Place : New Delhi  
Date : 27 May 2025

## STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

### A. Equity Share Capital

(₹ in lakhs)

| Balance as at 01 April 2024 | Changes in equity share capital during the year | Balance as at 31 March 2025 |
|-----------------------------|---|-----------------------------|
| 7,839.68                    | 720.72  | 8,560.40                    |
| Balance as at 01 April 2023 | Changes in equity share capital during the year | Balance as at 31 March 2024 |
| 7,839.68                    | -   | 7,839.68                    |

### B. Other Equity

(₹ in lakhs)

|   | Reserve and Surplus |                    |                 |                   | Other Comprehensive income                 | Money Received against Share warrants | Total Other Equity |
|---|---------------------|--------------------|-----------------|-------------------|--|---------------------------------------|--------------------|
|   | Capital Reserve     | Securities Premium | General Reserve | Retained Earnings | Remeasurement of net defined benefit plans |                                       |                    |
| Balance as at 01 April 2024                           | (313.16)            | 11,035.39          | 6.68            | (1,553.11)        | 12.83                                      | -                                     | 9,188.63           |
| Profit/(Loss) for the year                            | -                   | -                  | -               | (1,973.85)        | -  | -                                     | (1,973.85)         |
| Other comprehensive income                            | -                   | -                  | -               | -                 | 8.78                                       | -                                     | 8.78               |
| Total comprehensive income for the year               | -                   | -                  | -               | (1,973.85)        | 8.78                                       | -                                     | (1,965.08)         |
| Transaction with owners in capacity as owners         |                     |                    |                 |                   |  |                                       |                    |
| Adjustments of shares warrants issued during the year | -                   | -                  | -               | -                 | -  | 250.00                                | 250.00             |
| Adjustments of shares issued during the year          | -                   | 1,279.29           | -               | -                 | -  | -                                     | 1,279.29           |
| Balance as at 31 March 2025                           | (313.16)            | 12,314.68          | 6.68            | (3,526.96)        | 21.60                                      | 250.00                                | 8,752.84           |

(₹ in lakhs)

|  | Reserve and Surplus |                    |                 |                   | Other Comprehensive income                 | Money Received against Share warrants | Total Other Equity |
|--|---------------------|--------------------|-----------------|-------------------|--|---------------------------------------|--------------------|
|  | Capital Reserve     | Securities Premium | General Reserve | Retained Earnings | Remeasurement of net defined benefit plans |                                       |                    |
| Balance as at 01 April 2023                          | (313.16)            | 11,035.39          | 6.68            | (1,153.52)        | 8.18                                       | -                                     | 9,583.57           |
| Profit for the year                                  | -                   | -                  | -               | (405.06)          | -  | -                                     | (405.06)           |
| Other comprehensive income                           | -                   | -                  | -               | -                 | 4.65                                       | -                                     | 4.65               |
| Total comprehensive income for the year              | -                   | -                  | -               | (405.06)          | 4.65                                       | -                                     | (400.41)           |
| Transaction with owners in capacity as owners        |                     |                    |                 |                   |  |                                       |                    |
| Adjustment pertaining to a loan given to shareholder | -                   | -                  | -               | 5.47              | -  | -                                     | 5.47               |
| Share warrants converted into shares                 | -                   | -                  | -               | -                 | -  | -                                     | -                  |
| Premium on warrant converted into shares             | -                   | -                  | -               | -                 | -  | -                                     | -                  |
| Balance as at 31 March 2024                          | (313.16)            | 11,035.39          | 6.68            | (1,553.11)        | 12.83                                      | -                                     | 9,188.63           |

Refer note no. 19 for nature and purpose of reserves.

The accompanying notes are an integral part of these financial statements

As per our report of even dated attached

For V.K. Khosla & Co.

Chartered Accountants

Firm Registration No.: 002283N

Sd/-

**Amit Khosla**

Partner

Membership No.: 095943

Place : New Delhi

Date : 27 May 2025

For and on behalf of Board of Directors

**JHS Svendgaard Laboratories Limited**

Sd/-

**Nikhil Nanda**

Managing Director

DIN : 00051501

Sd/-

**Ashish Goel**

Chief Financial Officer

Sd/-

**Vinay Mittal**

Director

DIN : 08232559

Sd/-

**Paramvir Singh**

Chief Executive Officer  
& Executive Director

Sd/-

**Komal Jha**

Company Secretary

## STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs)

| Particulars  | Year Ended<br>31 March 2025 | Year Ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>A. Cash Flow from Operating Activities</b>                                |                             |                             |
| Profit before tax  | (1,250.17)                  | (342.15)                    |
| <b>Adjustments for:</b>  |                             |                             |
| Depreciation and amortization expenses                                       | 795.02                      | 634.58                      |
| (Profit)/Loss on disposal of property, plant and equipment (net)             | (5.93)                      | (0.15)                      |
| Interest income  | (117.86)                    | (56.07)                     |
| Interest income on Financial asset measured at amortised cost                | (4.51)                      | -                           |
| Government grant amortization  | (14.14)                     | (15.07)                     |
| Exceptional Items  | 285.94                      | -                           |
| Balances and advances written off  | 9.02                        | 22.39                       |
| Provision no longer required written back                                    | (25.78)                     | (52.14)                     |
| Bad debts written off  | 72.23                       | -                           |
| Provision for doubtful advances  | 156.29                      | -                           |
| Gratuity and leave encashment  | 21.42                       | -                           |
| Amortisation of deferred rent expense  | 4.95                        | 26.68                       |
| Profit on sale of Mutual fund  | (4.74)                      | -                           |
| Interest and financial charges   | 47.20                       | 41.20                       |
| Exchange loss/(gain) (net)   | (0.41)                      | (0.01)                      |
| Net gain on financial asset mandatorily measured at FVTPL                    | (31.59)                     | (28.49)                     |
| <b>Operating profit before working capital changes and other adjustments</b> | <b>(63.06)</b>              | <b>230.77</b>               |
| <b>Working capital changes and other adjustments :</b>                       |                             |                             |
| (Increase)/decrease in inventories   | 77.43                       | 34.85                       |
| (Increase)/decrease in trade receivables                                     | (243.72)                    | 555.59                      |
| (Increase)/decrease in other current assets                                  | (223.94)                    | 152.98                      |
| (Increase)/decrease in other current financial assets                        | (1.59)                      | 266.02                      |
| (Increase)/Decrease in other non-current financial assets                    | (2.48)                      | -                           |
| (Increase)/decrease in other non-current assets                              | (22.63)                     | (498.12)                    |
| Increase/ (decrease) in other current financial liabilities                  | 25.16                       | 210.97                      |
| Increase/ (decrease) in trade payables                                       | (39.52)                     | (810.69)                    |
| Increase/ (decrease) in lease liabilities                                    | -                           | (3.31)                      |
| Increase/ (decrease) in other non current liabilities                        | (2.60)                      | 3.53                        |
| Increase/ (decrease) in provisions   | (3.41)                      | 11.17                       |
| Increase/ (decrease) in other current liabilities                            | 32.47                       | (1,036.27)                  |
| <b>Cash generated/(used) from operations</b>                                 | <b>(467.89)</b>             | <b>(882.51)</b>             |
| Taxes paid   | (28.42)                     | 12.79                       |
| <b>Net cash generated/(used) from operating activities</b>                   | <b>(496.31)</b>             | <b>(869.72)</b>             |
| <b>B. Cash Flow from Investing Activities</b>                                |                             |                             |
| Purchase of property, plant and equipment                                    | (1,053.30)                  | (3,174.59)                  |
| Capital Work in Progress   | 77.65                       | 775.16                      |
| Right-of-use   | -                           | 5.46                        |
| Proceeds from sale of Property Plant and Equipment                           | 50.28                       | -                           |
| Purchase of mutual funds   | -                           | (30.00)                     |
| Loan money received back   | 82.85                       | 5.74                        |
| Proceeds from Mutual funds   | 16.97                       | -                           |
| Proceeds from sale of investments  | 0.20                        | -                           |
| Purchase of Investments (Rs. 10/-)   | (0.00)                      | -                           |
| Interest income received   | 176.56                      | 56.09                       |
| Change in other bank balance and cash not available for immediate use        | (1,376.47)                  | 179.49                      |
| <b>Net Cash generated/(used) in investing activities</b>                     | <b>(2,025.26)</b>           | <b>(2,182.65)</b>           |

## STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

CONTD....)

(₹ in lakhs)

| Particulars  | Year Ended<br>31 March 2025 | Year Ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>C. Cash Flow from Financing Activities</b>                        |                             |                             |
| Proceeds from/ (repayment of) long term borrowings                   | 56.64                       | (12.04)                     |
| Proceeds from/ (repayment of) short term borrowings                  | 101.82                      | 329.97                      |
| Repayment of lease liabilities                                       | (78.78)                     | (59.34)                     |
| Proceed from share capital and securities premium                    | 2,000.00                    | -                           |
| Proceed/(utilization) from share warrant                             | 250.00                      | -                           |
| Interest and financial charges                                       | (22.56)                     | (41.20)                     |
| <b>Net increase from financing activities</b>                        | <b>2,307.12</b>             | <b>217.39</b>               |
| <b>Net increase/(decrease) in cash and cash equivalents</b>          | <b>(214.45)</b>             | <b>(2,834.98)</b>           |
| Opening balance of cash and cash equivalents                         | 886.63                      | 3,721.61                    |
| Closing balance of cash and cash equivalents                         | <b>672.18</b>               | <b>886.63</b>               |
| <b>Components of cash and cash equivalents as at end of the year</b> |                             |                             |
| Cash on hand   | 0.39                        | 18.61                       |
| Balances with banks  |                             |                             |
| - on current account   | 651.46                      | 427.48                      |
| - in term deposits with original maturity of 3 months or less        | 20.33                       | 440.54                      |
| <b>Cash and cash equivalents (Refer note 12)</b>                     | <b>672.18</b>               | <b>886.63</b>               |

**Note:-** The above statement of cash flows has been prepared under the indirect method as set out in IND AS 7, Statement of Cash Flows.

As per our report of even dated attached

For V.K. Khosla & Co.

Chartered Accountants

Firm Registration No.: 002283N

Sd/-

Amit Khosla

Partner

Membership No.: 095943

For and on behalf of Board of Directors

JHS Svendgaard Laboratories Limited

Sd/-

Nikhil Nanda

Managing Director

DIN : 00051501

Sd/-

Ashish Goel

Chief Financial Officer

Sd/-

Vinay Mittal

Director

DIN : 08232559

Sd/-

Paramvir Singh

Chief Executive Officer  
& Executive Director

Sd/-

Komal Jha

Company Secretary

Place : New Delhi

Date : 27 May 2025



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### Background

JHS Svendgaard Laboratories Limited ("the Company") is a Public Company domiciled in India and incorporated under the provisions of the Companies Act. The Company is engaged in manufacturing a range of oral and dental products for elite national and international brands. The main portfolio of the Company is to carry out manufacturing and exporting of oral care and hygiene products including toothbrushes, toothpastes, mouthwash, sanitizers and job work of detergent powder. The Company's shares are listed for trading on the National Stock Exchange of India Limited and the BSE Limited.

#### 1 Basis of preparation

##### a) Compliance with Indian Accounting Standard

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Division II IND AS Schedule III, unless otherwise stated.

These financial statements were approved by the Board of Directors on 27 May 2025.

##### b) Basis of measurement

The Financial Statements have been prepared under the historical cost convention on accrual basis, unless otherwise stated.

##### c) Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:

##### i. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and

the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Company reviews, at the end of each reporting date, the useful life of property, plant and equipment and changes, if any, are adjusted prospectively, if appropriate.

##### ii. Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

##### iii. Estimation of defined benefit obligation

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

##### iv. Estimation of deferred tax assets for carry forward losses and current tax expenses

The Company review carrying amount of deferred tax assets and Liabilities at the end of each reporting period. The policy for the same has been explained under Note No 2(d).

##### v. Impairment of trade receivables

The Company review carrying amount of Trade receivable at the end of each reporting period and provide for Expected Credit Loss based on estimate.

##### vi. Fair value measurement

Management uses valuation techniques in measuring the fair value of financial instrument where active market codes are not available. Details of assumption used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participant would use in pricing the instrument where application data is not observable, management uses its best estimate about the assumption that market participant would make. These estimates may vary from actual prices that would be achieved in an arm's length transaction at the reporting date.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

#### d) Others

Financial Statements has been prepared on a going concern basis in accordance with the applicable accounting standards prescribed in the Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs.

#### e) Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time 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.

#### f) Foreign currency translation

##### i) Functional and presentation currency

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates i.e. 'the functional currency'. The Financial Statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

##### ii) Transactions and balances

Foreign currency transactions are translated into the

functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currency at the reporting date exchange rates are recognized in the Statement of Profit and Loss. Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income/ expenses.

## 2 Summary of significant accounting policies

### a) Revenue recognition

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

#### Sale of goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been dispatched to the location of customer. Following dispatch, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are dispatched to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 10-15 days. The Company considers the effects of variable consideration, non-cash consideration, and consideration payable to the customer (if any).

#### Variable consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of goods provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

#### Contract balances

##### Trade receivables

A receivable represents the Company's right to 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 Note No 2(i) Financial assets – initial recognition and subsequent measurement.

##### Contract liabilities (which the Company refer to as advance from customer)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

The Company presents revenues net of indirect taxes in its Statement of Profit and Loss.

##### Cost to obtain a contract

The Company pays sales commission to its selling agents for each contract that they obtain for the Company. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in 'commission on sales' under other expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

**Costs to fulfil a contract** i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

##### Financing components

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

##### Rendering of services

Service income includes job work and its revenue is recognised when the performance obligation to render the services are completed as per contractually agreed terms.

#### b) Other revenue streams

##### Interest income

Interest income from debt instrument is recognised using the effective interest rate (EIR) method. EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options) but does not consider the expected credit losses.

##### Dividend income

Dividends are recognised in the Statement of Profit and Loss only when the Company's right to receive the payment is established.

##### Export incentives

Export incentives principally comprise of duty drawback. The benefit under these incentive schemes are available based on the guideline formulated for respective schemes by the government authorities. Duty drawback is recognized as revenue on accrual basis to the extent it is probable that realization is certain.

##### Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants which are revenue in nature and are towards compensation for the qualifying costs, incurred by the Company, are recognised as income in the Statement of Profit and Loss in the period in which such costs are incurred. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

#### c) Income taxes

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Statement of Profit and Loss except to the extent that it relates to an item which is recognised in other comprehensive income or directly in equity, in which case the tax is recognized in 'Other comprehensive income' or directly in equity, respectively.

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

##### Current tax

Current tax is based on tax rates applicable for respective

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

years on the basis of tax law enacted and substantively enacted at the end of the reporting period. The Company establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current is payable on taxable profit, which differs from profit and loss in financial statements. Current tax is charged to Statement of Profit and Loss. Provision for current tax is made after taking in to consideration benefits admissible under Income Tax Act, 1961.

#### Deferred tax

Deferred income taxes are calculated without discounting the temporary differences between carrying amounts of assets and liabilities and their tax base using the tax laws that have been enacted or substantively enacted by the reporting date. However deferred tax is not provided on the initial recognition of assets and liabilities unless the related transaction is business combination or affects tax or accounting profit. Tax losses available to be carried forward and other income tax credit available to the entity are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to utilize against future taxable income.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary differences will be utilized against future taxable income. This is assessed based on Company's forecast of future operating income at each reporting date.

Deferred tax assets and liabilities are offset where the entity has a right and intention to set off current tax assets and liabilities from the same taxation authority.

#### Minimum Alternative Tax (MAT)

Minimum Alternate Tax credit entitlement paid in accordance with tax laws, which gives rise to future economic benefit in form of adjustment to future tax liability, is considered as an asset to the extent management estimates its recovery in future years.

#### d) Leases

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

##### As a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the

right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

##### As a lessor

Lease income from operating leases where the Company is a lessor is recognised in the statement of profit and loss on a straight-line basis over the lease term.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### e) Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

For the purpose of assessing impairment, the smallest identifiable Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or Company of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized. An impairment loss recognized for goodwill is not reversed in subsequent periods.

During the year under review, the Company engaged a Chartered Engineer, to conduct a technical assessment of certain machinery and equipment at our manufacturing facility located in Kala-Amb, Himachal Pradesh. Based on a detailed physical inspection and technical evaluation, it was observed that a number of machines, primarily injection moulding and tube filling equipment, have become technologically obsolete and are no longer

supported by OEMs for service or spare parts. As a result, the operational efficiency of these assets has significantly declined.

Following the expert's recommendation, the carrying values of these assets have been impaired to reflect their recoverable (scrap/realisable) value. The total impairment charge recognized during the year amounts to ₹286 lakhs. This step is in line with the Company's prudent approach to asset management and financial reporting.

#### f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to know amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### g) Inventories

- (i) Raw materials, packaging materials and stores and spare parts are valued at the lower of weighted average cost and net realizable value. Cost includes purchase price, taxes (excluding levies or taxes subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. However, these items are considered to be realizable at cost if finished products in which they will be used are expected to be sold at or above cost.
- (ii) Work in progress, manufactured finished goods and traded goods are valued at the lower of weighted average cost and net realizable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.
- (iii) Provision for obsolescence on inventories is made on the basis of management's estimate based on demand and market of the inventories.
- (iv) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.
- (v) The comparison of cost and net realizable value is made on an item by item basis.

#### h) Investments and Other Financial Assets

##### (I) Classification

The Company classifies its financial assets in the following



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Initial measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### (iii) Subsequent measurement

##### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

● **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

● **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest

revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. At present no financial assets fulfil this condition.

● **Fair Value Through Profit or Loss(FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

##### Equity instruments

All equity investments in scope of Ind AS 109, are measured at fair value. At Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss, even on sale of investment. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gain/ (losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

##### Investments in subsidiaries

Investments are carried at cost less accumulated impairment losses, if any Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### (iv) Impairment of financial assets

For all financial assets with contractual cash flows other



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) for the period is recognised as expense/income in the Statement of Profit and Loss.

#### (v) De recognition of financial assets

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### i) Financial liabilities

##### Initial recognition and measurement

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.

##### Subsequent measurement

##### Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance costs in the profit or loss.

##### Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the operating cycle of the business. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

##### Borrowings

Borrowings are initially recognised at fair value, net of

transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

##### Derecognition

A financial liability is derecognized 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 recognized in the statement of profit or loss.

#### j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### k) Property plant and equipment

Freehold land is carried at historical cost. Other property, plant and equipment are stated at historical cost of acquisition net of recoverable taxes (wherever applicable), less accumulated depreciation and amortization, if any. Cost comprises the purchase price, any cost attributable to bringing the assets to its working condition for its intended use and initial estimate of costs of dismantling and removing the item and restoring the site if any.

Where cost of a part of the asset is significant to the total cost of the assets and useful lives of the part is different from the remaining asset, then useful life of the part is determined separately and accounted as separate component.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### l) Intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Cost of Internally generated asset comprises of all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create, produce

and make assets ready for its intended use.

Losses arising from retirement of , and gains or losses on disposals of intangible assets are determined as the difference between net disposal proceeds with carrying amount of assets and recognised as income or expenses in the Statement of Profit and Loss.

The Company has elected to continue with the carrying value for all of its intangible assets as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### m) Capital work in progress/ Intangible under development

Capital Work in progress/ Intangible under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost. Cost includes related acquisition expenses, development cost, borrowing cost (wherever applicable) and other direct expenditures.

The Company has elected to continue with the carrying value for all of its Capital Work in progress/ Intangible under development as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### n) Depreciation and amortization

Depreciation on property plant and equipment has been provided on straight line method in accordance with the provisions of Part C of Schedule II of the Companies Act 2013. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, except for moulds and dies, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Based on internal assessment and technical evaluation, the management has assessed useful lives of moulds and dies as five years, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation and amortization on addition to property plant and equipment is provided on pro rata basis from the date of assets are ready to use. Depreciation and amortization on sale/deduction from property plant and equipment is provided for upto the date of sale, deduction, discardment as the case may be.

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

All assets costing Rs. 5,000 or below are depreciated/ amortized by a one-time depreciation/amortization charge in the year of purchase.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

| Description            | Useful lives (upto) |
|------------------------|---------------------|
| Vehicle                | 8 years             |
| Computer               | 3 years             |
| Furniture & Fixture    | 10 years            |
| Computer Software      | 5 years             |
| Office Equipment       | 5 years             |
| Leasehold Improvements | 8 years             |
| Electronic Equipment   | 8 years             |
| Mould & Dies           | 5 years             |
| Plant & Machinery      | 15 years            |
| Computer network       | 6 years             |
| Factory Building       | 30 years            |
| Office Building        | 30 years            |
| Lab Equipment          | 10 years            |
| Technical Know How     | 5 years             |

#### o) Borrowing costs

Borrowing cost includes interest calculated using the effective interest rate method and amortization of ancillary cost incurred in connection with the arrangement of borrowings. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All Other borrowing costs are expensed in the period in which they are incurred.

#### p) Provisions, Contingent liabilities and Contingent assets

A Provision is recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be

confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

#### q) Employee Benefits :

##### (i) Short-term obligations

Short term benefits comprises of employee cost such as salaries and bonuses including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current employee benefit obligations in the Balance Sheet.

##### (ii) Post employment obligations

###### Defined benefit plans

###### Gratuity obligations

The Company provides for the retirement benefit in the form of Gratuity. The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### Defined contribution plans

##### Provident Fund

All the employees of the Company are entitled to receive benefits under Provident Fund, which is defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India.

##### Employee state insurance

Employees whose wages/salary is within the prescribed limit in accordance with the Employee State Insurance Act, 1948, are covered under this scheme. These contributions are made to the fund administered and managed by the Government of India. The Company's contributions to these schemes are expensed off in the Statement of Profit and Loss. The Company has no further obligations under the plan beyond its monthly contributions.

#### iii) Other long-term employee benefit obligations

##### Leave encashment

The liabilities for accumulated absents are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### Share-Based Payments

The Company recognises the goods or services received or acquired in a share-based payment transaction when it obtains the goods or as the services are received with a corresponding increase in equity if the goods or services were received in an equity-settled share-based payment transaction, or a liability if the goods or services were acquired in a cash-settled share-based payment transaction.

When the goods or services received or acquired do not qualify for recognition as assets, they are recognised as expenses.

For equity-settled share-based payment transactions, the

Company measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, the Company measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

If the equity instruments granted vest immediately, on grant date the Company recognises the services received in full, with a corresponding increase in equity.

#### r) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### s) Earnings per share

Basic earnings per equity share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity Shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period, are adjusted for events of bonus issued to existing shareholders.

For the purpose calculating diluted earnings per share, the net profit or loss attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any.

#### t) Segment reporting

In line with the provisions of Ind AS 108 Operating Segments, and on the basis of the review of operations by the Chief Operating Decision Maker (CODM), the operations of the Company fall under Manufacturing of Oral Care products, other than manufacturing business and retail operations.

#### u) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized 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 or 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). The Company has an established control framework with

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized 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 recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

#### v) **Assets held for Sale**

Non-current assets or disposal Companies comprising of assets and liabilities are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal Company) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal Company) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets or disposal Companies comprising of assets and liabilities classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

#### w) **Exceptional items**

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

#### 2.2. **Recent accounting pronouncements:**

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. On 31 March 2023, MCA amended the

Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

#### **IND AS 1 – Presentation of Financial Statements**

This amendment requires the companies to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and the impact of the amendment is significant in the standalone financial statements.

#### **Ind AS 12 – Income Taxes**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

#### **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

(₹ in lakhs)

### 3.1 Property, plant and equipment

| Particulars                          | Gross Block (at cost)     |                 |                           |                           | Accumulated depreciation & amortization |   |                           |                           | Net Block                 |                           |
|--------------------------------------|---------------------------|-----------------|---------------------------|---------------------------|---|---|---------------------------|---------------------------|---------------------------|---------------------------|
|                                      | As at<br>01 April<br>2024 | Additions       | Disposals/<br>adjustments | As at<br>31 March<br>2025 | As at<br>01 April<br>2024               | Depreciation & amorti-<br>zation for the year | Disposals/<br>adjustments | As at<br>31 March<br>2025 | As at<br>31 March<br>2025 | As at<br>31 March<br>2024 |
| <b>Property, plant and equipment</b> |                           |                 |                           |                           |   |   |                           |                           |                           |                           |
| Freehold land                        | 1,683.12                  | 248.43          | -                         | 1,931.54                  | -                                       | -   | -                         | -                         | 1,931.54                  | 1,683.12                  |
| Factory building                     | 2,595.63                  | 274.16          | -                         | 2,869.78                  | 584.93                                  | 96.85   | -                         | 681.78                    | 2,188.00                  | 2,010.69                  |
| Office building                      | 143.01                    | -               | -                         | 143.01                    | 42.45                                   | 6.08  | -                         | 48.53                     | 94.48                     | 100.56                    |
| Plant & machinery                    | 6,347.68                  | 111.90          | 1,050.72                  | 5,408.86                  | 2,491.46                                | 385.68  | 737.63                    | 2,139.51                  | 3,269.34                  | 3,856.22                  |
| Mould & dies                         | 543.31                    | 159.25          | -                         | 702.56                    | 364.35                                  | 54.19   | -                         | 418.54                    | 284.02                    | 178.96                    |
| Electronic equipment                 | 252.75                    | 13.46           | 17.71                     | 248.50                    | 171.17                                  | 10.68   | 6.02                      | 175.84                    | 72.66                     | 81.58                     |
| Lab equipment                        | 5.63                      | -               | -                         | 5.63                      | 4.94                                    | 0.03  | -                         | 4.98                      | 0.66                      | 0.69                      |
| Leasehold Improvements               | 160.55                    | -               | -                         | 160.55                    | 102.86                                  | 17.45   | -                         | 120.31                    | 40.25                     | 57.70                     |
| Furniture & fixture                  | 438.76                    | 160.05          | 0.39                      | 598.42                    | 101.60                                  | 40.33   | 0.09                      | 141.84                    | 456.58                    | 337.16                    |
| Office equipment                     | 74.16                     | 3.96            | -                         | 78.12                     | 39.96                                   | 4.45  | -                         | 44.42                     | 33.70                     | 34.20                     |
| Vehicle                              | 497.91                    | 60.06           | -                         | 557.97                    | 288.58                                  | 51.28   | -                         | 339.86                    | 218.11                    | 209.33                    |
| Computer                             | 12.74                     | 0.34            | -                         | 13.07                     | 9.52                                    | 1.07  | -                         | 10.60                     | 2.47                      | 3.21                      |
| Computer network                     | 0.27                      | -               | -                         | 0.27                      | 0.23                                    | -   | -                         | 0.23                      | 0.04                      | 0.04                      |
| <b>Total</b>                         | <b>12,755.52</b>          | <b>1,031.59</b> | <b>1,068.82</b>           | <b>12,718.29</b>          | <b>4,202.07</b>                         | <b>668.10</b>                                 | <b>743.73</b>             | <b>4,126.43</b>           | <b>8,591.85</b>           | <b>8,553.44</b>           |
| <b>Previous year</b>                 | <b>9,907.81</b>           | <b>2,847.76</b> | <b>0.05</b>               | <b>12,755.52</b>          | <b>3,633.28</b>                         | <b>568.83</b>                                 | <b>0.03</b>               | <b>4,202.07</b>           | <b>8,553.44</b>           | <b>6,274.52</b>           |

\*During the year under review, the Company has carried out a detailed physical inspection and technical evaluation wherein it was observed that some machines have become technologically obsolete and are no longer supported by OEMs for service or spare parts. Following the expert's recommendation, the carrying values of these assets have been impaired to reflect their recoverable (scrap/realisable) value.

### 3.2 Capital work-in-progress \*

(₹ in lakhs)

| Particulars            | As at<br>01 April 2024 | Additions    | Capitalised   | As at<br>31 March 2025 |
|------------------------|------------------------|--------------|---------------|------------------------|
| Land & building        | 1.15                   | -            | 1.15          | -                      |
| Mould                  | 0.06                   | -            | 0.06          | -                      |
| Plant & machinery      | 76.44                  | -            | 76.44         | -                      |
| Pre-operative expenses | 4.03                   | -            | 4.03          | -                      |
| <b>Total</b>           | <b>81.68</b>           | <b>-</b>     | <b>81.68</b>  | <b>-</b>               |
| <b>Previous year</b>   | <b>856.83</b>          | <b>73.87</b> | <b>849.01</b> | <b>81.68</b>           |

\*Capital work in progress ageing

Ageing for capital work in progress as at 31 March 2025

(₹ in lakhs)

| Particulars                    | Amount in capital work in progress for a period of |           |           |                   | Total |
|--------------------------------|--|-----------|-----------|-------------------|-------|
|                                | Less than 1year                                    | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress           | -  | -         | -         | -                 | -     |
| Projects temporarily suspended | -  | -         | -         | -                 | -     |



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### Ageing for capital work in progress as at 31 March 2024

(₹ in lakhs)

| Particulars                    | Amount in capital work in progress for a period of |           |           |                   | Total |
|--------------------------------|--|-----------|-----------|-------------------|-------|
|                                | Less than 1year                                    | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress           | 81.68  | -         | -         | -                 | 81.68 |
| Projects temporarily suspended | -  | -         | -         | -                 | -     |

### 3.3 Right of Use Assets

(₹ in lakhs)

| Particulars                 | Amount  |
|-----------------------------|---------|
| Balance as at 01 April 2024 | 146.47  |
| Additions                   | 28.65   |
| Deletions/Adjustment        | -       |
| Depreciation                | (62.90) |
| Balance as at 31 March 2025 | 112.23  |

### 3.4 Intangible assets

(₹ in lakhs)

| Particulars   | Gross Block (at cost) |           |                        | Accumulated depreciation & amortization |                     |  |                        | Net Block           |                     |
|---------------|-----------------------|-----------|------------------------|---|---------------------|--|------------------------|---------------------|---------------------|
|               | As at 01 April 2024   | Additions | Disposals/ adjustments | As at 31 March 2025                     | As at 01 April 2024 | Depreciation & amortization for the year | Disposals/ adjustments | As at 31 March 2025 | As at 31 March 2024 |
| Goodwill      | 79.61                 | -         | -                      | 79.61                                   | -                   | -  | -                      | 79.61               | 79.61               |
| <b>Total</b>  | <b>79.61</b>          | <b>-</b>  | <b>-</b>               | <b>79.61</b>                            | <b>-</b>            | <b>-</b>                                 | <b>-</b>               | <b>79.61</b>        | <b>79.61</b>        |
| Previous year | 79.61                 | -         | -                      | 79.61                                   | -                   | -  | -                      | 79.61               | 79.61               |

### 3.5 Other Intangible assets

(₹ in lakhs)

| Particulars        | Gross Block (at cost) |              |                        | Accumulated depreciation & amortization |                     |  |                        | Net Block           |                     |
|--------------------|-----------------------|--------------|------------------------|---|---------------------|--|------------------------|---------------------|---------------------|
|                    | As at 01 April 2024   | Additions    | Disposals/ adjustments | As at 31 March 2025                     | As at 01 April 2024 | Depreciation & amortization for the year | Disposals/ adjustments | As at 31 March 2025 | As at 31 March 2024 |
| Computer software  | 0.57                  | 18.90        | -                      | 19.47                                   | 0.57                | 1.29                                     | -                      | 1.86                | -                   |
| Trademark          | 7.25                  | -            | -                      | 7.25                                    | 7.03                | 0.15                                     | -                      | 7.18                | 0.22                |
| Technical know-how | 274.67                | 31.11        | -                      | 305.78                                  | 12.93               | 61.65                                    | -                      | 74.58               | 261.74              |
| Non Compete Fees   | 1.25                  | -            | -                      | 1.25                                    | 1.25                | -  | -                      | 1.25                | -                   |
| <b>Total</b>       | <b>283.74</b>         | <b>50.02</b> | <b>-</b>               | <b>333.76</b>                           | <b>21.79</b>        | <b>63.10</b>                             | <b>-</b>               | <b>84.87</b>        | <b>261.96</b>       |
| Previous year      | 9.07                  | 274.67       | -                      | 283.74                                  | 8.34                | 13.44                                    | -                      | 21.79               | 0.72                |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

(₹ in lakhs)

### 4 Financial Asset - Non Current Investments

| Particulars   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| <b>A Investments in Subsidiaries</b>  |                        |                        |
| (i) JHS Svendgaard Mechanical and Warehouse Private Limited   | 1.00                   | 1.00                   |
| <b>Total</b>  | <b>1.00</b>            | <b>1.00</b>            |
| <b>B Investments in Joint Ventures</b>  |                        |                        |
| (i) HWJHS Labs Private Limited  | -                      | 0.20                   |
| <b>Total</b>  | <b>-</b>               | <b>0.20</b>            |
| <b>C Investments carried at fair value through profit &amp; loss</b>  |                        |                        |
| Mutual Fund units (Quoted)  | 263.83                 | 244.46                 |
| ARG Outlier Media Private Limited   |                        |                        |
| 274 Compulsorily Convertible Participatory Preference shares of Rs.10/- each having issue price of Rs.36,558.07 | 100.17                 | 100.17                 |
| <b>Total</b>  | <b>364.00</b>          | <b>344.63</b>          |
| <b>C Aggregate amount of investments (A+B)</b>  | <b>365.00</b>          | <b>345.83</b>          |
| <b>Aggregate amount of unquoted investment at cost</b>  | <b>101.17</b>          | <b>101.37</b>          |
| <b>Aggregate amount of quoted investment at cost</b>  | <b>187.77</b>          | <b>200.00</b>          |
| <b>Aggregate market value of quoted investment</b>  | <b>263.83</b>          | <b>244.46</b>          |

### 5 Financial Asset - Non - current loans

(₹ in lakhs)

| Particulars                       | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------|------------------------|------------------------|
| <b>Unsecured, considered good</b> |                        |                        |
| Loans to others                   | 74.21                  | 155.25                 |
|                                   | <b>74.21</b>           | <b>155.25</b>          |

### 6 Other non- current financial assets

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Deposits with banks having maturity period of more than twelve months* | 274.49                 | 51.80                  |
| Advance to employee  | -                      | 3.65                   |
| Interest receivables   | -                      | 2.11                   |
| Security deposit with others   | 49.40                  | -                      |
| Security deposit with related party                                    | 33.77                  | 68.83                  |
|  | <b>357.66</b>          | <b>126.40</b>          |

\* includes pledged & margin money deposited with various government authorities amounting to Rs. 48.27 lakhs (31 March 2024: Rs. 22.51 lakhs).

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 7 Deferred tax assets (net)

(a) The balance comprises temporary differences attributable to:

(₹ in lakhs)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| <b>Deferred tax liability on account of:</b> |                        |                        |
| Property, plant and equipment                | (576.25)               | (571.15)               |
| Financial assets at FVTPL                    | (19.77)                | (5.68)                 |
| Lease Liabilities                            | (34.21)                | (40.84)                |
| <b>Sub Total</b>                             | <b>(630.24)</b>        | <b>(617.66)</b>        |
| <b>Deferred tax asset on account of:</b>     |                        |                        |
| Provision for bonus                          | 2.07                   | 5.82                   |
| Provision for doubtful debts                 | 43.69                  | 206.21                 |
| Provision for obsolete stock                 | 68.38                  | 0.21                   |
| Provision for gratuity                       | 40.20                  | 35.74                  |
| Provision for doubtful advance               | 118.59                 | (0.12)                 |
| Provision for leave encashment               | 3.00                   | 5.43                   |
| Right-of-use assets                          | 29.18                  | 38.08                  |
| Security Deposit                             | (0.05)                 | (0.58)                 |
| Other temporary differences                  | -                      | (2.30)                 |
| Tax losses carried forward                   | 347.63                 | 1,049.64               |
| Government grant                             | -                      | 33.91                  |
| MAT credit entitlement                       | 307.86                 | 297.85                 |
| <b>Sub Total</b>                             | <b>960.55</b>          | <b>1,669.90</b>        |
| <b>Net deferred tax (liability)/asset</b>    | <b>330.31</b>          | <b>1,052.23</b>        |

(b) Movement in deferred tax balances:

(₹ in lakhs)

|                                 | Provision for<br>employment<br>benefit | Property,<br>Plant and<br>Equipment | Tax losses<br>carried<br>forward | Others        | Total           |
|---------------------------------|--|-------------------------------------|----------------------------------|---------------|-----------------|
| <b>At 31 March 2023</b>         | 42.88                                  | (442.94)                            | 974.83                           | 553.06        | 1,127.83        |
| Charged/(Credited):             |  |                                     |                                  |               |                 |
| -directly in equity             | -                                      | -                                   | -                                | -             | -               |
| - to profit or loss             | 5.75                                   | (128.21)                            | 74.82                            | (26.31)       | (73.96)         |
| - to other comprehensive income | (1.64)                                 | -                                   | -                                | -             | (1.64)          |
| <b>At 31 March 2024</b>         | <b>46.99</b>                           | <b>(571.15)</b>                     | <b>1,049.64</b>                  | <b>526.75</b> | <b>1,052.23</b> |
| Charged/(Credited):             |  |                                     |                                  |               |                 |
| -directly in equity             | -                                      | -                                   | -                                | -             | -               |
| - to profit or loss             | 1.37                                   | (5.10)                              | (702.02)                         | (13.09)       | (718.84)        |
| - to other comprehensive income | (3.08)                                 | -                                   | -                                | -             | (3.08)          |
| <b>At 31 March 2025</b>         | <b>45.28</b>                           | <b>(576.25)</b>                     | <b>347.63</b>                    | <b>513.66</b> | <b>330.31</b>   |

\*The Company has reviewed the virtual certainty of its carry-forward losses, assessing both their nature and adjustability against future business income. Given that these losses were of capital nature, time-barred, and restricted under Section 72A of the Income Tax Act, they are not eligible for adjustment. Consequently, the Company has revised its Deferred Tax Asset (DTA) by Rs. 710.43 lakhs approx. and has recognized the impact of this adjustment in the financial statements for the period under review.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 8 Non current tax assets (net)

(₹ in lakhs)

| Particulars                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Advance income tax and tax deducted at source | 103.40                 | 95.70                  |
|   | <b>103.40</b>          | <b>95.70</b>           |

### 9 Other non current assets

(₹ in lakhs)

| Particulars                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Capital advance*                              |                        |                        |
| Unsecured (considered good)                   | 4,959.19               | 4,967.45               |
| Less: Provision for doubtful capital advances | (456.10)               | (464.71)               |
| Prepaid expenses                              | 2.63                   | 1.24                   |
| Deferred rent expense                         | 7.68                   | 0.00                   |
|   | <b>4,513.40</b>        | <b>4,503.98</b>        |

\* The Company had given capital advances in earlier years amounting to Rs. 2886.24 lakhs (Net of provision amounting to Rs. 398.19 lakhs) (outstanding balance as on 31st March 2024 - Rs. 3011.15 lakhs) to various parties for capital projects for setting up new product manufacturing facilities in Himachal Pradesh ("H.P.") and Rs. 1328.30 lakhs (outstanding balance as on 31st March 2024 - Rs. 1328.30 lakhs) through its wholly owned subsidiary, towards pre-emption rights in the upcoming project in Union Territory of Jammu & Kashmir ("J&K").

In lieu of the company's expansion plans and based on confirmation received from some of the parties for supply, the management of the company is confident of the utilization of such advances in its future projects. Considering the above stated facts and discussion with the parties, the management is confident that above stated outstanding capital advances of Rs. 3011.15 lakhs and Rs. 1328.30 lakhs will be realised/set off against supply of goods / services in near future. Accordingly, in the opinion of the management, above stated amounts are good and fully recoverable. Hence, management has considered not necessary to make any additional provision at this stage.

### 10 Inventories

(Valued at lower of cost or net realisable value)

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Raw materials  | 559.70                 | 532.78                 |
| Packing material   | 408.83                 | 350.95                 |
| Work-in-progress   | 192.12                 | 172.56                 |
| Finished goods   | 219.60                 | 142.78                 |
| Stores and spares  | 71.11                  | 66.70                  |
| Less: Provision for obsolescence & diminution in value*      | (263.02)               | (0.80)                 |
|  | <b>1,188.34</b>        | <b>1,264.97</b>        |
| <b>*Provision for obsolescence &amp; diminution in value</b> |                        |                        |
| Opening balance  | 0.80                   | 0.80                   |
| Addition during the year                                     | 263.02                 | -                      |
| Used during the year   | -                      | -                      |
| Reversed during the year                                     | (0.80)                 | -                      |
| <b>Closing balance</b>                                       | <b>263.02</b>          | <b>0.80</b>            |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

\*As part of an enhanced inventory evaluation exercise carried out during the year, the Company identified certain obsolete and non-moving inventories. Accordingly, provisions have been made to reflect inventories at cost/NRV, whichever is lower.

#### 11 Financial Asset - Trade receivables

Refer note. 2(a) for accounting policy on trade receivable

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Trade receivables considered good - Secured                      | -                      | -                      |
| Trade receivables considered good - Unsecured                    | 1,305.91               | 1,287.96               |
| Trade receivables which have significant increase in credit risk | -                      | -                      |
| Trade receivables - credit impaired                              | -                      | -                      |
| Less: Allowance for Expected Credit Loss                         | -                      | -                      |
|  | <b>1,305.91</b>        | <b>1,287.96</b>        |

\*During the year under review, the company has carried out a detailed inspection of its trade receivables wherein it has observed uncertainty with respect to recoverability of a certain amount and thus made a provision of Rs. 168.02 lakhs and write off amounting to Rs. 33.72 lakhs.

#### Ageing for trade receivables - current outstanding as at 31 March 2025:

(₹ in lakhs)

| Particulars   | Unbilled | Not Due | Outstanding for following periods from due date of Payment |                   |             |             |                   | Total    |
|---|----------|---------|--|-------------------|-------------|-------------|-------------------|----------|
|   |          |         | Less than 6 months   | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |          |
| Trade receivables   |          |         |  |                   |             |             |                   |          |
| Undisputed trade receivables – considered good                                | -        | -       | 1,110.87   | 112.71            | -           | 44.32       | 38.01             | 1,305.91 |
| Undisputed trade receivables – which have significant increase in credit risk | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Undisputed trade receivables – credit impaired                                | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – considered good                                  | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – which have significant increase in credit risk   | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – credit impaired                                  | -        | -       | -  | -                 | -           | -           | -                 | -        |

#### Ageing for trade receivables -current outstanding as at 31 March 2024:

(₹ in lakhs)

| Particulars   | Unbilled | Not Due | Outstanding for following periods from due date of Payment |                   |             |             |                   | Total    |
|---|----------|---------|--|-------------------|-------------|-------------|-------------------|----------|
|   |          |         | Less than 6 months   | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |          |
| Trade receivables   |          |         |  |                   |             |             |                   |          |
| Undisputed trade receivables – considered good                                | -        | -       | 806.65   | 234.04            | 104.35      | 10.52       | 132.40            | 1,287.96 |
| Undisputed trade receivables – which have significant increase in credit risk | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Undisputed trade receivables – credit impaired                                | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – considered good                                  | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – which have significant increase in credit risk   | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – credit impaired                                  | -        | -       | -  | -                 | -           | -           | -                 | -        |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 12 Financial Asset - Cash and cash equivalents

(₹ in lakhs)

| Particulars   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Cash on hand  | 0.39                   | 18.61                  |
| Balance with bank   |                        |                        |
| - current account   | 651.46                 | 427.48                 |
| - deposits with banks with original maturity of less than 3 months* | 20.33                  | 440.54                 |
|   | <b>672.18</b>          | <b>886.63</b>          |

\* includes pledged & margin money deposited against cash credit with banking authorities amounting to Rs. Nil lakhs as on 31 March 2025 (31 March 2024: Rs.440.54 lakhs)

### 13 Financial Asset - Bank balances other than cash and cash equivalents

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Deposits with banks with original maturity of more than 3 months but maturity less than 12 months* | 1,279.79               | 126.01                 |
|  | <b>1,279.79</b>        | <b>126.01</b>          |

\* includes pledged & margin money deposits with various government authorities amounting to Rs. 102.79 lakhs as on 31 March 2025 (31 March 2024: Rs. 90.88 lakhs)

### 14 Financial Asset - Current loans

(₹ in lakhs)

| Particulars                | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------|------------------------|------------------------|
| Unsecured, considered good |                        |                        |
| Loan to others             | -                      | 1.80                   |
|                            | <b>-</b>               | <b>1.80</b>            |

\* Loan is receivable within a period of 12 months at interest rate in the range of 7.5% p.a. to 8% p.a.

### 15 Other current financial assets

(₹ in lakhs)

| Particulars           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------|------------------------|------------------------|
| Interest receivables* | 45.64                  | 96.99                  |
| Other receivables     | (0.00)                 | 9.49                   |
| Advance to employees  | 1.59                   | -                      |
|                       | <b>47.23</b>           | <b>106.48</b>          |

\* Interest receivable includes interest on employee advances and interest on loan to subsidiaries amounting to Rs. 27.45 Lakhs (31 March 2024 - Rs. 60.84 Lakhs)

### 16 Other current assets

(Unsecured, considered good, unless otherwise specified)

(₹ in lakhs)

| Particulars                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Prepaid expenses                               | 15.49                  | 19.39                  |
| Balances with statutory/government authorities | 144.22                 | 163.60                 |
| Imprest to employees                           | 0.84                   | 2.63                   |
| Advance to suppliers                           | 708.79                 | 482.71                 |
| Export incentive receivables                   | 1.70                   | 0.31                   |
|  | <b>871.04</b>          | <b>668.64</b>          |





## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 17 Current Tax Assets (Net)

(₹ in lakhs)

| Particulars                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Advance income tax and tax deducted at source | 15.90                  | -                      |
|   | <b>15.90</b>           | -                      |

### 18 Equity share capital

(₹ in lakhs)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| a) <b>Authorised</b>  |                        |                        |
| 10,10,00,000 Equity shares of ₹10/- each<br>(31 March 2024: 10,10,00,000 Equity shares of ₹10/- each) | 10,100.00              | 10,100.00              |
| b) <b>Issued, subscribed &amp; fully paid up</b>  |                        |                        |
| 8,56,03,966 Equity shares of ₹10/- each;<br>(31 March 2024: 7,83,96,762 Equity shares of ₹10/- each)  | 8,560.40               | 7,839.68               |
| <b>Total</b>  | <b>8,560.40</b>        | <b>7,839.68</b>        |

### c) Reconciliation of number of equity shares and share capital outstanding

(₹ in lakhs)

| Particulars                           | As at 31 March 2025 |                 | As at 31 March 2024 |                 |
|---------------------------------------|---------------------|-----------------|---------------------|-----------------|
|                                       | No. of Shares       | (₹ in lakhs)    | No. of Shares       | (₹ in lakhs)    |
| At the beginning of the year          | 78,396,762          | 7,839.68        | 78,396,762          | 7,839.68        |
| Add : Shares issued during the year * | 7,207,204           | 720.72          | -                   | -               |
| <b>At the end of the year</b>         | <b>85,603,966</b>   | <b>8,560.40</b> | <b>78,396,762</b>   | <b>7,839.68</b> |

### d) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share referred to herein as equity share. Each holder of equity shares is entitled to one vote per share held.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case where interim dividend is distributed. During the year ended 31 March, 2025 and 31 March, 2024, no dividend has been declared by the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amount will be in proportion to the number of equity shares held by the shareholders.

### e) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

No shares were issued to the shareholders for consideration other than cash during the period of five years immediately preceding the reporting date.

### f) Detail of shareholders holding more than 5% shares in the Company

|                                    | As at 31 March 2025 |              | As at 31 March 2024 |              |
|------------------------------------|---------------------|--------------|---------------------|--------------|
|                                    | No. of Shares       | % of holding | No. of Shares       | % of holding |
| Nikhil Nanda                       | 26,494,102          | 30.95%       | 26,494,102          | 33.79%       |
| Sixth Sense India Opportunities II | -                   | 0.00%        | 4,867,185           | 6.21%        |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

g) Details of promoters shareholding

| Shares held by promoter at the end of the year<br>Promoter Name | As at 31 March 2025 |                   | As at 31 March 2024 |                   | % Change during the year |
|---|---------------------|-------------------|---------------------|-------------------|--------------------------|
|   | Number of shares    | % of total shares | Number of shares    | % of total shares |                          |
| Mr. Nikhil Nanda  | 26,494,102          | 30.95%            | 26,494,102          | 33.79%            | -2.85%                   |
| Late Mr. Harish Chander Nanda*                                  | 19,731              | 0.02%             | 19,731              | 0.03%             | 0.00%                    |
| Mr. Diljit Singh Grewal   | 1,500               | 0.00%             | 1,500               | 0.00%             | 0.00%                    |
| Mrs. Shushma Nanda  | 3,065,985           | 3.58%             | 3,065,985           | 3.91%             | -0.33%                   |

| Shares held by promoter at the end of the year<br>Promoter Name | As at 31 March 2024 |                   | As at 31 March 2023 |                   | % Change during the year |
|---|---------------------|-------------------|---------------------|-------------------|--------------------------|
|   | Number of shares    | % of total shares | Number of shares    | % of total shares |                          |
| Mr. Nikhil Nanda  | 26,494,102          | 33.79%            | 26,494,102          | 33.79%            | 0.00%                    |
| Late Mr. Harish Chander Nanda*                                  | 19,731              | 0.03%             | 19,731              | 0.03%             | 0.00%                    |
| Mr. Diljit Singh Grewal   | 1,500               | 0.00%             | 1,500               | 0.00%             | 0.00%                    |
| Mrs. Shushma Nanda  | 3,065,985           | 3.91%             | 3,065,985           | 3.91%             | 0.00%                    |

\* Transmission of shares is under process.

19 Other Equity

A Summary of Other Equity Balance

(₹ in lakhs)

| Particulars                           | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---------------------------------------|------------------------|------------------------|
| Capital reserves                      | (313.16)               | (313.16)               |
| Securities premium                    | 12,314.68              | 11,035.39              |
| General reserves                      | 6.68                   | 6.68                   |
| Retained earnings                     | (3,526.96)             | (1,553.11)             |
| Other comprehensive income            | 21.60                  | 12.83                  |
| Money Received against Share warrants | 250.00                 | -                      |
| <b>Total</b>                          | <b>8,752.84</b>        | <b>9,188.63</b>        |

a) Capital reserves

(₹ in lakhs)

|                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------|------------------------|------------------------|
| Opening balance                   | (313.16)               | (313.16)               |
| Addition/Deletion during the year | -                      | -                      |
| <b>Closing balance (A)</b>        | <b>(313.16)</b>        | <b>(313.16)</b>        |

b) Securities premium

(₹ in lakhs)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Opening balance   | 11,035.39              | 11,035.39              |
| Add : Premium on shares issued through preferential allotment | 1,279.29               | -                      |
| <b>Closing balance (B)</b>                                    | <b>12,314.68</b>       | <b>11,035.39</b>       |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

|  |                        | (₹ in lakhs)           |
|--|------------------------|------------------------|
| <b>c) General reserves</b>   |                        |                        |
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Opening balance  | 6.68                   | 6.68                   |
| Addition during the year   | -                      | -                      |
| <b>Closing balance (C)</b>   | <b>6.68</b>            | <b>6.68</b>            |
| <b>d) Retained earnings</b>  |                        | (₹ in lakhs)           |
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Opening balance  | (1,553.11)             | (1,153.52)             |
| Add: Profit/ (Loss) for the year transferred from the Statement of Profit and Loss | (1,973.85)             | (405.06)               |
| Less: Adjustment pertaining to a loan given to shareholder                         | -                      | 5.47                   |
| <b>Closing balance (D)</b>   | <b>(3,526.96)</b>      | <b>(1,553.11)</b>      |
| <b>e) Other comprehensive income</b>   |                        | (₹ in lakhs)           |
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Opening balance  | 12.83                  | 8.18                   |
| Add: Remeasurement of net defined benefit plans                                    | 8.78                   | 4.65                   |
| <b>Closing balance (E)</b>   | <b>21.60</b>           | <b>12.83</b>           |
| <b>f) Money Received against Share warrants</b>                                    |                        | (₹ in lakhs)           |
|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Opening balance  | -                      | -                      |
| Add: Issued during the year  | 250.00                 | -                      |
| <b>Closing balance (F)</b>   | <b>250.00</b>          | <b>-</b>               |
| <b>Total other equity (A+B+C+D+E+F)</b>  | <b>8,752.83</b>        | <b>9,188.62</b>        |

### B Nature and purpose of reserve

#### a) Capital reserve

A capital reserve is an account in the equity section of the balance sheet that can be used for contingencies or to offset capital losses. It is derived from the accumulated capital surplus of a company, created out of capital profit. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

#### b) Security premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

#### c) General reserve

This represents appropriation of profit by the Company and is available for distribution of dividend.

#### d) 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.

#### e) Other comprehensive income

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 20 Financial liabilities

(i) Borrowings (₹ in lakhs)

|                | Non current            |                        | Current                |                        |
|----------------|------------------------|------------------------|------------------------|------------------------|
|                | As at<br>31 March 2025 | As at<br>31 March 2024 | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Secured</b> |                        |                        |                        |                        |
| Cash Credit    | -                      | -                      | 430.28                 | 331.29                 |
| Term Loan      | 21.00                  | -                      | -                      | -                      |
| Vehicle loans  |                        |                        |                        |                        |
| - from banks   | 47.53                  | 11.89                  | 15.46                  | 12.64                  |
|                | <b>68.53</b>           | <b>11.89</b>           | <b>445.74</b>          | <b>343.92</b>          |

(ii) Lease liabilities (₹ in lakhs)

|                                    | Non current            |                        | Current                |                        |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                    | As at<br>31 March 2025 | As at<br>31 March 2024 | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Lease liability on office building | 52.05                  | 104.85                 | 79.53                  | 52.21                  |
|                                    | <b>52.05</b>           | <b>104.85</b>          | <b>79.53</b>           | <b>52.21</b>           |

### 21 Provisions

(₹ in lakhs)

|  | Non Current            |                        | Current                |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Provision for employee benefits - Gratuity         | 139.90                 | 128.28                 | 14.73                  | 10.85                  |
| Provision for employee benefits - Leave encashment | 10.67                  | 19.43                  | 0.88                   | 1.46                   |
|  | <b>150.57</b>          | <b>147.71</b>          | <b>15.61</b>           | <b>12.31</b>           |

### 22 Other non current liabilities

(₹ in lakhs)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Deferred government grant- non current part(refer note 38) | 102.15                 | 118.90                 |
|  | <b>102.15</b>          | <b>118.90</b>          |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### Terms of borrowings and security from banks/others

| S. No. | Bank/ Party | Description            | 3/31/2025 |             | 3/31/2024 |             | Repayment schedule  | Installments frequency | Interest rate p.a |
|--------|-------------|------------------------|-----------|-------------|-----------|-------------|---|------------------------|-------------------|
|        |             |                        | Current   | Non-Current | Current   | Non-Current |   |                        |                   |
| 1      | SIDBI       | Term Loan              | -         | 21.00       | -         | -           | The original repayment schedule is given below:<br>1. 1 installment during F.Y. 2025-26<br>2. 12 installment during F.Y. 2026-27<br>3. 12 installment during F.Y. 2027-28<br>4. 12 installment during F.Y. 2028-29<br>5. 11 installment during F.Y. 2029-30   | Monthly                | 8.45%             |
| 2      | HDFC Bank   | Vehicle Loan - Jeep    | 2.15      | -           | 4.84      | 2.15        | The original repayment schedule is given below:<br>1. 7 installment during F.Y. 2020-21<br>2. 12 installment during F.Y. 2021-22<br>3. 12 installment during F.Y. 2022-23<br>4. 12 installment during F.Y. 2023-24<br>5. 12 installment during F.Y. 2024-25<br>6. 5 installment during F.Y. 2025-26   | Monthly                | 8%                |
| 3      | HDFC Bank   | Vehicle Loan - Ertiga  | 1.01      | -           | 2.26      | 1.01        | The original repayment schedule is given below:<br>1. 7 installment during F.Y. 2020-21<br>2. 12 installment during F.Y. 2021-22<br>3. 12 installment during F.Y. 2022-23<br>4. 12 installment during F.Y. 2023-24<br>5. 12 installment during F.Y. 2024-25<br>6. 5 installment during F.Y. 2025-26   | Monthly                | 8.10%             |
| 4      | HDFC Bank   | Vehicle Loan - Innova  | 5.04      | 3.24        | 4.70      | 8.61        | The original repayment schedule is given below:<br>1. 4 installment during F.Y. 2021-22<br>2. 12 installment during F.Y. 2022-23<br>3. 12 installment during F.Y. 2023-24<br>4. 12 installment during F.Y. 2024-25<br>5. 12 installment during F.Y. 2025-26<br>6. 8 installment during F.Y. 2026-27   | Monthly                | 7.30%             |
| 5      | HDFC Bank   | Vehicle Loan - XUV 700 | 3.95      | 19.05       | -         | -           | The original repayment schedule is given below:<br>1. 2 installment during F.Y. 2024-25<br>2. 12 installment during F.Y. 2025-26<br>3. 12 installment during F.Y. 2026-27<br>4. 12 installment during F.Y. 2027-28<br>5. 12 installment during F.Y. 2028-29<br>6. 10 installment during F.Y. 2029-30  | Monthly                | 9.10%             |
| 6      | HDFC Bank   | Vehicle Loan - BYD     | 3.19      | 25.23       | -         | -           | The original repayment schedule is given below:<br>1. 3 installment during F.Y. 2024-25<br>2. 12 installment during F.Y. 2025-26<br>3. 12 installment during F.Y. 2026-27<br>4. 12 installment during F.Y. 2027-28<br>5. 12 installment during F.Y. 2028-29<br>6. 12 installment during F.Y. 2029-30<br>7. 12 installment during F.Y. 2030-31<br>8. 9 installment during F.Y. 2031-32 | Monthly                | 8.95%             |
| 7      | ICICI Bank  | Vehicle Loan - ECO     | 0.13      | -           | 0.84      | 0.13        | The original repayment schedule is given below:<br>1. 4 installment during F.Y. 2019-20<br>2. 12 installment during F.Y. 2020-21<br>3. 12 installment during F.Y. 2021-22<br>4. 12 installment during F.Y. 2022-23<br>5. 12 installment during F.Y. 2023-24<br>6. 12 installment during F.Y. 2024-25<br>7. 1 installment during F.Y. 2025-26  | Monthly                | 9.50%             |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 23 Trade payables

(₹ in lakhs)

| Particulars                                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Due to micro & small enterprises (Refer note 49) | 392.22                 | 381.94                 |
| Due to others                                    | 951.52                 | 1,027.56               |
|  | <b>1,343.75</b>        | <b>1,409.51</b>        |

Disclosure under the Micro, small and medium enterprises development Act, (27 of 2006) ("MSMED ACT 2006")

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| <b>Total outstanding dues of micro and small enterprises (as per the intimation received from vendors)</b>   |                        |                        |
| a) Amount remaining unpaid to any supplier at the end of each accounting year:   |                        |                        |
| Principal  | 390.42                 | 381.94                 |
| Interest   | 1.81                   | -                      |
| b) Interest paid by the Company in terms of Section 16 of the Micro, Small and - Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.                               | -                      | -                      |
| c) Interest due and payable for the period of delay in making payment (which - have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006. | -                      | -                      |
| d) Interest accrued and remaining unpaid   | -                      | -                      |
| e) Interest remaining due and payable even in the succeeding years, until - such date when the interest dues as above are actually paid to the small enterprises.  | -                      | -                      |

#### f) Trade payable ageing schedule

Outstanding for following periods from due date of payment as at 31 March 2025

(₹ in lakhs)

| Particular             | Not Due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total  |
|------------------------|---------|------------------|-------------|-------------|-------------------|--------|
| <b>Trade payables</b>  |         |                  |             |             |                   |        |
| MSME*                  | -       | 385.06           | 1.41        | 5.74        | 0.02              | 392.22 |
| Others                 | -       | 913.26           | 13.89       | 18.95       | 5.42              | 951.52 |
| Disputed dues - MSME   | -       | -                | -           | -           | -                 | -      |
| Disputed dues - Others | -       | -                | -           | -           | -                 | -      |

Outstanding for following periods from due date of payment as at 31 March 2024

(₹ in lakhs)

| Particular             | Not Due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total    |
|------------------------|---------|------------------|-------------|-------------|-------------------|----------|
| <b>Trade payables</b>  |         |                  |             |             |                   |          |
| MSME*                  | -       | 381.78           | 0.16        | -           | -                 | 381.94   |
| Others                 | -       | 871.49           | 87.91       | 66.99       | 1.19              | 1,027.56 |
| Disputed dues - MSME   | -       | -                | -           | -           | -                 | -        |
| Disputed dues - Others | -       | -                | -           | -           | -                 | -        |

### 24 Other current financial liabilities

(₹ in lakhs)

| Particulars   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Interest accrued but not due on borrowings                | 0.38                   | 0.15                   |
| Payable to employees                                      | 93.33                  | 147.51                 |
| Payable towards purchase of property, plant and equipment | 315.91                 | 295.16                 |
| Expenses Payable  | 71.11                  | -                      |
|   | <b>480.72</b>          | <b>442.83</b>          |

\*there are no amounts due for payments to the Investors Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31 March 2025 (31 March 2024 - Nil).



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 25 Other current liabilities

(₹ in lakhs)

| Particulars                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------|------------------------|------------------------|
| Statutory dues                   | 27.91                  | 39.50                  |
| Advance received from customers  | 63.02                  | 16.05                  |
| Government grant (refer note 38) | 14.14                  | 14.14                  |
| Payable to employees             | -                      | 2.92                   |
|                                  | <b>105.08</b>          | <b>72.61</b>           |

### 26 Revenue from operations

(₹ in lakhs)

| Particulars  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>Revenue from contracts with customers*</b>      |                             |                             |
| Sale of manufactured goods-Oral Care products      | 8,774.96                    | 6,520.20                    |
| Sale of packing material/raw material/traded Goods | 351.42                      | 460.38                      |
| <b>Other operating revenue</b>                     |                             |                             |
| Scrap sales  | 73.35                       | 99.24                       |
| <b>Revenue from Operations</b>                     | <b>9,199.73</b>             | <b>7,079.82</b>             |

\* It represents disaggregated revenue information in accordance with IND AS 115.

The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at year end are, as follows:

(₹ in lakhs)

| Particulars                                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Advances from customers (refer note no. 24) | 63.02                       | 18.44                       |

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

### 27 Other income

(₹ in lakhs)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Interest income on fixed deposits                       | 78.05                       | 11.40                       |
| Interest income from financial assets at amortised cost | 4.51                        | 44.67                       |
| Interest income - Others                                | 39.81                       | -                           |
| Export incentives                                       | 7.33                        | 0.31                        |
| Government grant (refer note 38)                        | 14.14                       | 15.07                       |
| Profit/loss on modification of lease liability          | -                           | 69.48                       |
| Foreign exchange gain (net)                             | 0.41                        | -                           |
| Profit on sale of investments                           | 4.74                        | -                           |
| Miscellaneous income                                    | 22.04                       | 209.18                      |
| Profit on sale of fixed assets                          | 5.93                        | 0.15                        |
| Net gain on financial asset measured at FVTPL           | 31.60                       | 28.49                       |
| Shipping charges recovered                              | -                           | 0.55                        |
| Miscellaneous balance written back                      | 79.15                       | 52.14                       |
|   | <b>287.71</b>               | <b>431.44</b>               |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 28 Cost of materials consumed

(₹ in lakhs)

| Particulars                               | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>(i) Cost of raw materials consumed</b> |                             |                             |
| Stock at the beginning of the year        | 532.78                      | 381.71                      |
| Add: Purchases raw material               | 3,137.76                    | 2,434.40                    |
| Less: Stock at the end of the year        | (559.70)                    | (532.78)                    |
| Net off Provision for obsolete stock      | 28.77                       | -                           |
|   | <b>3,139.61</b>             | <b>2,283.33</b>             |
| <b>Cost of packing materials consumed</b> |                             |                             |
| Stock at the beginning of the year        | 350.95                      | 404.61                      |
| Add: Purchases packaging                  | 2,540.62                    | 1,746.40                    |
| Less: Stock at the end of the year        | (408.83)                    | (350.95)                    |
| Net off Provision for obsolete stock      | 123.39                      | -                           |
|   | <b>2,606.14</b>             | <b>1,800.06</b>             |
|   | <b>5,745.75</b>             | <b>4,083.39</b>             |

### (ii) Purchases of stock in trade

(₹ in lakhs)

| Particulars                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------|-----------------------------|-----------------------------|
| Purchases of stock in trade | 308.19                      | 20.92                       |
| Purchases of finished goods | -                           | 180.56                      |
|                             | <b>308.19</b>               | <b>201.48</b>               |

### 29 Changes in inventories of finished goods, work in progress and stock-in-trade

(₹ in lakhs)

| Particulars                          | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------|-----------------------------|-----------------------------|
| <b>Finished goods</b>                |                             |                             |
| At the beginning of the year         | 142.78                      | 230.12                      |
| Less: At the end of the year         | (219.60)                    | (142.78)                    |
| Net off Provision for obsolete stock | 77.71                       | -                           |
|                                      | <b>0.89</b>                 | <b>87.35</b>                |
| <b>Work-in-progress</b>              |                             |                             |
| At the beginning of the year         | 172.56                      | 116.76                      |
| Add: Purchases                       | 39.36                       | 101.10                      |
| Less: At the end of the year         | (192.12)                    | (172.56)                    |
| Net off Provision for obsolete stock | 29.59                       | -                           |
|                                      | <b>49.39</b>                | <b>45.30</b>                |
|                                      | <b>50.28</b>                | <b>132.65</b>               |

### 30 Employee benefits expenses

(₹ in lakhs)

| Particulars                                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Salaries, wages, bonus and other allowances | 919.13                      | 821.77                      |
| Contribution to provident and other funds   | 42.30                       | 48.79                       |
| Workmen and staff welfare expenses          | 28.78                       | 23.35                       |
| Gratuity                                    | 30.87                       | 29.76                       |
| Leave encashment                            | (9.45)                      | (2.36)                      |
|   | <b>1,011.63</b>             | <b>921.31</b>               |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 31 Finance costs

(₹ in lakhs)

| Particulars                                    | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Interest expense                               | 22.56                       | 11.93                       |
| Interest on lease liability                    | 24.64                       | 30.26                       |
| Interest on delay in deposit of Statutory dues | -                           | 0.28                        |
| Bank charges                                   | 9.30                        | 3.52                        |
|  | <b>56.50</b>                | <b>46.00</b>                |

### 32 Depreciation and amortization expenses

(₹ in lakhs)

| Particulars                                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Depreciation on property, plant & equipment | 669.02                      | 568.80                      |
| Depreciation on right of use asset          | 62.90                       | 52.34                       |
| Amortisation of intangible assets           | 63.10                       | 13.44                       |
|   | <b>795.02</b>               | <b>634.58</b>               |

### 33 Other expenses

(₹ in lakhs)

| Particulars                            | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Consumption of stores and spares       | 50.10                       | 25.54                       |
| Power and Fuel                         | 330.40                      | 273.34                      |
| Advertisement expenses                 | 3.15                        | 1.54                        |
| Job work charges                       | 652.40                      | 501.98                      |
| Business promotion expenses            | 30.83                       | 26.91                       |
| Repairs                                |                             |                             |
| Plant and Machinery                    | 164.13                      | 126.20                      |
| Building                               | 53.88                       | 12.57                       |
| Others                                 | 56.33                       | 29.06                       |
| Freight and cartage outward            | 68.49                       | 29.41                       |
| Insurance charges                      | 50.26                       | 48.00                       |
| Legal and professional fees            | 262.86                      | 108.86                      |
| Rates and taxes                        | 56.76                       | 34.49                       |
| Bad debts written off                  | 72.23                       | -                           |
| Telephone and postage                  | 11.00                       | 5.55                        |
| Printing and stationery                | 10.16                       | 6.44                        |
| Travelling and conveyance expenses     | 98.37                       | 69.53                       |
| Provision for doubtful receivables     | 156.29                      | 0.19                        |
| Exchange fluctuation                   | -                           | 11.97                       |
| Security guard expenses                | 47.42                       | 24.72                       |
| Vehicle running & maintainance         | 27.78                       | 19.19                       |
| Commission on sale                     | 80.65                       | 58.88                       |
| Provision/balances written off         | 62.40                       | 22.21                       |
| Directors' sitting fees                | 7.77                        | 6.17                        |
| Testing charges                        | 27.30                       | 13.77                       |
| Auditor's remuneration (Refer note 48) | 7.50                        | 10.75                       |
| Miscellaneous expenses                 | 79.27                       | 327.66                      |
| Amortization of deferred rent expense  | 4.95                        | 26.68                       |
| Online subscription charges            | -                           | 1.03                        |
| License fees                           | -                           | 9.13                        |
| Donation expense                       | 11.62                       | 2.25                        |
|  | <b>2,484.30</b>             | <b>1,834.00</b>             |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### 34 Exceptional Items

(₹ in lakhs)

| Particulars                                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Impairment of Property, plant and equipment | 285.94                      | -                           |
|   | <b>285.94</b>               | -                           |

#### 35 Income taxes

##### (a) Income tax expenses

(₹ in lakhs)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>Profit and loss section</b>  |                             |                             |
| <b>i. Current tax</b>   |                             |                             |
| Current tax on profits for the year   | -                           | -                           |
| Adjustments for current tax of previous years                                     | 4.83                        | -                           |
|   | <b>4.83</b>                 | -                           |
| <b>ii. Deferred tax charge/(credit)</b>   |                             |                             |
| Origination and reversal of temporary differences                                 | 718.84                      | 62.91                       |
|   | <b>718.84</b>               | <b>62.91</b>                |
| <b>Income tax expense reported in the Statement of Profit and Loss (i+ii)</b>     | <b>723.67</b>               | <b>62.91</b>                |
| <b>Other Comprehensive Income (OCI) Section</b>                                   |                             |                             |
| Tax relating to items that will not be reclassified to Statement of Profit & Loss | (3.08)                      | (1.64)                      |
| <b>Income tax charged to OCI</b>  | <b>(3.08)</b>               | <b>(1.64)</b>               |

##### (b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate

(₹ in lakhs)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Profit from continuing operations (A)   | (1,250.17)                  | (342.15)                    |
| Income tax rate applicable (B)  | 26.00%                      | 26.00%                      |
| <b>Computed tax expense (A*B)</b>   | <b>(325.04)</b>             | <b>(88.96)</b>              |
| <b>Tax effect of the amounts that are not deductible (taxable) while calculating taxable income :</b> |                             |                             |
| Effect of Non- deductible expenses  | 220.06                      | 100.65                      |
| Effect of changes in tax rate due to MAT  | -                           | -                           |
| Tax expense for previous year   | 4.83                        | -                           |
| Deferred tax on unabsorbed losses, previously not recognised  | -                           | -                           |
| Tax impact of IND AS adjustment   | (5.82)                      | 15.19                       |
| Others  | (14.60)                     | (81.71)                     |
| <b>Income tax expense/(reversal)</b>  | <b>(120.57)</b>             | <b>(54.84)</b>              |

#### 36 Contingent liability

##### I. Claims/litigations made against the Company not acknowledged as debts:

##### Matters under litigation:

Claims against the Company by vendors & customers amounting to Rs.751.16 lakhs (Previous Year Rs. 31.38 lakhs). The management of the Company believes that the ultimate outcome of these proceedings will not have a material/adverse effect on the Company's financial condition and results of operations.

##### II. Others:

Bank guarantee issued by bank amounting to Rs. 134.36 lakhs (Previous Year Rs. 151.16 lakhs).



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 37 Capital commitments

(₹ in lakhs)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) | 161.39                      | 39.14                       |
| <b>Total</b>   | <b>161.39</b>               | <b>39.14</b>                |

### 38 Government grant

During the financial year ended 31 March, 2022, the Company had received a capital subsidy of Rs. 225 lakhs under the Industrial development scheme, 2017 notified vide no. 2(2)2018-SPS of the Government of India. The subsidy received is being apportioned to Statement of Profit & Loss over the useful life of the eligible assets. During the year the Company has recognised ₹ 14.14 lakhs (previous year ₹ 15.07 lakhs) as government grant based on useful life of the assets.

### 39 Segment reporting

The Company is engaged in manufacturing a range of oral and dental products for elite national and international brands. Information reported to and evaluated regularly by the Chief Operational Decision Maker (CODM) for the purpose of resource allocation and assessing performance focuses on business as a whole. The CODM reviews the Company's performance on the analysis profit before tax at overall level. Accordingly, there is no other separate reportable segmental as defined by IND AS 108 "Segment Reporting".

Information about geographical areas are as under

(₹ in lakhs)

|              | Revenue from external customers |                             |
|--------------|---------------------------------|-----------------------------|
|              | Year ended<br>31 March 2025     | Year ended<br>31 March 2024 |
| India        | 8,809.51                        | 6,889.95                    |
| UAE          | 8.84                            | 0.01                        |
| Italy        | 355.72                          | 96.24                       |
| Nepal        | 25.67                           | 33.60                       |
| Russia       | -                               | 35.99                       |
| USA          | -                               | 24.04                       |
| <b>Total</b> | <b>9,199.73</b>                 | <b>7,079.82</b>             |

#### Information about major customers

Revenue of ₹ 4842.91 lakhs, (Previous year ₹ 3464.70 lakhs) arising from three customers in India contribute more than 10% of the Company's revenue individually. No other customer contribute 10% or more than 10% to the Company's revenue for the current year ended 31 March, 2025. The Company does not hold any non current assets outside India.

### 40 Employee benefit obligations

The Company has classified various employee benefits as under:

#### a. Defined contribution plans

- Employees Provident fund
- Employee State Insurance Scheme

The Company has recognised the following amounts in the Statement of Profit and Loss for the year: (Refer Note- 30)

(₹ in lakhs)

| Particulars                                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Contribution to Provident Fund                  | 35.34                       | 40.08                       |
| Contribution to Employee State Insurance Scheme | 8.77                        | 8.71                        |
| <b>Total</b>                                    | <b>44.11</b>                | <b>48.79</b>                |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

**b. Defined benefit plans**

i.) Gratuity

**c. Other long-term employee benefits**

ii.) Leave encashment

Gratuity is payable to eligible employees as per the Company's policy and The Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations.

Provision for leave benefits is made by the Company on the basis of actuarial valuation using the Projected Unit Credit (PUC) method.

Liability with respect to the gratuity and leave encashment is determined based on an actuarial valuation done by an independent actuary at the year end and is charged to Statement of Profit and Loss.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Other Comprehensive Income as income or expense.

Other disclosures required under IND AS 19 "Employee benefits" are given below:

**Principal Actuarial Assumptions at the Balance Sheet date**

(₹ in lakhs)

| Particulars                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Discount rate (per annum)               | 6.99%                       | 7.22%                       |
| Rate of increase in compensation levels | 7.00%                       | 7.00%                       |
| Retirement age                          | 58 Years                    | 58 Years                    |
| Mortality table                         | 100% of IALM (2012-14)      | 100% of IALM (2012-14)      |
| Average withdrawal rate                 | 7%                          | 7%                          |

The discount rate has been assumed at 6.99% p.a. (Previous year 7.22% p.a.) based upon the market yields available on Government bonds at the accounting date for remaining life of employees. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market on long term basis.

**I) Changes in the present value of obligation**

(₹ in lakhs)

| Particulars  | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|--|-----------------------------|------------------------|-----------------------------|------------------------|
|  | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| Present value of obligation as at the beginning of the year  | 20.89                       | 137.45                 | 23.25                       | 123.92                 |
| Acquisition adjustment                                       | -                           | -                      | -                           | -                      |
| Interest cost  | 1.51                        | 9.92                   | 1.73                        | 9.23                   |
| Past service cost  | -                           | -                      | -                           | -                      |
| Current service cost   | 3.07                        | 22.62                  | 4.62                        | 20.53                  |
| Contribution by plan participants                            | -                           | -                      | -                           | -                      |
| Curtailment cost/(credit)                                    | -                           | -                      | -                           | -                      |
| Settlement cost/(credit)                                     | -                           | -                      | -                           | -                      |
| Benefit paid   | -                           | (3.51)                 | -                           | (9.94)                 |
| Change in financial assumption                               | -                           | -                      | -                           | -                      |
| Experience variance  | -                           | -                      | -                           | -                      |
| Actuarial (gains)/loss                                       | (13.92)                     | (11.86)                | (8.71)                      | (6.29)                 |
| <b>Present value of obligation as at the end of the year</b> | <b>11.55</b>                | <b>154.63</b>          | <b>20.89</b>                | <b>137.45</b>          |
| Current  | 0.88                        | 14.73                  | 1.46                        | 10.85                  |
| Non current  | 10.67                       | 139.90                 | 19.43                       | 126.60                 |
| <b>Total</b>   | <b>11.55</b>                | <b>154.63</b>          | <b>20.89</b>                | <b>137.45</b>          |



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### II) Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets (₹ in lakhs)

| Particulars  | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|--|-----------------------------|------------------------|-----------------------------|------------------------|
|  | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| Present value of funded obligation as at the end of the year   | -                           | -                      | -                           | -                      |
| Fair value of plan assets as at the end of the year            | -                           | -                      | -                           | -                      |
| Funded (asset)/liability recognised in the balance sheet       | -                           | -                      | -                           | -                      |
| Present value of unfunded obligation as at the end of the year | 11.55                       | 154.63                 | 20.89                       | 137.45                 |
| Unfunded net liability recognised in the balance sheet         | <b>11.55</b>                | <b>154.63</b>          | <b>20.89</b>                | <b>137.45</b>          |

### III) Expenses recognised in the Statement of Profit and Loss Account (₹ in lakhs)

| Particulars   | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|---|-----------------------------|------------------------|-----------------------------|------------------------|
|   | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| Current service cost  | 3.07                        | 22.62                  | 4.62                        | 20.53                  |
| Past service cost   | -                           | -                      | -                           | -                      |
| Acquisition adjustment  | -                           | -                      | -                           | -                      |
| Interest cost   | 1.51                        | 9.92                   | 1.73                        | 9.23                   |
| Expected return on plan assets                                      | -                           | -                      | -                           | -                      |
| Curtailement cost/(credit)  | -                           | -                      | -                           | -                      |
| Settlement cost/(credit)  | -                           | -                      | -                           | -                      |
| Benefit paid  | -                           | -                      | -                           | -                      |
| Remeasurement   | -                           | -                      | -                           | -                      |
| Net actuarial (gains)/loss  | (13.92)                     | -                      | (8.71)                      | -                      |
| Employees contribution  | -                           | -                      | -                           | -                      |
| Total expenses recognised in the Statement of Profit & Loss account | <b>(9.35)</b>               | <b>32.55</b>           | <b>(2.36)</b>               | <b>29.76</b>           |

(₹ in lakhs)

| Other Comprehensive Income (OCI)                          | Gratuity (Unfunded)         |                             |
|---|-----------------------------|-----------------------------|
| Particulars   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Net cumulative unrecognized actuarial gain/(loss) opening | -                           | -                           |
| Actuarial gain / (loss) for the year on PBO               | 11.86                       | 6.29                        |
| Actuarial gain /(loss) for the year on asset              | -                           | -                           |
| Unrecognized actuarial gain/(loss) at the end of the year | 11.86                       | 6.29                        |

### IV) Expected Employer Contribution (₹ in lakhs)

| Particulars                                      | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|--|-----------------------------|------------------------|-----------------------------|------------------------|
|  | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| Expected employer contribution for the next year | 4.34                        | 37.24                  | 7.16                        | 35.05                  |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

(₹ in lakhs)

| V) Maturity Profile of Defined Benefit Obligation | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|---|-----------------------------|------------------------|-----------------------------|------------------------|
|   | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| 0 to 1 Year                                       | 0.81                        | 14.73                  | 1.46                        | 12.53                  |
| 1 to 2 Year                                       | 0.79                        | 10.59                  | 1.43                        | 8.81                   |
| 2 to 3 Year                                       | 1.06                        | 10.12                  | 1.91                        | 9.13                   |
| 3 to 4 Year                                       | 0.69                        | 9.99                   | 1.24                        | 8.47                   |
| 4 to 5 Year                                       | 0.70                        | 10.21                  | 1.27                        | 8.34                   |
| 5 Year onwards                                    | 7.50                        | 98.99                  | 13.57                       | 91.86                  |

### VI) Sensivity Analysis of the Defined Benefit Obligation:-

| Particulars  | Leave Encashment            | Gratuity<br>(Unfunded) |
|--|-----------------------------|------------------------|
|  | Year ended<br>31 March 2025 |                        |
| Impact of change in discount rate                  |                             |                        |
| Present value of obligation at the end of the year | 11.55                       | 154.63                 |
| a) Impact due to increase of 0.5%                  | (0.53)                      | (5.66)                 |
| b) Impact due to decrease of 0.5%                  | 0.57                        | 6.05                   |
| Particulars  | Year ended<br>31 March 2025 |                        |
|  | Leave Encashment            | Gratuity<br>(Unfunded) |
| Impact of change in salary rate                    |                             |                        |
| Present value of obligation at the end of the year | 11.55                       | 154.63                 |
| a) Impact due to increase of 0.5%                  | 0.57                        | 5.08                   |
| b) Impact due to decrease of 0.5%                  | (0.53)                      | (4.82)                 |

### Description of Risk Exposures :

Risks associated with the plan provisions are actuarial risks. These risks are:- (i) investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) salary risk.

i) Investment Risk- The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government bonds yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.

ii) Interest Risk (discount rate risk) – A decrease in the bond interest rate (discount rate) will increase the plan liability.

iii) Mortality Risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.

iv) Salary Risk – The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

### 41 Related party disclosures as per IND AS 24

#### (a) Names of related parties and description of relationship:

| Relationships  | Name of Related Party  |
|--|--|
| Related parties where control exists   | - JHS Svendgaard Mechanical and Warehouse Private Limited (100%) |
| Entities controlled by a person who is a KMP of the Company or a person who has significant influence over the Company | - Starpool Consultants & Advisors LLP                            |
|  | - Harish Chander Nanda Educational and Charitable Society        |
|  | - Nirvikar Films LLP   |
|  | - Sia Cosmetics LLP  |
|  | - Maya Brands LLP  |
|  | - Number One Enterprises Private Limited                         |
|  | - Magna Waves Buildtech Private Limited                          |
|  | - JHS Svendgaard Retail Ventures Limited                         |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

| Relationships  | Name of Related Party                           |
|--|---|
| <b>Relatives of Key Managerial Personnel</b>                                 | - Mrs Sushma Nanda (Mother of Mr. Nikhil Nanda) |
|  | - Mr Puneet Nanda (Brother of Mr. Nikhil Nanda) |
| <b>Entities which are controlled or jointly controlled by Key Managerial</b> | - Number One Enterprises Private Limited        |
| <b>Personnel category or by his/her close family members</b>                 | - Apogee Enterprises Private Limited            |
|  | - Purple Rock Infra Private Limited             |
|  | - MWB Hospitality Private Limited               |
|  | - MWB IT Park Private Limited                   |
|  | - DVS Worldwide Services Private Limited        |
|  | - Nikhil Nanda Motion Pictures LLP              |
|  | - Pine Myst LLP                                 |
|  | - Ayanam Ecotourism Private Limited             |
|  | - Guru Nanda LLC                                |

**(b) Key Managerial Personnels (KMP) of the JHS Svendgaard Laboratories Limited**

| Name of Key Managerial Personnel     | Category                                     | Period  |
|--------------------------------------|--|---------|
| Mr. Nikhil Nanda                     | Managing Director                            | 2024-25 |
| Mr. Rajagopal Chakravarthi Venkatesh | Non -Executive Independent Director          | 2024-25 |
| Mr. Mukul Pathak                     | Non - Executive Independent Director         | 2024-25 |
| Mrs. Upma Chawdhry                   | Non - Executive Independent Director         | 2024-25 |
| Mr. Vinay Mittal                     | Non - Executive & Non Independent Director   | 2024-25 |
| Mr. Kapil Minocha                    | Non - Executive Independent Director         | 2024-25 |
| Mr. Paramvir Singh                   | Chief Executive Officer & Executive Director | 2024-25 |
| Mr. Ashish Goel                      | Chief Financial Officer                      | 2024-25 |
| Mrs. Komal Jha                       | Company Secretary                            | 2024-25 |
| Mr. Deepesh Sharma                   | VP-Strategy & Business Development           | 2024-25 |

**(c) Key Managerial Personnels (KMP) of JHS Mechanical and Warehouse Private Limited**

| Name of Key Managerial Personnel | Category | Period  |
|----------------------------------|----------|---------|
| Mr. Nikhil Nanda                 | Director | 2024-25 |
| Mr. Chhabhi Lal Prasad           | Director | 2024-25 |
| Mr. Ashish Goel                  | Director | 2024-25 |
| Mr. Deepesh Sharma               | Director | 2024-25 |

**(d) Key Management Personnel Compensation**

| Particulars                   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------|-----------------------------|-----------------------------|
| Short- term employee benefits | 147.04                      | 161.96                      |
| Post- employment benefits     | 28.39                       | 27.60                       |
| Long- term employee benefits  | -                           | -                           |
| Director's Sitting fees       | 7.77                        | 6.17                        |
| <b>Total Compensation</b>     | <b>183.20</b>               | <b>195.73</b>               |

**(e) Transactions with related parties**

The following transactions occurred with related parties:

| S.No.     | Statement of Profit and Loss heads   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------|--------------------------------------|-----------------------------|-----------------------------|
| <b>1.</b> | <b>Income:</b>                       |                             |                             |
|           | Interest income                      |                             |                             |
|           | - Nikhil Nanda                       | 4.43                        | 44.67                       |
|           | Sale of Products                     |                             |                             |
|           | - Apogee Enterprises Private Limited | (0.87)                      | 0.87                        |
|           | - GuruNanda LLC                      | -                           | 25.01                       |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

(₹ in lakhs)

| S.No.     | Statement of Profit and Loss heads  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------|---|-----------------------------|-----------------------------|
| <b>2.</b> | <b>Expenditure:</b>   |                             |                             |
|           | i) Interest expenses on lease liability as per IND AS 116                 |                             |                             |
|           | - Nikhil Nanda  | 23.58                       | 30.26                       |
|           | ii) Depreciation expenses on Right of use assets as per as per IND AS 116 |                             |                             |
|           | - Nikhil Nanda  | 60.54                       | 52.34                       |
|           | iii) Amortization of deferred rent expense                                |                             |                             |
|           | - Nikhil Nanda  | 4.86                        | 26.68                       |
|           | iv) Electricity and Water expenses  |                             |                             |
|           | - Nikhil Nanda  | 19.95                       | 16.29                       |
|           | v) Rent Expenses  |                             |                             |
|           | - Magna Waves Private Limited   | -                           | 0.30                        |
|           | vi) Purchase of Products  |                             |                             |
|           | - JHS Svendgaard Retail Ventures Limited                                  | 7.30                        | -                           |

\* As per section 135(1) of companies Act, 2013 this year CSR not applicable on the company.

**(f) Investments / Loans & advances and other adjustments to/ from Related Parties**

(₹ in lakhs)

|            |  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------|--|-----------------------------|-----------------------------|
| <b>i.</b>  | <b>Payment Received</b>                        |                             |                             |
|            | - GuruNanda LLC                                | -                           | 436.90                      |
|            | - JHS Mechanical and Warehouse Private Limited | 17.00                       | 94.70                       |
|            | - HWJHS Labs Private Limited                   | 0.20                        | -                           |
| <b>ii.</b> | <b>Payment made</b>                            |                             |                             |
|            | - JHS Mechanical and Warehouse Private Limited | -                           | 1,355.32                    |

**(g) Balance Sheet heads (Closing balances)**

(₹ in lakhs)

|             |  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------|--|-----------------------------|-----------------------------|
|             | <b>Credit balances</b>   |                             |                             |
| <b>i.</b>   | <b>Other liabilities</b>   |                             |                             |
|             | - Nikhil Nanda   | 5.54                        | 8.68                        |
| <b>ii.</b>  | <b>Trade Payable</b>   |                             |                             |
|             | - Anand & Anand Legal Services LLP (Cease to be related party during the year) | -                           | 1.38                        |
|             | <b>Debit Balances</b>  |                             |                             |
| <b>iii.</b> | <b>Loans and advances</b>  |                             |                             |
|             | - JHS Mechanical and Warehouse Pvt. Ltd.                                       | 1,474.62                    | 1,491.62                    |
|             | - Nikhil Nanda (At amortised cost)   | 31.78                       | 68.83                       |
| <b>iv.</b>  | <b>Trade receivables</b>   |                             |                             |
|             | - Gurunanda LLC  | 62.17                       | 62.17                       |
|             | - Apogee Manufacturing Private Limited   | -                           | 34.58                       |

**(h) Terms and Conditions**

Outstanding balances at the year end are unsecured, interest free and recoverable/repayable on demand. The Company has provided Corporate Guarantee for an amount upto Rs.500.00 Lacs towards the loan borrowed by related party, i.e. M/s JHS Svendgaard Retail Ventures Limited in favor Small Industrial Development Bank of India (SIDBI). There has been no guarantee provided or received for any related party receivable and payable, other than disclosed. For the year end 31 March, 2025 Rs.62.17 (31 March, 2024: ₹ Nil) has been provided for by the Company for receivables owed by the related party. This assessment undertaken each financial year through examining the financial position of related party and market in which related party operates.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 42 Fair valuation measurements

(₹ in lakhs)

| S. No | Particulars   | Level of Hierarchy | Year ended 31 March 2025 |          |                 |                      | Year ended 31 March 2024 |          |                 |                      |
|-------|---|--------------------|--------------------------|----------|-----------------|----------------------|--------------------------|----------|-----------------|----------------------|
|       |   |                    | FVTPL                    | FVTOCI   | Amortized cost  | Total carrying value | FVTPL                    | FVTOCI   | Amortized Cost  | Total carrying value |
|       | <b>Financial assets</b>                                     |                    |                          |          |                 |                      |                          |          |                 |                      |
| 1     | <b>Investments</b>  |                    |                          |          |                 |                      |                          |          |                 |                      |
|       | Investment in Mutual Funds                                  | 1                  | 31.60                    | -        | 232.23          | 263.83               | 28.49                    | -        | 215.97          | 244.46               |
|       | Investment in Preference shares                             | 1                  | -                        | -        | 100.17          | 100.17               | -                        | -        | 100.17          | 100.17               |
| 2     | <b>Loans</b>  |                    |                          |          |                 |                      |                          |          |                 |                      |
|       | Related parties   | 3                  | -                        | -        | -               | -                    | -                        | -        | 165.57          | 165.57               |
|       | Others  | 3                  | -                        | -        | 74.21           | 74.21                | -                        | -        | 155.25          | 155.25               |
| 3     | <b>Trade receivables</b>                                    | 3                  | -                        | -        | 1,305.91        | 1,305.91             | -                        | -        | 1,287.96        | 1,287.96             |
| 4     | <b>Other financial assets</b>                               | 3                  | -                        | -        | 404.88          | 404.88               | -                        | -        | 232.89          | 232.89               |
| 5     | <b>Cash &amp; cash equivalents</b>                          | 3                  | -                        | -        | 672.18          | 672.18               | -                        | -        | 886.63          | 886.63               |
| 6     | <b>Bank balances other than cash &amp; cash equivalents</b> | 3                  | -                        | -        | 1,279.79        | 1,279.79             | -                        | -        | 126.01          | 126.01               |
|       | <b>Total financial assets</b>                               |                    | <b>31.60</b>             | <b>-</b> | <b>4,069.37</b> | <b>4,100.97</b>      | <b>28.49</b>             | <b>-</b> | <b>3,170.44</b> | <b>3,198.93</b>      |
|       | <b>Financial liability</b>                                  |                    |                          |          |                 |                      |                          |          |                 |                      |
| 1     | <b>Borrowings including current maturities</b>              | 3                  | -                        | -        | 514.27          | 514.27               | -                        | -        | 355.81          | 355.81               |
| 2     | <b>Trade &amp; other payables</b>                           | 3                  | -                        | -        | 1,343.75        | 1,343.75             | -                        | -        | 1,409.51        | 1,409.51             |
| 3     | <b>Lease liabilities</b>                                    | 3                  | -                        | -        | 131.58          | 131.58               | -                        | -        | 157.06          | 157.06               |
| 4     | <b>Other financial liabilities</b>                          | 3                  | -                        | -        | 480.72          | 480.72               | -                        | -        | 442.83          | 442.83               |
|       | <b>Total financial liabilities</b>                          |                    | <b>-</b>                 | <b>-</b> | <b>2,470.32</b> | <b>2,470.32</b>      | <b>-</b>                 | <b>-</b> | <b>2,365.21</b> | <b>2,365.21</b>      |

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.

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

### 43 The Company has valued the following investments in subsidiaries at cost, as per Ind AS 27.

| Particulars                 | As at 31 March 2025 | As at 31 March 2024 |
|-----------------------------|---------------------|---------------------|
| Investment in equity shares | 1.00                | 1.20                |

### 44 Financial risk management

#### Risk management objectives and policies

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 42. The main types of risks are market risk, credit risk and liquidity risk. The Company's risk management is coordinated by its board of directors, and focuses on actively securing the Company's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to, are described below:

#### 1 Market risk

Market risk is the risk that changes in market prices will have an effect on Company's income or value of the financial assets and liabilities. The Company is exposed to various types of market risks which result from its operating and investing activities. The most significant financial risks to which the Company is exposed are described below:

##### (a) Foreign currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions,

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

primarily with respect to USD and EURO. Foreign exchange risk arises from future commercial transactions and recognise assets and liabilities denominated in a currency that is not Company's functional currency(INR). The Risk is measured through a forecast of highly probable foreign currency cashflows.

The following table presents non-derivative instruments which are exposed to currency risk and are unhedged as at 31 March 2025 and 31 March 2024:

| Particulars      | Foreign currency | As at 31 March 2025 | As at 31 March 2024 |
|------------------|------------------|---------------------|---------------------|
| Trade Payable    | USD              | 57.62               | 5.56                |
| Trade Receivable | USD              | 8.85                | 156.19              |

To mitigate the Company's exposure to foreign exchange risk, cash flows in foreign currencies are monitored and net cash flows are managed in accordance with Company's risk management policies. Generally, the Company's risk management procedures distinguish short term foreign currency cash flows (due within 6 months) from longer term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no hedging activity is undertaken.

The following table gives the volatility in exchange rates for the respective reporting years for major currencies:

| Currencies | Year ended 31 March 2025 | Year ended 31 March 2024 |
|------------|--------------------------|--------------------------|
| INR/USD    | -2%                      | -1%                      |

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis given in the table below is based on the Company's foreign currency financial instruments held at each reporting date.

#### Sensitivity analysis for entities with foreign currency balances in INR

The following tables illustrate the sensitivity of profit/loss and equity in regards to the Company's trade payables and trade receivables and the movement of exchange rates of respective functional currencies' against INR, assuming 'all other things being constant'.

If the respective functional currencies had strengthened/weakened against the INR by the afore mentioned percentage of market volatility, then this would have had the following impact on profit/loss:

| Year ended 31 March, 2025 | Movement | Profit and loss |           |
|---------------------------|----------|-----------------|-----------|
|                           |          | Strengthening   | Weakening |
| USD Sensitivity           | -2%      | 1.20            | (1.20)    |
| Year ended 31 March, 2024 | Movement | Profit and loss |           |
|                           |          | Strengthening   | Weakening |
| USD Sensitivity           | -1%      | (2.20)          | 2.20      |

#### (b) Price risk

The Company is mainly exposed to the price risk due to investment in mutual funds and market linked debentures. The price risk arises due to uncertainties about the future market values of these investments. In order to minimise pricing risk arising from investment in mutual funds, Company invest in highly rated mutual funds.

The sensitivity to price risk if increases/ decrease in NAV of the mutual funds is:

| Year ended 31 March, 2025 | Movement | Profit and loss |           |
|---------------------------|----------|-----------------|-----------|
|                           |          | Strengthening   | Weakening |
| Price risk sensitivity    | 2%       | 6.07            | (6.07)    |
| Year ended 31 March, 2024 | Movement | Profit and loss |           |
|                           |          | Strengthening   | Weakening |
| Price risk sensitivity    | 2%       | 5.62            | (5.62)    |

#### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk because funds are borrowed at fixed interest rates. The borrowings of the Company are principally denominated in rupees and fixed rates of interest.

| Particulars   | As at 31 March 2025 | As at 31 March 2024 |
|---|---------------------|---------------------|
| Fixed-rate borrowings including current maturities  |                     |                     |
| - Vehicle loan (secured)                            | 62.99               | 24.52               |
| - Term Loan   | 21.00               | -                   |
| <b>Total borrowings (gross of transaction cost)</b> | <b>83.99</b>        | <b>24.52</b>        |



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### 2 CREDIT RISK

Credit risk arises from cash and cash equivalent, investments in mutual funds, deposits with the banks, as well as credit exposure to customers including outstanding receivables.

##### Credit risk management

For Bank and Financial Institutions, only high rated banks/institutions are accepted.

For other counter parties, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Company's policy is to deal only with creditworthy counterparties only.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Company considers reasonable and supportive forward-looking information.

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 receivable is considered low. The Company estimates its allowance for trade receivable using life time expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance), excluding receivable from Group companies is

₹ 195.03 lakhs (31 March, 2024 ₹ 481.30 lakhs).

The credit risk for cash and cash equivalents and other financial instruments is considered negligible and no impairment has been recorded by the Company.

##### Significant estimates and judgments

##### Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### 3 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 asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

##### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments:

(₹ in lakhs)

| As at 31 March, 2025                    |                 |               |             |               |                 |
|---|-----------------|---------------|-------------|---------------|-----------------|
|   | Upto 1 year     | 1 to 3 years  | 3 to 5 year | Above 5 years | Total           |
| Borrowings including current maturities | 445.74          | 68.53         | -           | -             | 514.27          |
| Trade payables                          | 1,343.75        | -             | -           | -             | 1,343.75        |
| Lease liabilities                       | 79.53           | 52.05         | -           | -             | 131.58          |
| Other financial liabilities             | 480.72          | -             | -           | -             | 480.72          |
| <b>Total</b>                            | <b>2,349.73</b> | <b>120.59</b> | <b>-</b>    | <b>-</b>      | <b>2,470.32</b> |

| As at 31 March, 2024                    |                 |               |             |               |                 |
|---|-----------------|---------------|-------------|---------------|-----------------|
|   | Upto 1 year     | 1 to 3 years  | 3 to 5 year | Above 5 years | Total           |
| Borrowings including current maturities | 343.92          | 11.89         | -           | -             | 355.81          |
| Trade payables                          | 1,409.51        | -             | -           | -             | 1,409.51        |
| Lease liabilities                       | 52.21           | 104.85        | -           | -             | 157.06          |
| Other financial liabilities             | 442.83          | -             | -           | -             | 442.83          |
| <b>Total</b>                            | <b>2,248.46</b> | <b>116.75</b> | <b>-</b>    | <b>-</b>      | <b>2,365.21</b> |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### 45 Capital management

##### A Risk management

For the purposes of Company capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of

changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March, 2025 and 31 March, 2024.

| Particulars          | As at 31 March 2025 | As at 31 March 2024 |
|----------------------|---------------------|---------------------|
| Equity share capital | 8,560.40            | 7,839.68            |
| Free reserve*        | (3,498.68)          | (1,533.62)          |

\* Comprises of retained earning and general reserves

##### B Dividends

The Company has not proposed any dividend for the year ended 31 March, 2025 (31 March, 2024: ₹ Nil).

#### 46 Earnings per equity share

(₹ in lakhs)

| Particulars  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>Earnings per equity share has been computed as under:</b> |                             |                             |
| Earnings attributable to equity shareholders                 | (1,973.85)                  | (405.06)                    |
| Nominal value of equity share (?)                            | 10                          | 10                          |
| No of shares as at end of the year                           | 85,603,966                  | 78,396,762                  |
| No. of weighted average equity shares                        | 83,155,491                  | 78,396,762                  |
| Basic Earning per share (?)                                  | (2.37)                      | (0.52)                      |
| Number of equity shares for Dilutive earning per share       | 83,155,491                  | 78,396,762                  |
| Dilutive earning per share (?)                               | (2.37)                      | (0.52)                      |

#### 47 Leases

The movement in lease liabilities is as follows :

(₹ in lakhs)

| Particulars   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>Opening balance</b>  | 157.06                      | 219.71                      |
| Add : Lease assets during the period                          | 28.66                       | 181.80                      |
| Add : Interest expense during the period                      | 24.64                       | 30.26                       |
| Less: Cash outflows   | (78.77)                     | (69.69)                     |
| Less: Deletions/Adjustment on account of waiver in lease rent | -                           | (205.01)                    |
| <b>Closing lease liability at the end of the period</b>       | <b>131.58</b>               | <b>157.06</b>               |

#### 48 Auditor's Remunerations

(₹ in lakhs)

|                          | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------|-----------------------------|-----------------------------|
| Statutory audit          | 4.00                        | 4.00                        |
| Tax audit fees           | 0.50                        | 1.50                        |
| Internal audit fees      | -                           | -                           |
| Other matters            |                             |                             |
| - Limited reviews        | 3.00                        | 2.46                        |
| - Out of pocket expenses | -                           | 0.75                        |
| - Certification fees     | -                           | -                           |
|                          | <b>7.50</b>                 | <b>8.70</b>                 |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 49 Suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006

A sum of ₹ 390.42 lakhs is payable to Micro and Small Enterprises as at 31 March, 2025 (31 March, 2024: ₹ 381.94 lakhs). The above amount is on account of trade payables only. Out of the total amount outstanding to Micro and Small Enterprises a sum of ₹ 45.19 lakhs (31 March, 2024: ₹ 119.92 lakhs) is outstanding for more than 45 days as at 31 March, 2025. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 50 Disclosure required under section 186(4) of the Companies Act 2013 :-

(₹ in lakhs)

| i Particulars of loan given |                    |                  |                             |                             |
|-----------------------------|--------------------|------------------|-----------------------------|-----------------------------|
| Sr. No.                     | Particulars        | Purpose          | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| 1                           | Amit Saxena        | Business purpose | -                           | 2.11                        |
| 2                           | Nirvikar Films LLP | Business purpose | -                           | 47.25                       |
| 3                           | Creative Jewellers | Business purpose | 74.21                       | 110.35                      |

(₹ in lakhs)

| ii Particulars of investment made |   |  |                             |                             |
|-----------------------------------|---|--|-----------------------------|-----------------------------|
| Sr. No.                           | Particulars   |  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| 1                                 | JHS Svendgaard Mechanical and Warehouse Private Limited |  | 1.00                        | 1.00                        |
| 2                                 | HWJHS Labs Private Limited                              |  | -                           | 0.20                        |
| 3                                 | Sixth Sense India Opportunities III Class A1            |  | 263.83                      | 244.46                      |
| 4                                 | ARG Outlier Media Private Limited - CCPPS               |  | 100.17                      | 100.17                      |

### 51 Information pursuant to Regulation 34(3) & 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in lakhs)

| Amit Saxena                         |                          |                          |
|-------------------------------------|--------------------------|--------------------------|
|                                     | Year ended 31 March 2025 | Year ended 31 March 2024 |
| Closing balance excluding provision | -                        | 2.11                     |
| Maximum balance during the year     | 2.11                     | 283.28                   |

(₹ in lakhs)

| Nirvikar Films LLP                  |                          |                          |
|-------------------------------------|--------------------------|--------------------------|
|                                     | Year ended 31 March 2025 | Year ended 31 March 2024 |
| Closing balance excluding provision | -                        | 47.25                    |
| Maximum balance during the year     | 47.25                    | 80.00                    |

(₹ in lakhs)

| Creative Jewellers                  |                          |                          |
|-------------------------------------|--------------------------|--------------------------|
|                                     | Year ended 31 March 2025 | Year ended 31 March 2024 |
| Closing balance excluding provision | 74.21                    | 110.35                   |
| Maximum balance during the year     | 110.35                   | 110.35                   |

### 52 In accordance with the requirements of Section 135 of the Companies Act, 2013, during the financial year ending March 31, 2025, the Company has no obligation to spent in pursuance of its Corporate Social Responsibility policy.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### 53 Additional Regulatory Information

##### Ratios

| Ratio                                      | Numerator   | Denominator   | Current Year | Previous Year | Variance |
|--|---|---|--------------|---------------|----------|
| Current ratio (in times)                   | Total current assets  | Total current liabilities   | 2.18         | 1.86          | 17%      |
| Debt-Equity ratio (in times)               | Debt consist of borrowings & lease liabilities  | Total equity  | 0.01         | 0.01          | 17%      |
| Debt Services Coverage ratio (in times)    | Earning for debt service= Net profit after taxes+ Non - Cash operating expenses+ interest+ other non-cash adjustments | Debt service = interest & lease payments + principal repayments               | -3.92        | 2.36          | -266%    |
| Return on equity ratio (in %)              | Profit for the year after tax less preference dividend  | Average trade equity  | -11.50%      | -2.35%        | -389%    |
| Inventory Turnover ratio (in times)        | Cost of goods sold  | Average inventory   | 4.98         | 3.44          | 45%      |
| Trade Receivable turnover ratio (in times) | Revenue from operations   | Average trade receivables   | 7.09         | 4.51          | 57%      |
| Trade Payables turnover ratio (in times)   | Credit purchase during the period   | Average trade payables  | 6.18         | 3.29          | 88%      |
| Net Capital turnover ratio (in times)      | Revenue from operations   | Average working capital (total current assets less total current liabilities) | 3.74         | 2.07          | 81%      |
| Net profit ratio (in %)                    | Net profit after tax  | Revenue from operations   | -21.46%      | -5.72%        | -275%    |
| Return on Capital employed (in %)          | Profit before tax & finance cost  | Capital employed (total assets - current liab.)                               | -6.75%       | -1.70%        | -297%    |
| Return on investment (in %)                | Income generated from investment funds  | Average invested funds in treasury investments                                | 4.96%        | 2.95%         | 68%      |

##### Explanation for change in ratio by more than 25%

**Debt Service Coverage Ratio :** The negative impact in the ratio is due to exceptional and non-recurring expenses /provisions that have been accounted for during the Current Year.

**Return on Equity Ratio :** The negative impact in the ratio is due to higher losses on account of exceptional and non-recurring expenses /provisions that have been accounted for during the Current Year.

**Inventory Turnover Ratio :** Higher turnover ratio is on account of reduction in inventory at the end of financial year after netting off the provision for obsolete and non-moving inventory.

**Trade Receivable Turnover Ratio :** Higher turnover is due to reduction in receivables at the end of financial year as the company has written off / provisioned for receivables wherein it has observed uncertainty with respect to recoverability of a certain amount and thus made a provision of Rs. 197.82 lacs and write off amounting to Rs. 33.72 lacs.

**Trade Payable Turnover Ratio :** Higher turnover is due to reduction in creditors as the company has availed overdraft / cash credit limit during the current financial year leading to improvisation in the creditors level despite the higher revenue and increased COGS.

**Net Capital turnover ratio :** Higher Turnover ratio is due to increase in the revenue and reduction in inventory, trade receivables and trade payables.

**Net Profit Ratio :** The negative impact in the ratio is due to higher losses on account of exceptional and non-recurring expenses /provisions that have been accounted for during the Current Year.

**Return on Capital Employed :** The negative impact in the ratio is due to higher losses on account of exceptional and non-

recurring expenses /provisions that have been accounted for during the Current Year.

**Return on Investment :** Higher ratio is on account of interest earned on the fixed deposits being made out of the funds amounting to Rs. 2000 lakhs received against issue of shares and Rs. 250 lakhs against the issue of warrants, for the period ended 31 March 2025, pending utilization for the specific objects for which funds were being raised.

#### 54 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 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(s) or entity (ies), including foreign entities (Intermediaries) 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(s) or entity (ies), including foreign entities



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

(Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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,

- (vi) The Company has no 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).

- (vii) The Company has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

- (viii) during the year, Company does not have any transactions with companies struck off.

- 55 The figures of the previous year have been re-Companyed / re-classified to render them comparable with the figures of the current year.

**For V.K. Khosla & Co.**  
Chartered Accountants  
Firm Registration No.: 002283N

**Sd/-**  
**Amit Khosla**  
Partner  
Membership No.: 095943

Place : New Delhi  
Date : 27 May 2025

**For and on behalf of Board of Directors**  
**JHS Svendgaard Laboratories Limited**

**Sd/-**  
**Nikhil Nanda**  
Managing Director  
DIN : 00051501

**Sd/-**  
**Ashish Goel**  
Chief Financial Officer

**Sd/-**  
**Vinay Mittal**  
Director  
DIN : 08232559

**Sd/-**  
**Paramvir Singh**  
Chief Executive Officer &  
Executive Director

**Sd/-**  
**Komal Jha**  
Company Secretary

# CONSOLIDATED FINANCIAL REPORT 2024-25

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# Independent Auditor's Report

**Independent Auditor's Review Report on Consolidated Financial Statements of JHS Svendgaard Laboratories Limited pursuant to Regulations 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of  
JHS Svendgaard Laboratories Limited  
Report on Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **JHS Svendgaard Laboratories Limited** (the "Company") and its Subsidiary (the Company and its subsidiary together referred to as the "Group") which comprise the Consolidated Balance Sheet as at **31 March 2025**, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date and a summary of significant accounting policies and other explanatory information on (hereinafter referred to as the "consolidated financial statements").

## Opinion

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

## Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA's") 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 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Emphasis of Matters

We draw attention to the following matters in the Notes to the consolidated financial statements:

- Footnote under Note 7 (Deferred tax assets (net)) to the consolidated financial statements which describes the Company's reassessment of the virtual certainty of its carry-forward losses. Based on this review, the company has revised its Deferred Tax Asset by Rs. 718.84 lakhs approx. and has recognized the impact of this adjustment in the consolidated financial statements for the period under review resulting in negative impact on profit after tax to that extent.
- Footnote under Note 3.1 (Property, plant and equipment) to the consolidated financial statements, which describes that the company has carried out detailed physical and technical inspection wherein number of machines which have become technologically obsolete were impaired to the extent of Rs. 285.94 lakhs to reflect the fair value as per Ind AS. The same is reflected under exceptional items in the accompanying consolidated profit and loss statement.
- Footnote under Note 10 (Inventories) to the consolidated financial statements, which describes the provision of Rs. 263.02 Lakhs made for obsolete inventory. Attention is drawn as the amount is material with respect to turnover of the group.
- Footnote under Note 11 (Trade Receivables) to the consolidated financial statements, which describes the provision of Rs. 156.29 lakhs and write off of Rs. 72.23 lakhs made for Trade Receivables. Attention is drawn as the amount is material with respect to turnover of the group.
- Footnote under Note 9 (Other non-current assets) to the consolidated financial statements which deals with the Capital Advances given in earlier years to various parties amounting to Rs. 2,895.13 lakhs for setting up new production manufacturing facilities in Himachal Pradesh and Rs. 1,328.30 lakhs through its wholly owned subsidiary, towards pre-emption rights in the upcoming project in Union Territory of Jammu & Kashmir. The management has considered the above amounts same recoverable and adjustable against the future expansion plans.

Our Opinion is not modified in respect of these matters.

## Key Audit Matters

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.

| # | Key Audit Matter  | Auditor's Response   |
|---|---|--|
| 1 | <p><b>Revenue recognition</b></p> <p>Revenue from the sale of goods (hereinafter referred to as "Revenue") is recognized when the company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in the case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance.</p> <p>Refer Note 2(a) to the Consolidated Financial Statements—Significant accounting policies.</p>   | <p><b>Principal audit procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of the Company's revenue recognition accounting policies in line with IND AS 115 ("Revenue from Contracts with Customers") and testing thereof.</li> <li>Evaluating the design and implementation of Company's controls in respect of revenue recognition.</li> <li>Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>We performed substantive testing by selecting samples of revenue transactions recorded during the year by verifying the underlying documents, which included goods dispatch notes and shipping documents.</li> <li>Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing.</li> <li>Based on the above procedure performed, the recognition and measurement of revenue from sale of goods are considered to be adequate and reasonable.</li> </ul>  |
| 2 | <p><b>Assessment of impairment of assets and provisioning for the same</b></p> <p>The company holds significant balances of property, plant and equipment, trade receivables, and inventories.</p> <p>Management is required to assess these assets for indicators of impairment or irrecoverability of PPE, trade receivables, and inventories and to determine appropriate provisions where necessary. These evaluations involve significant management judgment and estimates,</p> <p>Given the degree of estimation and judgment involved, and the material nature of provision for impairment done by the management, we have identified the evaluation of these provisions as a key audit matter.</p> <p>Refer Note 2(f), 1(c)(v) &amp; 2(h) to the Consolidated Financial Statements – Significant accounting policies</p> | <p><b>Principal audit procedures</b></p> <p><u>For impairment of Fixed Assets:</u></p> <ul style="list-style-type: none"> <li>Evaluating the methodologies used by management to assess indicators of impairment.</li> <li>Chartered Engineer was engaged to conduct a technical assessment of certain machinery and equipment at our manufacturing facility. Following the expert's recommendation, the carrying values of these assets have been impaired to reflect their recoverable (scrap/realisable) value.</li> <li>Assessing the assumptions used in determining value-in-use calculations, including projected cash flows, growth rates, and discount rates, with the involvement of our valuation specialists.</li> </ul> <p><u>For doubtful debts:</u></p> <ul style="list-style-type: none"> <li>We evaluated the design and implementation of controls over the credit risk assessment process.</li> <li>We tested the ageing of receivables, assessed historical loss trends, and reviewed management's forward-looking assumptions used in the expected credit loss model.</li> <li>We performed detailed analyses of significant customer balances, including subsequent receipts and communications with customers, to assess recoverability.</li> </ul> <p><u>For obsolete inventory:</u></p> <ul style="list-style-type: none"> <li>We assessed the inventory provisioning methodology against historical trends and industry practices.</li> <li>We performed ageing analyses and discussed with management the rationale for provisions recorded against specific inventory lines, particularly slow-moving or obsolete stock.</li> <li>We performed physical inventory observations to assess the condition of inventory held.</li> </ul> |

## Management's Responsibility for the Consolidated Ind AS Financial Statements

1. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and 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.
2. In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or its subsidiary or to cease operations, or has no realistic alternative but to do so.
3. Those Board of Directors are also responsible for overseeing the Company's and its subsidiaries financial reporting process.

## Auditor's Responsibility

1. 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit

procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and its subsidiary companies which are companies incorporated in India has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in consolidated financial statements.
  4. 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.

5. 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.
6. 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

We did not audit the financial statements of the JHS Svendgaard Mechanical and Warehouse Private Limited (Subsidiary company), whose financial statements reflect total assets of Rs. 1,435.51 lakhs as at 31 March 2025 and total revenue of Rs. Nil lakhs 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/(loss) of Rs. (0.58) lakhs for the year ended 31 March 2025, as considered in the consolidated financial statements, 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 amount and disclosures included in respect of these subsidiaries, 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, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and

belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors of the company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Except for the effects of the material weakness(es) described below, the Company and its subsidiary company has maintained, in all material respects, effective internal control over financial reporting as of 31<sup>st</sup> March, 2025.
- g) 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, 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 also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
  - The Consolidated financial statements disclose the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
  - The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There were no amounts that were required to be transferred, to the Investor Education and Protection Fund by the Group.
- (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company or its subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding,

whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company or its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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 that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- No dividend has been declared or paid during the year by the company or its subsidiary.
- Based on our examination which included test checks, the Company 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 operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company or its subsidiary to its directors during the year is in accordance with the provisions of section 197 of the Act.

**For V.K. Khosla & Co.**

Chartered Accountants

**FRN 002283N**

**Sd/-**

**Amit Khosla**

(Partner)

**Memb No. 095943**

**UDIN: 25095943BMJJNV5195**

**Place:** New Delhi

**Date:** May 26, 2025



## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the Members of JHS Svendgaard Laboratories Limited on consolidated financial statements as of and for the year ended 31 March 2025)

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

- (i) In respect of the Group's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Group has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
  - (B) The Group has maintained proper records showing full particulars of intangible assets.

- (b) The Group has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every four years which, in our opinion, is reasonable having regard to the size of the Group and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Group, the title deed of immovable property (other than immovable properties where the group is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the consolidated financial statements are held in the name of the Company except:

| Description of property   | Gross carrying value (in lakhs) | Held in name of  | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in name of company*  |
|---|---------------------------------|--|--|---|--|
| Land comprised of (Kh/Kh/No-23/24, Khasra no-50/2/2, as old number) (And its new Kh No 29 Min/30, khasra No-711/50, total measuring 5-07 bighas situated at Mouja – kheri, Tehsil – Nahan, Distt Sirmour (HP) | 1,062                           | Sh. Sita Ram s/o Sh. Kartar Chand s/o Sh. Shyama Ram R / o V i l l Shivpur The Amb District Una H.P. | No   | Held since 27/02/2017                           | The Company has entered into an agreement to sell. As per the management, the Company is in disputed possession of the land. However, in the recent years, the company has been evaluating the mergers with other companies in the manufacturing business. Thus, the company has presently deferred the registration of the said land, to be registered in the name of the merged entity, in the future years. |

- (d) The Group has identified some plant and equipment which had become obsolete and require impairment of value. Accordingly, the group has revalued its Plant and Equipment having carrying value of Rs.346.94 Lakh downwards to Rs. 61.00 Lakh. The amount of impairment or reduction in value of PPE is Rs.285.94 Lakh. The change in value is more than 10%.
- (e) No proceedings have been initiated during the year or are pending against the Group as at 31 March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the order is not applicable to the company.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year,

accordingly to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

- (b) The Group has been sanctioned working capital limits in excess of 5 crore, in aggregate from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institution at the quarter end before the due date, i.e. 10th of the subsequent month, were submitted on provisional basis, as the financial statements were under review



for necessary inclusion of financial impact / provisions if required. Thereafter the company submits an updated quarterly returns and/or statement with such banks or financial institution immediately on ascertainment and finalisation of the necessary details. Basis the original returns and/or statement

there were some discrepancies observed in reporting of Net Current assets being (Stock + Book Debts – Trades Payable) in the quarter ending December'24 and March'25, while the Drawing power was comfortably maintained by the company during both the periods. The same is as under

**Working capital limit of Rs 800 lakhs**

| Period ended     | Particular         | AS per financial | As per stock statement | Difference |
|------------------|--------------------|------------------|------------------------|------------|
| As on 31-12-2024 | Net current assets | 1537.29          | 2079.02                | 5417.29    |
| As on 31-03-2025 | Net current assets | 1155.92          | 2022.02                | 8701.07    |

- (iii) (a) The Group has not made investment in, or not provided security or granted any loans to companies, firms, limited liability partnerships or any other parties during the year. However, the company has provided Corporate Guarantee and has allowed mortgage over its Land and Building at Himachal Pradesh to SIDBI for facilitating Term loans and Working Capital loans to M/s JHS SVENDGAARD RETAIL VENTURE LIMITED during the year, details of which are as follows:

| Particulars   | Amount<br>(in Lakhs) |
|---|----------------------|
| Aggregate amount granted during the year:                               |                      |
| - Subsidiaries  | -0.00                |
| - Others  | -500.00              |
| Balance outstanding as at balance sheet date in respect of above cases: |                      |
| - Subsidiaries  | -0.00                |
| - Others  | -500.00              |

- (b) In our opinion, the guarantee made and the terms and conditions of the guarantee provided, during the year are, prima facie, not prejudicial to the Group's interest.
- (c) The investment made, guarantees provided, security given and the term and condition of the grant of all loan and advances in the nature of loans and guarantees provided are not prejudicial to the group's interest.
- (d) In respect of loans granted by the Group, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation. However, there is an interest amount of Rs 2.42 lakh which is overdue for more than 90 days as at the balance sheet date. Reasonable steps have been taken by the company for the recovery of the interest.
- (e) No loan granted by the Group which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Group has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, reporting under clause 3(iii)(f) of the order is not applicable to the

- company. The Group has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) The group has complied with the provisions of sections 185 and 186 of companies Act 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Group has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) Maintenance of Cost Records are mandatory for the group and have been specified under sub-section (1) of section 148 of the Companies Act. We have broadly reviewed the books of accounts maintained by the company and are of the opinion that the company needs to strengthen their Cost Records in compliance with the requirements.
- (vii) In respect of the Statutory Dues:
- (a) In our opinion, the Group has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable except as under:
- There are some undisputed outstanding demands under TDS which are pending to be contested or cleared. The aggregate amount under the same is as under:
- TDS: Rs 117,330 (Outstanding for more than four years)
- (b) There are no statutory dues referred in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There were no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961(43 of 1961).
- (ix) (a) The Group has not defaulted in repayment of loans or other borrowing or in payment of interest thereon to

- any lender.
- (b) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to information and explanation given to us, the term loans were applied for the purpose for which loans were taken.
- (d) On an overall examination of the consolidated financial statements of the company, fund raised on short term basis have, prime facie, not been used during the year for long term purposes by the Company.
- (e) On an overall examination of the consolidated financial statements of the company, the company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries.
- (f) According to the information and explanation given to us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Group did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(X)(a) of the order are not applicable.
- (b) During the year, the group has not made any private placement of shares or convertible debentures (fully, partially or optionally), however the company has made preferential allotment during the year and requirement of sec 42 and 62 of the Companies have been complied with and the fund raised have been used for the purpose for which the fund was raised.
- (xi) (a) No fraud by the Group and no material fraud on the Group has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) There are no whistle blower complaints received by group during the year.
- (xii) The Group is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Group is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the consolidated financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Group has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Group has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Group.
- (xvi) (a) The group is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(a) of the order
- (b) The group has not conducted non- banking financial or housing finance activities during the year. Accordingly, provisions of clause 3(xvi)(b) of the order is not applicable.
- (c) The group is not a Core Investment Company ("CIC") as defined in regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the order is not applicable.
- (d) Based on the information and explanations provided by the management, the Group does not have any CICs, which are part of the Group. Accordingly, provisions of clause 3(xvi)(d) of the Order are not applicable.
- (xvii) The group has not incurred any cash losses during the financial year or in any preceding Financial Year.
- (xviii) There was resignation of the statutory auditors from the date of 13th Nov, 2024 of the Company during the year. We have taken into consideration the issues, objections or concerns raised by the outgoing auditor.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that group 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) The provisions of section 135 are not applicable to the company. Accordingly, provisions of clause 3(xx) (a) and (b) of the order is not applicable.
- (xxi) There have been no qualifications or adverse remarks by the respective auditors in the companies (Auditor's reports of the companies included in the Consolidated Financial Statements.

## **"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of JHS Svendgaard Laboratories Limited on the consolidated financial statements as of and for the year ended 31 March 2025)

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to consolidated financial statements of JHS Svendgaard Laboratories Limited (the "Company") as of 31 March 2025 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Company and its Subsidiary Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit

evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to

the explanations given to us, the Group has developed some internal financial control systems over financial reporting and based on our review, such internal financial controls were generally operating effectively as on 31<sup>st</sup> March 2025.

Except for the effects of the material weakness(es) described below, the Company and its subsidiary has maintained, in all material respects, effective internal control over financial reporting as of 31<sup>st</sup> March, 2025:

1. The Group has not adequately documented or updated its Risk Control Matrix (RCM), which is a key tool to identify financial reporting risks and assign mitigating controls.
2. The Group is lacking inherent system of regular end-to-end reconciliations of Inter-Unit Accounts and Statutory Liability accounts especially w.r.t GST with its books of accounts on a monthly basis. This indicates control weaknesses in tracking and resolving mismatches on a timely basis, which could result in incorrect tax filings and potential regulatory non-compliance. Further, it was also observed that the internal control framework surrounding the reversal of ineligible Input Tax Credit (ITC) is also inadequate.
3. It was observed that the Group needs to strengthen the reporting system of their integrated ERP system with respect to ageing of trade receivables and trade payables. The report extracted from ERP are not configured to accurately extract the ageing data and thus the company is unable to monitor the overdue balances effectively. Similarly, periodic review of MSME outstanding needs to be closely followed and automated alert system to flag payments due to MSME approaching the threshold needs to be inbuilt into the system. The absence of such controls could lead to potential interest liability.
4. The process with respect to issuance, tracking and return of the material samples sent to customers/ departments for testing or evaluation process, disposal of rejected inventory items needs to be strengthened.
5. The direct tax balances pertaining to Advance Tax, TDS, TCS & provision for income tax for multiple past financial years need to be tracked through a yearly

tracker and developments be recorded basis quarterly reconciliation of the same.

6. The Group needs to establish a regular system of identifying the obsolete inventory, ir-recoverability of book debts as required by the Risk Control Matrix (RCM).
7. It has been noted that there are deficiencies in the vendor related controls:
  - Inactive vendors in the vendor master where there is no transaction in past few years;
  - Formal written quotations were not obtained from vendors prior to procurement;
  - Vendor payment due report from ERP is not sent to purchase head on regular basis for review.

In our opinion, to the best of our information and according to the explanations given to us, the Group needs to strengthen the internal financial controls system over financial reporting as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company and its subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V.K. Khosla & Co.**

Chartered Accountants

**FRN 002283N**

**Sd/-**

**Amit Khosla**

(Partner)

**Memb No. 095943**

**UDIN: 25095943BMJNW5195**

**Place: New Delhi**

**Date: May 27, 2025**

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2025

(₹ in lakhs)

| Particulars  | Notes  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|--------|------------------------|------------------------|
| <b>ASSETS</b>  |        |                        |                        |
| <b>Non-current assets</b>  |        |                        |                        |
| (a) Property, plant and equipment  | 3.1    | 8,591.85               | 8,553.44               |
| (b) Capital work-in-progress   | 3.2    | -                      | 81.68                  |
| (c) Right-of-use assets  | 3.3    | 112.23                 | 146.47                 |
| (d) Goodwill   | 3.4    | 79.61                  | 79.61                  |
| (e) Other intangible assets  | 3.5    | 248.90                 | 261.96                 |
| (f) Financial assets   |        |                        |                        |
| i) Investments   | 4      | 364.00                 | 344.83                 |
| ii) Loans  | 5      | 74.21                  | 155.25                 |
| iii) Other financial assets  | 6      | 357.85                 | 126.40                 |
| (g) Deferred tax assets (net)  | 7      | 330.31                 | 1,052.23               |
| (h) Non-current tax assets (net)   | 8      | 103.40                 | 95.70                  |
| (i) Other non-current assets   | 9      | 4,471.72               | 4,441.54               |
| <b>Total non-current assets</b>  |        | <b>14,734.08</b>       | <b>15,339.11</b>       |
| <b>Current assets</b>  |        |                        |                        |
| (a) Inventories  | 10     | 1,188.34               | 1,264.97               |
| (b) Financial assets   |        |                        |                        |
| i) Trade receivables   | 11     | 1,305.91               | 1,287.96               |
| ii) Cash and cash equivalents  | 12     | 674.54                 | 910.47                 |
| iii) Bank balances other than (ii) above                                     | 13     | 1,279.79               | 126.01                 |
| iv) Loans  | 14     | -                      | 1.80                   |
| v) Other financial assets  | 15     | 47.23                  | 106.48                 |
| (c) Other current assets   | 16     | 871.04                 | 668.64                 |
| (d) Current tax assets (net)   | 17     | 15.90                  | -                      |
| <b>Total current assets</b>  |        | <b>5,382.75</b>        | <b>4,366.33</b>        |
| <b>Total assets</b>  |        | <b>20,116.83</b>       | <b>19,705.44</b>       |
| <b>EQUITY AND LIABILITIES</b>  |        |                        |                        |
| <b>EQUITY</b>  |        |                        |                        |
| (a) Equity share capital   | 18     | 8,560.40               | 7,839.68               |
| (b) Other equity   | 19     | 8,712.32               | 9,148.71               |
| <b>Total equity</b>  |        | <b>17,272.72</b>       | <b>16,988.39</b>       |
| <b>LIABILITIES</b>   |        |                        |                        |
| <b>Non-current liabilities</b>   |        |                        |                        |
| (a) Financial liabilities  |        |                        |                        |
| i) Borrowings  | 20(i)  | 68.53                  | 11.89                  |
| ii) Lease liabilities  | 20(ii) | 52.05                  | 104.85                 |
| (b) Provisions   | 21     | 150.57                 | 147.71                 |
| (c) Other non-current liabilities  | 22     | 102.15                 | 118.90                 |
| <b>Total non-current liabilities</b>   |        | <b>373.30</b>          | <b>383.35</b>          |
| <b>Current liabilities</b>   |        |                        |                        |
| (a) Financial liabilities  |        |                        |                        |
| i) Borrowings  | 20(i)  | 445.74                 | 343.92                 |
| ii) Trade payables   |        |                        |                        |
| - total outstanding dues of micro and small enterprises                      | 23     | 392.22                 | 381.94                 |
| - total outstanding dues of creditors other than micro and small enterprises | 23     | 951.92                 | 1,027.88               |
| iii) Lease liabilities   | 20(ii) | 79.53                  | 52.21                  |
| iv) Other financial liabilities  | 24     | 480.72                 | 442.83                 |
| (b) Other current liabilities  | 25     | 105.07                 | 72.61                  |
| (c) Provisions   | 21     | 15.61                  | 12.31                  |
| <b>Total current liabilities</b>   |        | <b>2,470.81</b>        | <b>2,333.70</b>        |
| <b>Total liabilities</b>   |        | <b>2,844.11</b>        | <b>2,717.05</b>        |
| <b>Total equity and liabilities</b>  |        | <b>20,116.83</b>       | <b>19,705.44</b>       |

The accompanying notes are an integral part of these financial statements

As per our report of even dated attached

For V.K. Khosla & Co.

Chartered Accountants

Firm Registration No.: 002283N

Sd/-

**Amit Khosla**

Partner

Membership No.: 095943

Place : New Delhi

Date : 27 May 2025

For and on behalf of Board of Directors

**JHS Svendgaard Laboratories Limited**

Sd/-

**Nikhil Nanda**

Managing Director

DIN : 00051501

Sd/-

**Vinay Mittal**

Director

DIN : 08232559

Sd/-

**Ashish Goel**

Chief Financial Officer

Sd/-

**Paramvir Singh**

Chief Executive  
Officer & Executive  
Director

Sd/-

**Komal Jha**

Company Secretary



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs)

| Particulars  | Notes  | Year ended<br>31March2025 | Year ended<br>31March2024 |
|--|--------|---------------------------|---------------------------|
| <b>INCOME</b>  |        |                           |                           |
| Revenue from operations  | 26     | 9,199.73                  | 7,079.82                  |
| Other income   | 27     | 287.71                    | 431.44                    |
| <b>Total income</b>  |        | <b>9,487.44</b>           | <b>7,511.26</b>           |
| <b>EXPENSES</b>  |        |                           |                           |
| Cost of materials consumed   | 28(i)  | 5,745.75                  | 4,083.39                  |
| Purchases of stock-in-trade  | 28(ii) | 308.19                    | 201.48                    |
| Changes in inventories of finished goods, work in progress and stock-in-trade              | 29     | 50.28                     | 132.65                    |
| Employee benefits expense  | 30     | 1,011.63                  | 921.31                    |
| Finance costs  | 31     | 56.50                     | 46.00                     |
| Depreciation and amortisation expenses   | 32     | 795.02                    | 634.58                    |
| Other expenses   | 33     | 2,484.89                  | 1,834.71                  |
| <b>Total expenses</b>  |        | <b>10,452.26</b>          | <b>7,854.12</b>           |
| <b>Profit/ (Loss) before exceptional items and tax</b>                                     |        | <b>(964.82)</b>           | <b>(342.86)</b>           |
| <b>Exceptional items</b>   | 34     | (285.94)                  | -                         |
| <b>Profit/(Loss) before tax</b>  |        | <b>(1,250.76)</b>         | <b>(342.86)</b>           |
| <b>Tax expense</b>   | 35     |                           |                           |
| a) Current tax   |        | -                         | -                         |
| b) Tax for previous years  |        | 4.83                      | -                         |
| c) Deferred tax charge/(credit)  |        | 718.84                    | 62.91                     |
| <b>Profit/ (Loss) for the year from continuing operations</b>                              |        | <b>(1,974.43)</b>         | <b>(405.77)</b>           |
| <b>Profit/(Loss) for the year</b>  |        | <b>(1,974.43)</b>         | <b>(405.77)</b>           |
| <b>Other comprehensive income</b>  |        |                           |                           |
| <u>-Items that will not be reclassified subsequently to profit or loss</u>                 |        |                           |                           |
| Re-measurement gains/ (losses) on defined benefit plans                                    |        | 11.86                     | 6.29                      |
| Less: Income tax expense relating to Items that will not be reclassified to profit or loss | 35     | (3.08)                    | (1.64)                    |
| <b>Total other comprehensive income for the year, net of tax</b>                           |        | <b>8.78</b>               | <b>4.65</b>               |
| <b>Total comprehensive income for the year</b>   |        | <b>(1,965.65)</b>         | <b>(401.12)</b>           |
| <b>Net profit attributable to:</b>   |        |                           |                           |
| Owners of The Company  |        | (1,974.43)                | (405.77)                  |
| Non-controlling interest   |        | -                         | -                         |
| <b>Other Comprehensive Income attributable to:</b>   |        |                           |                           |
| Owners of The Company  |        | 8.78                      | 4.65                      |
| Non-controlling interest   |        | -                         | -                         |
| <b>Total Comprehensive Income attributable to:</b>   |        |                           |                           |
| Owners of The Company  |        | (1,965.65)                | (401.12)                  |
| Non-controlling interest   |        | -                         | -                         |
| <b>Earnings per equity share</b>   |        |                           |                           |
| a) Basic (Face value of Rs. 10 each)   |        | (2.37)                    | (0.52)                    |
| b) Diluted (Face value of Rs. 10 each)   |        | (2.37)                    | (0.52)                    |

The accompanying notes are an integral part of these financial



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## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2025

**As per our report of even dated attached**

**For V.K. Khosla & Co.**

Chartered Accountants

Firm Registration No.: 002283N

**Sd/-**

**Amit Khosla**

Partner

Membership No.: 095943

Place : New Delhi

Date : 27 May 2025

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

**JHS Svendgaard Laboratories Limited**

**Sd/-**

**Nikhil Nanda**

Managing Director

DIN : 00051501

**Sd/-**

**Ashish Goel**

Chief Financial Officer

**Sd/-**

**Vinay Mittal**

Director

DIN : 08232559

**Sd/-**

**Paramvir Singh**

Chief Executive  
Officer & Executive  
Director

**Sd/-**

**Komal Jha**

Company Secretary

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs)

| A. Equity Share Capital     |   |                             |
|-----------------------------|---|-----------------------------|
| Balance as at 01 April 2024 | Changes in equity share capital during the year | Balance as at 31 March 2025 |
| 7,839.68                    | 720.72  | 8,560.40                    |
| Balance as at 01 April 2023 | Changes in equity share capital during the year | Balance as at 31 March 2024 |
| 7,839.68                    | -   | 7,839.68                    |

(₹ in lakhs)

|   | Reserve and Surplus |                    |                 |                   | Other Comprehensive income                 | Money Received against Share warrants | Total Other Equity |
|---|---------------------|--------------------|-----------------|-------------------|--|---------------------------------------|--------------------|
|   | Capital Reserve     | Securities Premium | General Reserve | Retained Earnings | Remeasurement of net defined benefit plans |                                       |                    |
| <b>Balance as at 01 April 2024</b>                    | (313.16)            | 11,035.39          | 6.68            | (1,593.02)        | 12.83                                      | -                                     | 9,148.71           |
| Profit/(Loss) for the year                            | -                   | -                  | -               | (1,974.43)        | -  | -                                     | (1,974.43)         |
| Other comprehensive income                            | -                   | -                  | -               | -                 | 8.78                                       | -                                     | 8.78               |
| <b>Total comprehensive income for the year</b>        | -                   | -                  | -               | <b>(1,974.43)</b> | <b>8.78</b>                                | -                                     | <b>(1,965.66)</b>  |
| <b>Transaction with owners in capacity as owners</b>  |                     |                    |                 |                   |  |                                       |                    |
| Adjustments of shares warrants issued during the year | -                   | -                  | -               | (0.03)            | -  | 250.00                                | 249.97             |
| Adjustments of shares issued during the year          | -                   | 1,279.29           | -               | -                 | -  | -                                     | 1,279.29           |
| <b>Balance as at 31 March 2025</b>                    | <b>(313.16)</b>     | <b>12,314.68</b>   | <b>6.68</b>     | <b>(3,567.48)</b> | <b>21.60</b>                               | <b>250.00</b>                         | <b>8,712.32</b>    |

(₹ in lakhs)

|  | Reserve and Surplus |                    |                 |                   | Other Comprehensive income                 | Money Received against Share warrants | Total Other Equity |
|--|---------------------|--------------------|-----------------|-------------------|--|---------------------------------------|--------------------|
|  | Capital Reserve     | Securities Premium | General Reserve | Retained Earnings | Remeasurement of net defined benefit plans |                                       |                    |
| <b>Balance as at 01 April 2023</b>                   | (313.16)            | 11,035.39          | 6.68            | (1,192.70)        | 8.18                                       | -                                     | 9,544.39           |
| Profit for the year                                  | -                   | -                  | -               | (405.77)          | -  | -                                     | (405.77)           |
| Other comprehensive income                           | -                   | -                  | -               | -                 | 4.65                                       | -                                     | 4.65               |
| <b>Total comprehensive income for the year</b>       | -                   | -                  | -               | <b>(405.77)</b>   | <b>4.65</b>                                | -                                     | <b>(401.12)</b>    |
| <b>Transaction with owners in capacity as owners</b> |                     |                    |                 |                   |  |                                       |                    |
| Adjustment pertaining to a loan given to shareholder | -                   | -                  | -               | 5.46              | -  | -                                     | 5.46               |
| Share warrants converted into shares                 | -                   | -                  | -               | -                 | -  | -                                     | -                  |
| Premium on warrant converted into shares             | -                   | -                  | -               | -                 | -  | -                                     | -                  |
| <b>Balance as at 31 March 2024</b>                   | <b>(313.16)</b>     | <b>11,035.39</b>   | <b>6.68</b>     | <b>(1,593.02)</b> | <b>12.83</b>                               | -                                     | <b>9,148.71</b>    |

Refer note no. 19 for nature and purpose of reserves.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

As per our report of even dated attached

For V.K. Khosla & Co.

Chartered Accountants

Firm Registration No.: 002283N

Sd/-

**Amit Khosla**

Partner

Membership No.: 095943

Place : New Delhi

Date : 27 May 2025

For and on behalf of Board of Directors

JHS Svendgaard Laboratories Limited

Sd/-

**Nikhil Nanda**

Managing Director

DIN : 00051501

Sd/-

**Ashish Goel**

Chief Financial Officer

Sd/-

**Vinay Mittal**

Director

DIN : 08232559

Sd/-

**Paramvir Singh**

Chief Executive  
Officer & Executive  
Director

Sd/-

**Komal Jha**

Company Secretary

## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs)

| Particulars  | Year Ended<br>31 March 2025 | Year Ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>A. Cash Flow from Operating Activities</b>                                |                             |                             |
| Profit before tax  | (1,250.76)                  | (342.86)                    |
| <b>Adjustments for:</b>  |                             |                             |
| Depreciation and amortization expenses                                       | 795.02                      | 634.58                      |
| (Profit)/Loss on disposal of property, plant and equipment (net)             | (5.93)                      | (0.15)                      |
| Interest income  | (117.86)                    | (56.07)                     |
| Interest income on Financial asset measured at amortised cost                | (4.51)                      | -                           |
| Government grant amortization  | (14.14)                     | (15.07)                     |
| Exceptional Items  | 285.94                      | -                           |
| Balances and advances written off  | 9.02                        | 22.39                       |
| Provision no longer required written back                                    | (25.78)                     | (52.14)                     |
| Bad debts written off  | 72.23                       | -                           |
| Provision for doubtful advances  | 156.29                      | -                           |
| Gratuity and leave encashment  | 21.42                       | -                           |
| Amortisation of deferred rent expense  | 4.95                        | 26.68                       |
| Profit on sale of Mutual fund  | (4.74)                      | -                           |
| Interest and financial charges   | 47.20                       | 41.20                       |
| Exchange loss/(gain) (net)   | (0.41)                      | (0.01)                      |
| Net gain on financial asset mandatorily measured at FVTPL                    | (31.59)                     | (28.49)                     |
| <b>Operating profit before working capital changes and other adjustments</b> | <b>(63.64)</b>              | <b>230.07</b>               |
| <b>Working capital changes and other adjustments :</b>                       |                             |                             |
| (Increase)/decrease in inventories   | 77.43                       | 34.85                       |
| (Increase)/decrease in trade receivables                                     | (243.72)                    | 654.92                      |
| (Increase)/decrease in other current assets                                  | (223.94)                    | 153.04                      |
| (Increase)/decrease in other current financial assets                        | (1.59)                      | 266.22                      |
| (Increase)/Decrease in other non-current financial assets                    | (2.48)                      | -                           |
| (Increase)/decrease in other non-current assets                              | (26.58)                     | (545.37)                    |
| Increase/ (decrease) in other current financial liabilities                  | 25.16                       | 210.78                      |
| Increase/ (decrease) in trade payables                                       | (39.47)                     | (910.12)                    |
| Increase/ (decrease) in lease liabilities                                    | -                           | (3.31)                      |
| Increase/ (decrease) in other non current liabilities                        | (19.60)                     | 3.53                        |
| Increase/ (decrease) in provisions   | (3.41)                      | 11.17                       |
| Increase/ (decrease) in other current liabilities                            | 32.47                       | (1,036.27)                  |
| <b>Cash generated/(used) from operations</b>                                 | <b>(489.37)</b>             | <b>(930.49)</b>             |
| Taxes paid   | (28.42)                     | 12.79                       |
| <b>Net cash generated/(used) from operating activities</b>                   | <b>(517.79)</b>             | <b>(917.70)</b>             |
| <b>B. Cash Flow from Investing Activities</b>                                |                             |                             |
| Purchase of property, plant and equipment                                    | (1,053.30)                  | (3,153.26)                  |
| Capital Work in Progress   | 77.65                       | 775.16                      |
| Right-of-use   | -                           | 5.46                        |
| Proceeds from sale of Property Plant and Equipment                           | 50.28                       | -                           |
| Purchase of mutual funds   | -                           | (30.00)                     |
| Loan money received back   | 82.85                       | 52.99                       |
| Proceeds from Mutual funds   | 16.97                       | -                           |
| Proceeds from sale of investments  | 0.20                        | -                           |
| Purchase of Investments (Rs. 10/-)   | (0.00)                      | -                           |
| Interest income received   | 176.55                      | 56.09                       |
| Change in other bank balance and cash not available for immediate use        | (1,376.47)                  | 179.49                      |
| <b>Net Cash generated/(used) in investing activities</b>                     | <b>(2,025.25)</b>           | <b>(2,114.09)</b>           |

## CONSOLIDATED STATEMENT OF CASH FLOWS (CONTD)

FOR THE YEAR ENDED 31 MARCH 2025

(₹ in lakhs)

| Particulars  | Year Ended<br>31 March 2025 | Year Ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>C. Cash Flow from Financing Activities</b>                        |                             |                             |
| Proceeds from/ (repayment of) long term borrowings                   | 56.64                       | (12.04)                     |
| Proceeds from/ (repayment of) short term borrowings                  | 101.82                      | 329.97                      |
| Repayment of lease liabilities                                       | (78.78)                     | (59.34)                     |
| Proceed from share capital and securities premium                    | 2,000.00                    | -                           |
| Proceed/(utilization) from share warrant                             | 250.00                      | -                           |
| Interest and financial charges                                       | (22.56)                     | (41.20)                     |
| <b>Net increase from financing activities</b>                        | <b>2,307.12</b>             | <b>217.39</b>               |
| <b>Net increase/(decrease) in cash and cash equivalents</b>          | <b>(235.92)</b>             | <b>(2,814.40)</b>           |
| Opening balance of cash and cash equivalents                         | 910.47                      | 3,724.87                    |
| Closing balance of cash and cash equivalents                         | <b>674.55</b>               | <b>910.47</b>               |
| <b>Components of cash and cash equivalents as at end of the year</b> |                             |                             |
| Cash on hand   | 0.39                        | 18.62                       |
| Balances with banks  |                             |                             |
| - on current account   | 653.83                      | 451.31                      |
| - in term deposits with original maturity of 3 months or less        | 20.33                       | 440.54                      |
| <b>Cash and cash equivalents (Refer note 12)</b>                     | <b>674.55</b>               | <b>910.47</b>               |

Note:- The above statement of cash flows has been prepared under the indirect method as set out in IND AS 7, Statement of Cash Flows.

As per our report of even dated attached

For V.K. Khosla & Co.

Chartered Accountants

Firm Registration No.: 002283N

For and on behalf of Board of Directors

JHS Svendgaard Laboratories Limited

Sd/-

Amit Khosla

Partner

Membership No.: 095943

Sd/-

Nikhil Nanda

Managing Director

DIN : 00051501

Sd/-

Ashish Goel

Chief Financial Officer

Sd/-

Vinay Mittal

Director

DIN : 08232559

Sd/-

Paramvir Singh

Chief Executive Officer & Executive

Director

Sd/-

Komal Jha

Company Secretary

Place : New Delhi

Date : 27 May 2025



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH, 2025

### Background

JHS Svendgaard Laboratories Limited ("the Group" or "the Holding Group") is a Public Group domiciled in India and incorporated under the provisions of the Companies Act. The Group is engaged in manufacturing a range of oral and dental products for elite national and international brands. The main portfolio of the Group is to carry out manufacturing and exporting of oral care and hygiene products including toothbrushes, toothpastes, mouthwash, sanitizers and job work of detergent powder. The Group's shares are listed for trading on the National Stock Exchange of India Limited and the BSE Limited.

The Holding Group has one Subsidiary Company namely JHS Svendgaard Mechanical and Warehouse Private Limited. Currently, there are no major operations in JHS Svendgaard Mechanical and Warehouse Private Limited.

The consolidated financial statements comprise financial statements of JHS Svendgaard Laboratories Limited and its subsidiary (collectively referred to as "Group") for the year ended 31 March 2025.

### 1 Basis of preparation

#### a) Compliance with Indian Accounting Standard

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Division II IND AS Schedule III, unless otherwise stated.

These financial statements were approved by the Board of Directors on 27 May 2025.

#### b) (i) Principles of Consolidation

The consolidated financial statements comprises the financial statement of the Group, and the entities controlled by the Group including its subsidiaries as at 31 March 2025. 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:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns.

Consolidated 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 financial statements to ensure conformity with the Group's accounting policies. The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Group.

#### (ii) Consolidation procedure

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- (iii) Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interest in the results and the equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet.

The Group treats transactions with noncontrolling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH, 2025

acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of noncontrolling 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.

### c) Basis of measurement

The Financial Statements have been prepared under the historical cost convention on accrual basis, unless otherwise stated.

### d) Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgment in applying the Group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates and judgments are:

#### i. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Group reviews, at the end of each reporting date, the useful life of property, plant and equipment and changes, if any, are adjusted prospectively, if appropriate.

#### ii. Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

#### iii. Estimation of defined benefit obligation

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the

rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

#### iv. Estimation of deferred tax assets for carry forward losses and current tax expenses

The Group review carrying amount of deferred tax assets and Liabilities at the end of each reporting period. The policy for the same has been explained under Note No 2(d).

#### v. Impairment of trade receivables

The Group review carrying amount of Trade receivable at the end of each reporting period and provide for Expected Credit Loss based on estimate.

#### vi. Fair value measurement

Management uses valuation techniques in measuring the fair value of financial instrument where active market codes are not available. Details of assumption used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques management makes maximum use of market inputs and uses estimates and assumptions that are, as fast as possible, consistent with observable data that market participant would use in pricing the instrument where application data is not observable, management uses its best estimate about the assumption that market participant would make. These estimates may vary from actual prices that would be achieved in an arm's length transaction at the reporting date.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

#### e) Others

Financial Statements has been prepared on a going concern basis in accordance with the applicable accounting standards prescribed in the Companies (Indian Accounting Standards) Rules, 2015 issued by the Ministry of Corporate Affairs.

#### f) Current versus non-current classification

The Group presents assets and liabilities in the Financial Statement based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH, 2025

months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### g) Foreign currency translation

#### i) Functional and presentation currency

Items included in the Financial Statements are measured using the currency of the primary economic environment in which the entity operates i.e. 'the functional currency'. The Financial Statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

#### ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of such transactions and from translation of monetary assets and liabilities denominated in foreign currency at the reporting date exchange rates are recognized in the Statement of Profit and Loss. Foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income/ expenses.

## 2 Summary of significant accounting policies

### a) Business Combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103, Business Combinations. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Transaction costs that the Group incurs in connection with a business combination such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase.

### b) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

#### Sale of goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been dispatched to the location of customer. Following dispatch, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are dispatched to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 10-15 days. The Group considers the effects of variable consideration, non-cash consideration, and consideration payable to the customer (if any).

#### Variable consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group recognizes changes in the estimated amount of variable consideration in the period in which the change occurs. Some contracts for the sale of goods provide customers with volume rebates and pricing incentives, which give rise to variable consideration.

Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Group applies the most likely amount method for contracts with a single-volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Group then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH, 2025

### Contract balances

#### Trade receivables

A receivable represents the Group's right to 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 Note No 2(i) Financial assets – initial recognition and subsequent measurement.

Contract liabilities (which the Group refer to as advance from customer)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

The Group presents revenues net of indirect taxes in its Statement of Profit and Loss.

#### Cost to obtain a contract

The Group pays sales commission to its selling agents for each contract that they obtain for the Group. The Group has elected to apply the optional practical expedient for costs to obtain a contract which allows the Group to immediately expense sales commissions (included in 'commission on sales' under other expenses) because the amortization period of the asset that the Group otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

### Financing components

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

### Rendering of services

Service income includes job work and its revenue is recognised when the performance obligation to render the services are completed as per contractually agreed terms.

### c) Other revenue streams

#### Interest income

Interest income from debt instrument is recognised using the effective interest rate (EIR) method. EIR is the rate which exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset. When calculating the EIR the

Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayments, extensions, call and similar options) but does not consider the expected credit losses. **Dividend income**

Dividends are recognised in the Statement of Profit and Loss only when the Group's right to receive the payment is established.

### Export incentives

Export incentives principally comprise of duty drawback. The benefit under these incentive schemes are available based on the guideline formulated for respective schemes by the government authorities. Duty drawback is recognized as revenue on accrual basis to the extent it is probable that realization is certain.

### Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants which are revenue in nature and are towards compensation for the qualifying costs, incurred by the Group, are recognised as income in the Statement of Profit and Loss in the period in which such costs are incurred. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

### d) Income taxes

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Statement of Profit and Loss except to the extent that it relates to an item which is recognised in other comprehensive income or directly in equity, in which case the tax is recognized in 'Other comprehensive income' or directly in equity, respectively. The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

### Current tax

Current tax is based on tax rates applicable for respective years on the basis of tax law enacted and substantively enacted at the end of the reporting period. The Group establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. Current is payable on taxable profit, which differs from profit and loss in financial statements. Current tax is charged to Statement of Profit and Loss. Provision for current tax is made after taking in to consideration benefits admissible under Income Tax Act, 1961.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### Deferred tax

Deferred income taxes are calculated without discounting the temporary differences between carrying amounts of assets and liabilities and their tax base using the tax laws that have been enacted or substantively enacted by the reporting date. However, deferred tax is not provided on the initial recognition of assets and liabilities unless the related transaction is a business combination or affects tax or accounting profit. Tax losses available to be carried forward and other income tax credits available to the entity are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to utilize against future taxable income.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary differences will be utilized against future taxable income. This is assessed based on Group's forecast of future operating income at each reporting date.

Deferred tax assets and liabilities are offset where the entity has a right and intention to set off current tax assets and liabilities from the same taxation authority.

#### Minimum Alternative Tax (MAT)

Minimum Alternate Tax credit entitlement paid in accordance with tax laws, which gives rise to future economic benefit in form of adjustment to future tax liability, is considered as an asset to the extent management estimates its recovery in future years.

#### e) Leases

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

##### As a lessee

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in

which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

##### As a lessor

Lease income from operating leases where the Group is a lessor is recognized in the statement of profit and loss on a straight-line basis over the lease term.

#### f) Impairment of non-financial assets

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

For the purpose of assessing impairment, the smallest identifiable Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or Group of assets is considered as a cash generating unit. Goodwill acquired in a business combination is, from the acquisition date, allocated to each

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortization, if no impairment loss had been recognized. An impairment loss recognized for goodwill is not reversed in subsequent periods.

During the year under review, the Group engaged a Chartered Engineer, to conduct a technical assessment of certain machinery and equipment at our manufacturing facility located in Kala-Amb, Himachal Pradesh. Based on a detailed physical inspection and technical evaluation, it was observed that a number of machines, primarily injection moulding and tube filling equipment, have become technologically obsolete and are no longer supported by OEMs for service or spare parts. As a result, the operational efficiency of these assets has significantly declined.

Following the expert's recommendation, the carrying values of these assets have been impaired to reflect their recoverable (scrap/realisable) value. The total impairment charge recognized during the year amounts to ₹286 lakhs. This step is in line with the Group's prudent approach to asset management and financial reporting.

#### g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to know

amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### h) Inventories

- (i) Raw materials, packaging materials and stores and spare parts are valued at the lower of weighted average cost and net realizable value. Cost includes purchase price, taxes (excluding levies or taxes subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. However, these items are considered to be realizable at cost if finished products in which they will be used are expected to be sold at or above cost.
- (ii) Work in progress, manufactured finished goods and traded goods are valued at the lower of weighted average cost and net realizable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.
- (iii) Provision for obsolescence on inventories is made on the basis of management's estimate based on demand and market of the inventories.
- (iv) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.
- (v) The comparison of cost and net realizable value is made on an item by item basis.

#### i) Investments and Other Financial Assets

##### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Initial measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### (iii) Subsequent measurement

##### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. At present no financial assets fulfil this condition.

**Fair Value Through Profit or Loss(FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

##### Equity instruments

All equity investments in scope of Ind AS 109, are measured at fair value. At Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss, even on sale of investment. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in other gain/ (losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

##### Investments in subsidiaries

Investments are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

#### (iv) Impairment of financial assets

For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) for the period is recognised as expense/income in the Statement of Profit and Loss.

#### (v) De recognition of financial assets

A financial asset is derecognized only when:

The Group has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized.

Where the entity has neither transferred a financial asset nor

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH, 2025

retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### j) Financial liabilities

#### Initial recognition and measurement

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.

#### Subsequent measurement

##### Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance costs in the profit or loss.

##### Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the operating cycle of the business. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

##### Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gains/(losses).

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in the Statement of Profit and Loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the

equity instruments issued.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

#### Derecognition

A financial liability is derecognized 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 recognized in the statement of profit or loss.

### k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

### l) Property plant and equipment

Freehold land is carried at historical cost. Other property, plant and equipment are stated at historical cost of acquisition net of recoverable taxes (wherever applicable), less accumulated depreciation and amortization, if any. Cost comprises the purchase price, any cost attributable to bringing the assets to its working condition for its intended use and initial estimate of costs of dismantling and removing the item and restoring the site if any.

Where cost of a part of the asset is significant to the total cost of the assets and useful lives of the part is different from the remaining asset, then useful life of the part is determined separately and accounted as separate component.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### m) Intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Cost of Internally generated asset comprises of all expenditure that can be directly attributed, or allocated on a reasonable and consistent basis, to create, produce and make assets ready for its intended use.

Losses arising from retirement of , and gains or losses on disposals of intangible assets are determined as the difference between net disposal proceeds with carrying amount of assets and recognised as income or expenses in the Statement of Profit and Loss.

The Group has elected to continue with the carrying value for all of its intangible assets as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### n) Capital work in progress/ Intangible under development

Capital Work in progress/ Intangible under development represents expenditure incurred in respect of capital projects/ intangible assets under development and are carried at cost. Cost includes related acquisition expenses, development cost, borrowing cost (wherever applicable) and other direct expenditures.

The Group has elected to continue with the carrying value for all of its Capital Work in progress/ Intangible under development as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and

use that as its deemed cost as at the date of transition.

#### o) Depreciation and amortization

Depreciation on property plant and equipment has been provided on straight line method in accordance with the provisions of Part C of Schedule II of the Companies Act 2013. The Management believes that the estimated useful lives as per the provisions of Schedule II to the Companies Act, 2013, except for moulds and dies, are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Based on internal assessment and technical evaluation, the management has assessed useful lives of moulds and dies as five years, which is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation and amortization on addition to property plant and equipment is provided on pro rata basis from the date of assets are ready to use. Depreciation and amortization on sale/deduction from property plant and equipment is provided for upto the date of sale, deduction, discardment as the case may be.

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

All assets costing Rs. 5,000 or below are depreciated/ amortized by a one-time depreciation/amortization charge in the year of purchase.

| Description            | Useful lives (upto) |
|------------------------|---------------------|
| Vehicle                | 8 years             |
| Computer               | 3 years             |
| Furniture & Fixture    | 10 years            |
| Computer Software      | 5 years             |
| Office Equipment       | 5 years             |
| Leasehold Improvements | 8 years             |
| Electronic Equipment   | 8 years             |
| Mould & Dies           | 5 years             |
| Plant & Machinery      | 15 years            |
| Computer network       | 6 years             |
| Factory Building       | 30 years            |
| Office Building        | 30 years            |
| Lab Equipment          | 10 years            |
| Technical Know How     | 5 years             |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

**p) Borrowing costs**

Borrowing cost includes interest calculated using the effective interest rate method and amortization of ancillary cost incurred in connection with the arrangement of borrowings. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All Other borrowing costs are expensed in the period in which they are incurred.

**q) Provisions, Contingent liabilities and Contingent assets**

A Provision is recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

**r) Employee Benefits :**

**(i) Short-term obligations**

Short term benefits comprises of employee cost such as salaries and bonuses including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

**(ii) Post employment obligations**

**Defined benefit plans**

**Gratuity obligations**

The Group provides for the retirement benefit in the form of Gratuity. The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

**Defined contribution plans**

**Provident Fund**

All the employees of the Group are entitled to receive benefits under Provident Fund, which is defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India.

**Employee state insurance**

Employees whose wages/salary is within the prescribed limit in accordance with the Employee State Insurance Act, 1948, are covered under this scheme. These contributions are made to the fund administered and managed by the Government of India. The Group's contributions to these schemes are expensed off in the Statement of Profit and Loss. The Group has no further obligations under the plan beyond its monthly contributions.

**iii) Other long-term employee benefit obligations**

**Leave encashment**

The liabilities for accumulated absents are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### Share-Based Payments

The Group recognises the goods or services received or acquired in a share-based payment transaction when it obtains the goods or as the services are received with a corresponding increase in equity if the goods or services were received in an equity-settled share-based payment transaction, or a liability if the goods or services were acquired in a cash-settled share-based payment transaction.

When the goods or services received or acquired do not qualify for recognition as assets, they are recognised as expenses.

For equity-settled share-based payment transactions, the Group measures the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the Group cannot estimate reliably the fair value of the goods or services received, the Group measures their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.

If the equity instruments granted vest immediately, on grant date the Group recognises the services received in full, with a corresponding increase in equity.

#### s) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### t) Earnings per share

Basic earnings per equity share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity Shares outstanding during the financial year. The weighted average number of equity shares outstanding during the period, are adjusted for events of bonus issued to existing shareholders.

For the purpose calculating diluted earnings per share, the

net profit or loss attributable to equity shareholders and the weighted average number of shares outstanding are adjusted for the effects of all dilutive potential equity shares, if any.

#### u) Segment reporting

In line with the provisions of Ind AS 108 Operating Segments, and on the basis of the review of operations by the Chief Operating Decision Maker (CODM), the operations of the Group fall under Manufacturing of Oral Care products, other than manufacturing business and retail operations.

#### v) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized 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 or 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).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized 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 recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

#### w) Assets held for Sale

Non-current assets or disposal Groups comprising of assets and liabilities are classified as held for sale if their carrying

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal Group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal Group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets or disposal Groups comprising of assets and liabilities classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

#### x) **Exceptional items**

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

#### **2.2. Recent accounting pronouncements:**

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. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

#### **IND AS 1 – Presentation of Financial Statements**

This amendment requires the companies to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and the impact of the amendment is significant in the standalone financial statements.

#### **Ind AS 12 – Income Taxes**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and there is no impact on its standalone financial statement.

#### **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023. The Group has evaluated the amendment and there is no impact on its standalone financial statements.

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 3.1 Property, plant and equipment

(₹ in lakhs)

| Particulars                          | Gross Block (at cost) |                 |                        |                     | Accumulated depreciation & amortization |  |                        |                     | Net Block           |                     |
|--------------------------------------|-----------------------|-----------------|------------------------|---------------------|---|--|------------------------|---------------------|---------------------|---------------------|
|                                      | As at 01 April 2024   | Additions       | Disposals/ adjustments | As at 31 March 2025 | As at 01 April 2024                     | Depreciation & amortization for the year | Disposals/ adjustments | As at 31 March 2025 | As at 31 March 2025 | As at 31 March 2024 |
| <b>Property, plant and equipment</b> |                       |                 |                        |                     |   |  |                        |                     |                     |                     |
| Freehold land                        | 1,683.12              | 248.43          | -                      | 1,931.54            | -                                       | -  | -                      | -                   | 1,931.54            | 1,683.12            |
| Factory building                     | 2,595.63              | 274.16          | -                      | 2,869.78            | 584.93                                  | 96.85                                    | -                      | 681.78              | 2,188.00            | 2,010.69            |
| Office building                      | 143.01                | -               | -                      | 143.01              | 42.45                                   | 6.08                                     | -                      | 48.53               | 94.48               | 100.56              |
| Plant & machinery                    | 6,347.68              | 111.90          | 1,050.72               | 5,408.86            | 2,491.46                                | 385.68                                   | 737.63                 | 2,139.51            | 3,269.34            | 3,856.22            |
| Mould & dies                         | 543.31                | 159.25          | -                      | 702.56              | 364.35                                  | 54.19                                    | -                      | 418.54              | 284.02              | 178.96              |
| Electronic equipment                 | 252.75                | 13.46           | 17.71                  | 248.50              | 171.17                                  | 10.68                                    | 6.02                   | 175.84              | 72.66               | 81.58               |
| Lab equipment                        | 5.63                  | -               | -                      | 5.63                | 4.94                                    | 0.03                                     | -                      | 4.98                | 0.66                | 0.69                |
| Leasehold Improvements               | 160.55                | -               | -                      | 160.55              | 102.86                                  | 17.45                                    | -                      | 120.31              | 40.25               | 57.70               |
| Furniture & fixture                  | 438.76                | 160.05          | 0.39                   | 598.42              | 101.60                                  | 40.33                                    | 0.09                   | 141.84              | 456.58              | 337.16              |
| Office equipment                     | 74.16                 | 3.96            | -                      | 78.12               | 39.96                                   | 4.45                                     | -                      | 44.42               | 33.70               | 34.20               |
| Vehicle                              | 497.91                | 60.06           | -                      | 557.97              | 288.58                                  | 51.28                                    | -                      | 339.86              | 218.11              | 209.33              |
| Computer                             | 12.74                 | 0.34            | -                      | 13.07               | 9.52                                    | 1.07                                     | -                      | 10.60               | 2.47                | 3.21                |
| Computer network                     | 0.27                  | -               | -                      | 0.27                | 0.23                                    | -  | -                      | 0.23                | 0.04                | 0.04                |
| <b>Total</b>                         | <b>12,755.52</b>      | <b>1,031.59</b> | <b>1,068.82</b>        | <b>12,718.29</b>    | <b>4,202.07</b>                         | <b>668.10</b>                            | <b>743.73</b>          | <b>4,126.43</b>     | <b>8,591.85</b>     | <b>8,553.44</b>     |
| <b>Previous year</b>                 | <b>9,907.81</b>       | <b>2,847.76</b> | <b>0.05</b>            | <b>12,755.52</b>    | <b>3,633.28</b>                         | <b>568.83</b>                            | <b>0.03</b>            | <b>4,202.07</b>     | <b>8,553.44</b>     | <b>6,274.52</b>     |

\*During the year under review, the Company has carried out a detailed physical inspection and technical evaluation wherein it was observed that some machines have become technologically obsolete and are no longer supported by OEMs for service or spare parts. Following the expert's recommendation, the carrying values of these assets have been impaired to reflect their recoverable (scrap/realisable) value.

### 3.2 Capital work-in-progress \*

(₹ in lakhs)

| Particulars            | As at 01 April 2024 | Additions    | Capitalised   | As at 31 March 2025 |
|------------------------|---------------------|--------------|---------------|---------------------|
| Land & building        | 1.15                | -            | 1.15          | -                   |
| Mould                  | 0.06                | -            | 0.06          | -                   |
| Plant & machinery      | 76.44               | -            | 76.44         | -                   |
| Pre-operative expenses | 4.03                | -            | 4.03          | -                   |
| <b>Total</b>           | <b>81.68</b>        | <b>-</b>     | <b>81.68</b>  | <b>-</b>            |
| <b>Previous year</b>   | <b>856.83</b>       | <b>73.87</b> | <b>849.01</b> | <b>81.68</b>        |

\*Capital work in progress ageing

Ageing for capital work in progress as at 31 March 2025

(₹ in lakhs)

| Particulars                    | Amount in capital work in progress for a period of |           |           |                   | Total |
|--------------------------------|--|-----------|-----------|-------------------|-------|
|                                | Less than 1 year                                   | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress           | -  | -         | -         | -                 | -     |
| Projects temporarily suspended | -  | -         | -         | -                 | -     |

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### Ageing for capital work in progress as at 31 March 2024

(₹ in lakhs)

| Particulars                    | Amount in capital work in progress for a period of |           |           |                   | Total |
|--------------------------------|--|-----------|-----------|-------------------|-------|
|                                | Less than 1year                                    | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in progress           | 81.68  | -         | -         | -                 | 81.68 |
| Projects temporarily suspended | -  | -         | -         | -                 | -     |

### 3.3 Right of Use Assets

(₹ in lakhs)

| Particulars                 | Amount  |
|-----------------------------|---------|
| Balance as at 01 April 2024 | 146.47  |
| Additions                   | 28.65   |
| Deletions/Adjustment        | -       |
| Depreciation                | (62.90) |
| Balance as at 31 March 2025 | 112.23  |

### 3.4 Intangible assets

(₹ in lakhs)

| Particulars   | Gross Block (at cost) |           |                        |                     | Accumulated depreciation & amortization |  |                        | Net Block           |                     |                     |
|---------------|-----------------------|-----------|------------------------|---------------------|---|--|------------------------|---------------------|---------------------|---------------------|
|               | As at 01 April 2024   | Additions | Disposals/ adjustments | As at 31 March 2025 | As at 01 April 2024                     | Depreciation & amortization for the year | Disposals/ adjustments | As at 31 March 2025 | As at 31 March 2025 | As at 31 March 2024 |
| Goodwill      | 79.61                 | -         | -                      | 79.61               | -                                       | -  | -                      | -                   | 79.61               | 79.61               |
| <b>Total</b>  | <b>79.61</b>          | <b>-</b>  | <b>-</b>               | <b>79.61</b>        | <b>-</b>                                | <b>-</b>                                 | <b>-</b>               | <b>-</b>            | <b>79.61</b>        | <b>79.61</b>        |
| Previous year | 79.61                 | -         | -                      | 79.61               | -                                       | -  | -                      | -                   | 79.61               | 79.61               |

### 3.5 Other Intangible assets

(₹ in lakhs)

| Particulars        | Gross Block (at cost) |              |                        |                     | Accumulated depreciation & amortization |  |                        | Net Block           |                     |                     |
|--------------------|-----------------------|--------------|------------------------|---------------------|---|--|------------------------|---------------------|---------------------|---------------------|
|                    | As at 01 April 2024   | Additions    | Disposals/ adjustments | As at 31 March 2025 | As at 01 April 2024                     | Depreciation & amortization for the year | Disposals/ adjustments | As at 31 March 2025 | As at 31 March 2025 | As at 31 March 2024 |
| Computer software  | 0.57                  | 18.90        | -                      | 19.47               | 0.57                                    | 1.29                                     | -                      | 1.86                | 17.62               | -                   |
| Trademark          | 7.25                  | -            | -                      | 7.25                | 7.03                                    | 0.15                                     | -                      | 7.18                | 0.07                | 0.22                |
| Technical know-how | 274.67                | 31.11        | -                      | 305.78              | 12.93                                   | 61.65                                    | -                      | 74.58               | 231.21              | 261.74              |
| Non Compete Fees   | 1.25                  | -            | -                      | 1.25                | 1.25                                    | -  | -                      | 1.25                | -                   | -                   |
| <b>Total</b>       | <b>283.74</b>         | <b>50.02</b> | <b>-</b>               | <b>333.76</b>       | <b>21.79</b>                            | <b>63.10</b>                             | <b>-</b>               | <b>84.87</b>        | <b>248.90</b>       | <b>261.96</b>       |
| Previous year      | 9.07                  | 274.67       | -                      | 283.74              | 8.34                                    | 13.44                                    | -                      | 21.79               | 261.96              | 0.72                |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

## 4 Financial Asset - Non Current Investments

(₹ in lakhs)

| Particulars   |            |                 | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------|-----------------|------------------------|------------------------|
| <b>A Investments in Joint Ventures</b>  |            |                 |                        |                        |
| (i) HWJHS Labs Private Limited  |            |                 | -                      | 0.20                   |
| <b>Total</b>  |            |                 | -                      | <b>0.20</b>            |
| <b>B Investments carried at fair value through profit &amp; loss</b>  |            |                 |                        |                        |
|   | Fair value | Number of Units |                        |                        |
| Mutual Fund units (Quoted)  | 1,405.02   | 18777           | 263.83                 | 244.46                 |
| ARG Outlier Media Private Limited   |            |                 |                        |                        |
| 274 Compulsorily Convertible Participatory Preference shares of Rs.10/- each having issue price of Rs.36,558.07 |            |                 | 100.17                 | 100.17                 |
| <b>Total</b>  |            |                 | <b>364.00</b>          | <b>344.63</b>          |
| <b>C Aggregate amount of investments (A+B)</b>  |            |                 | <b>364.00</b>          | <b>344.83</b>          |
| <b>Aggregate amount of unquoted investment at cost</b>  |            |                 | <b>100.17</b>          | <b>100.37</b>          |
| <b>Aggregate amount of quoted investment at cost</b>  |            |                 | <b>187.77</b>          | <b>200.00</b>          |
| <b>Aggregate market value of quoted investment</b>  |            |                 | <b>263.83</b>          | <b>244.46</b>          |

## 5 Financial Asset - Non - current loans

(₹ in lakhs)

| Particulars                       | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------------|------------------------|------------------------|
| <b>Unsecured, considered good</b> |                        |                        |
| Loans to others                   | 74.21                  | 155.25                 |
|                                   | <b>74.21</b>           | <b>155.25</b>          |

## 6 Other non- current financial assets

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Deposits with banks having maturity period of more than twelve months* | 274.49                 | 51.80                  |
| Advance to employee  | -                      | 3.65                   |
| Interest receivables   | -                      | 2.11                   |
| Security deposit with others   | 49.59                  | -                      |
| Security deposit with related party                                    | 33.77                  | 68.83                  |
|  | <b>357.85</b>          | <b>126.40</b>          |

\* includes pledged & margin money deposited with various government authorities amounting to Rs. 48.27 lakhs (31 March 2024: Rs. 22.51 lakhs).

## 7 Deferred tax assets (net)

(₹ in lakhs)

### (a) The balance comprises temporary differences attributable to:

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| <b>Deferred tax liability on account of:</b> |                        |                        |
| Property, plant and equipment                | (576.25)               | (571.15)               |
| Financial assets at FVTPL                    | (19.77)                | (5.68)                 |
| Lease Liabilities                            | (34.21)                | (40.84)                |
| <b>Sub Total</b>                             | <b>(630.24)</b>        | <b>(617.66)</b>        |
| <b>Deferred tax asset on account of:</b>     |                        |                        |
| Provision for bonus                          | 2.07                   | 5.82                   |
| Provision for doubtful debts                 | 43.69                  | 206.21                 |
| Provision for obsolete stock                 | 68.38                  | 0.21                   |
| Provision for gratuity                       | 40.20                  | 35.74                  |
| Provision for doubtful advance               | 118.59                 | (0.12)                 |
| Provision for leave encashment               | 3.00                   | 5.43                   |
| Right-of-use assets                          | 29.18                  | 38.08                  |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

(₹ in lakhs)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Security Deposit                          |                        |                        |
| Other temporary differences               | -                      | (2.30)                 |
| Tax losses carried forward                | 347.63                 | 1,049.64               |
| Government grant                          | -                      | 33.91                  |
| MAT credit entitlement                    | 307.86                 | 297.85                 |
| <b>Sub Total</b>                          | <b>960.55</b>          | <b>1,669.90</b>        |
| <b>Net deferred tax (liability)/asset</b> | <b>330.31</b>          | <b>1,052.23</b>        |

(b) Movement in deferred tax balances:

(₹ in lakhs)

|                                 | Provision for<br>employment<br>benefit | Property,<br>Plant and<br>Equipment | Tax losses<br>carried<br>forward | Others        | Total           |
|---------------------------------|--|-------------------------------------|----------------------------------|---------------|-----------------|
| <b>At 31 March 2023</b>         | 42.88                                  | (442.94)                            | 974.83                           | 553.06        | 1,127.83        |
| Charged/(Credited):             |  |                                     |                                  |               |                 |
| -directly in equity             | -                                      | -                                   | -                                | -             | -               |
| - to profit or loss             | 5.75                                   | (128.21)                            | 74.82                            | (26.31)       | (73.96)         |
| - to other comprehensive income | (1.64)                                 | -                                   | -                                | -             | (1.64)          |
| <b>At 31 March 2024</b>         | <b>46.99</b>                           | <b>(571.15)</b>                     | <b>1,049.64</b>                  | <b>526.75</b> | <b>1,052.23</b> |
| Charged/(Credited):             |  |                                     |                                  |               |                 |
| -directly in equity             | -                                      | -                                   | -                                | -             | -               |
| - to profit or loss             | 1.37                                   | (5.10)                              | (702.02)                         | (13.09)       | (718.84)        |
| - to other comprehensive income | (3.08)                                 | -                                   | -                                | -             | (3.08)          |
| <b>At 31 March 2025</b>         | <b>45.28</b>                           | <b>(576.25)</b>                     | <b>347.63</b>                    | <b>513.66</b> | <b>330.31</b>   |

\*The Group has reviewed the virtual certainty of its carry-forward losses, assessing both their nature and adjustability against future business income. Given that these losses were of capital nature, time-barred, and restricted under Section 72A of the Income Tax Act, they are not eligible for adjustment. Consequently, the Group has revised its Deferred Tax Asset (DTA) by Rs. 710.43 lakhs approx. and has recognized the impact of this adjustment in the financial statements for the period under review.

8 Non current tax assets (net)

(₹ in lakhs)

| Particulars                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Advance income tax and tax deducted at source | 103.40                 | 95.70                  |
|   | <b>103.40</b>          | <b>95.70</b>           |

9 Other non current assets

(₹ in lakhs)

| Particulars                 | As at<br>31 March 2025 | As at<br>31 March 2024 |
|-----------------------------|------------------------|------------------------|
| Capital advance*            |                        |                        |
| Unsecured (considered good) | 4,461.41               | 4,440.30               |
| Prepaid expenses            | 2.63                   | 1.24                   |
| Deferred rent expense       | 7.68                   | 0.00                   |
|                             | <b>4,471.72</b>        | <b>4,441.54</b>        |

\* The Group had given capital advances in earlier years amounting to Rs. 2886.24 lakhs (Net of provision amounting to Rs. 398.19 lakhs) (outstanding balance as on 31st March 2024 - Rs. 3011.15 lakhs) to various parties for capital projects for setting up new product manufacturing facilities in Himachal Pradesh ("H.P.") and Rs. 1328.30 lakhs (outstanding balance as on 31st March 2024 - Rs.1328.30 lakhs) through its wholly owned subsidiary, towards pre-emption rights in the upcoming project in Union Territory of Jammu & Kashmir ("J&K").

In lieu of the Group's expansion plans and based on

confirmation received from some of the parties for supply, the management of the Group is confident of the utilization of such advances in its future projects. Considering the above stated facts and discussion with the parties, the management is confident that above stated outstanding capital advances of Rs. 3011.15 lakhs and Rs.1328.30 lakhs will be realised/set off against supply of goods / services in near future. Accordingly, in the opinion of the management, above stated amounts are good and fully recoverable. Hence, management has considered not necessary to make any additional provision at this stage.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 10 Inventories

(Valued at lower of cost or net realisable value)

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Raw materials  | 559.70                 | 532.78                 |
| Packing material   | 408.83                 | 350.95                 |
| Work-in-progress   | 192.12                 | 172.56                 |
| Finished goods   | 219.60                 | 142.78                 |
| Stores and spares  | 71.11                  | 66.70                  |
| Less: Provision for obsolescence & diminution in value*      | (263.02)               | (0.80)                 |
|  | <b>1,188.34</b>        | <b>1,264.97</b>        |
| <b>*Provision for obsolescence &amp; diminution in value</b> |                        |                        |
| Opening balance  | 0.80                   | 0.80                   |
| Addition during the year                                     | 263.02                 | -                      |
| Used during the year   | -                      | -                      |
| Reversed during the year                                     | (0.80)                 | -                      |
| <b>Closing balance</b>                                       | <b>263.02</b>          | <b>0.80</b>            |

\*As part of an enhanced inventory evaluation exercise carried out during the year, the Group identified certain obsolete and non-moving inventories. Accordingly, provisions have been made to reflect inventories at cost/NRV, whichever is lower.

### 11 Financial Asset - Trade receivables

Refer note. 2(a) for accounting policy on trade receivable

(₹ in lakhs)

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Trade receivables considered good - Secured                      | -                      | -                      |
| Trade receivables considered good - Unsecured                    | 1,305.91               | 1,287.96               |
| Trade receivables which have significant increase in credit risk | -                      | -                      |
| Trade receivables - credit impaired                              | -                      | -                      |
| Less: Allowance for Expected Credit Loss                         | -                      | -                      |
|  | <b>1,305.91</b>        | <b>1,287.96</b>        |

\*During the year under review, the company has carried out a detailed inspection of its trade receivables wherein it has observed uncertainty with respect to recoverability of a certain amount and thus made a provision of Rs. 168.02 lakhs and write off amounting to Rs. 33.72 lakhs.

#### Ageing for trade receivables - current outstanding as at 31 March 2025:

(₹ in lakhs)

| Particulars   | Unbilled | Not Due | Outstanding for following periods from due date of Payment |                   |             |             |                   | Total    |
|---|----------|---------|--|-------------------|-------------|-------------|-------------------|----------|
|   |          |         | Less than 6 months   | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |          |
| Trade receivables   |          |         |  |                   |             |             |                   |          |
| Undisputed trade receivables – considered good                                | -        | -       | 1,110.87   | 112.71            | -           | 44.32       | 38.01             | 1,305.91 |
| Undisputed trade receivables – which have significant increase in credit risk | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Undisputed trade receivables – credit impaired                                | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – considered good                                  | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – which have significant increase in credit risk   | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – credit impaired                                  | -        | -       | -  | -                 | -           | -           | -                 | -        |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### Ageing for trade receivables -current outstanding as at 31 March 2024:

(₹ in lakhs)

| Particulars   | Unbilled | Not Due | Outstanding for following periods from due date of Payment |                   |             |             |                   | Total    |
|---|----------|---------|--|-------------------|-------------|-------------|-------------------|----------|
|   |          |         | Less than 6 months   | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |          |
| Trade receivables   |          |         |  |                   |             |             |                   |          |
| Undisputed trade receivables – considered good                                | -        | -       | 806.65   | 234.04            | 104.35      | 10.52       | 132.40            | 1,287.96 |
| Undisputed trade receivables – which have significant increase in credit risk | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Undisputed trade receivables – credit impaired                                | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – considered good                                  | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – which have significant increase in credit risk   | -        | -       | -  | -                 | -           | -           | -                 | -        |
| Disputed trade receivables – credit impaired                                  | -        | -       | -  | -                 | -           | -           | -                 | -        |

### 12 Financial Asset - Cash and cash equivalents

(₹ in lakhs)

| Particulars   | As at 31 March 2025 | As at 31 March 2024 |
|---|---------------------|---------------------|
| Cash on hand  | 0.39                | 18.62               |
| Balance with bank   |                     |                     |
| - current account   | 653.83              | 451.31              |
| - deposits with banks with original maturity of less than 3 months* | 20.33               | 440.54              |
|   | <b>674.54</b>       | <b>910.47</b>       |

\* includes pledged & margin money deposited against cash credit with banking authorities amounting for Rs. Nil lakhs as on 31 March 2025 (31 March 2024: Rs.440.54 lakhs)

### 13 Financial Asset - Bank balances other than cash and cash equivalents

(₹ in lakhs)

| Particulars  | As at 31 March 2025 | As at 31 March 2024 |
|--|---------------------|---------------------|
| Deposits with banks with original maturity of more than 3 months but maturity less than 12 months* | 1,279.79            | 126.01              |
|  | <b>1,279.79</b>     | <b>126.01</b>       |

\* includes pledged & margin money deposits with various government authorities amounting to Rs. 102.79 lakhs as on 31 March 2025 (31 March 2024: Rs.90.88 lakhs)

### 14 Financial Asset - Current loans

(₹ in lakhs)

| Particulars                | As at 31 March 2025 | As at 31 March 2024 |
|----------------------------|---------------------|---------------------|
| Unsecured, considered good |                     |                     |
| Loan to others             | -                   | 1.80                |
|                            | -                   | <b>1.80</b>         |

\* Loan is receivable within a period of 12 months at interest rate in the range of 7.5% p.a. to 8% p.a.

### 15 Other current financial assets

(₹ in lakhs)

| Particulars           | As at 31 March 2025 | As at 31 March 2024 |
|-----------------------|---------------------|---------------------|
| Interest receivables* | 45.64               | 96.99               |
| Other receivables     | (0.00)              | 9.49                |
| Advance to employees  | 1.59                | -                   |
|                       | <b>47.23</b>        | <b>106.48</b>       |

\* Interest receivable includes interest on employee advances and interest on loan to subsidiaries amounting to Rs. 27.45 Lakhs (31 March 2024 - Rs. 60.84 Lakhs)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### 16 Other current assets

(Unsecured, considered good, unless otherwise specified)

(₹ in lakhs)

| Particulars                                    | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Prepaid expenses                               | 15.49                  | 19.39                  |
| Balances with statutory/government authorities | 144.22                 | 163.60                 |
| Imprest to employees                           | 0.84                   | 2.63                   |
| Advance to suppliers                           | 708.79                 | 482.71                 |
| Export incentive receivables                   | 1.70                   | 0.31                   |
|  | <b>871.04</b>          | <b>668.64</b>          |

#### 17 Current Tax Assets (Net)

(₹ in lakhs)

| Particulars                                   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Advance income tax and tax deducted at source | 15.90                  | -                      |
|   | <b>15.90</b>           | <b>-</b>               |

#### 18 Equity share capital

(₹ in lakhs)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| <b>a) Authorised</b>   |                        |                        |
| 10,10,00,000 Equity shares of Rs.10/- each<br>(31 March 2024: 10,10,00,000 Equity shares of Rs. 10/- each) | 10,100.00              | 10,100.00              |
| <b>b) Issued, subscribed &amp; fully paid up</b>   |                        |                        |
| 8,56,03,966 Equity shares of Rs.10/- each;<br>(31 March 2024: 7,83,96,762 Equity shares of Rs. 10/- each)  | 8,560.40               | 7,839.68               |
| <b>Total</b>   | <b>8,560.40</b>        | <b>7,839.68</b>        |

#### c) Reconciliation of number of equity shares and share capital outstanding

(₹ in lakhs)

| Particulars                           | As at 31 March 2025 |                 | As at 31 March 2024 |                 |
|---------------------------------------|---------------------|-----------------|---------------------|-----------------|
|                                       | No. of Shares       |                 | No. of Shares       |                 |
| At the beginning of the year          | 78,396,762          | 7,839.68        | 78,396,762          | 7,839.68        |
| Add : Shares issued during the year * | 7,207,204           | 720.72          | -                   | -               |
| <b>At the end of the year</b>         | <b>85,603,966</b>   | <b>8,560.40</b> | <b>78,396,762</b>   | <b>7,839.68</b> |

#### d) Terms / rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹10/- per share referred to herein as equity share. Each holder of equity shares is entitled to one vote per share held.

The Group declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case where interim dividend is distributed. During the year ended 31 March, 2025 and 31 March, 2024, no dividend has been declared by the Group.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive all of the remaining assets of the Group, after distribution of all preferential amounts, if any. Such distribution amount will be in proportion to the number of equity shares held by the shareholders.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

- e) **Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:**

No shares were issued to the shareholders for consideration other than cash during the period of five years immediately preceding the reporting date.

- f) **Detail of shareholders holding more than 5% shares in the Group**

(₹ in lakhs)

|                                    | As at 31 March 2025 |              | As at 31 March 2024 |              |
|------------------------------------|---------------------|--------------|---------------------|--------------|
|                                    | No. of Shares       | % of holding | No. of Shares       | % of holding |
| Nikhil Nanda                       | 26,494,102          | 30.95%       | 26,494,102          | 33.79%       |
| Sixth Sense India Opportunities II | -                   | 0.00%        | 4,867,185           | 6.21%        |

- g) **Details of promoters shareholding**

(₹ in lakhs)

| Shares held by promoter at the end of the year | As at 31 March 2025 |                   | As at 31 March 2024 |                   | % Change during the year |
|--|---------------------|-------------------|---------------------|-------------------|--------------------------|
|  | Number of shares    | % of total shares | Number of shares    | % of total shares |                          |
| Mr. Nikhil Nanda                               | 26,494,102          | 30.95%            | 26,494,102          | 33.79%            | -2.85%                   |
| Late Mr. Harish Chander Nanda*                 | 19,731              | 0.02%             | 19,731              | 0.03%             | 0.00%                    |
| Mr. Diljit Singh Grewal                        | 1,500               | 0.00%             | 1,500               | 0.00%             | 0.00%                    |
| Mrs. Shushma Nanda                             | 3,065,985           | 3.58%             | 3,065,985           | 3.91%             | -0.33%                   |

(₹ in lakhs)

| Shares held by promoter at the end of the year | As at 31 March 2024 |                   | As at 31 March 2023 |                   | % Change during the year |
|--|---------------------|-------------------|---------------------|-------------------|--------------------------|
|  | Number of shares    | % of total shares | Number of shares    | % of total shares |                          |
| Mr. Nikhil Nanda                               | 26,494,102          | 33.79%            | 26,494,102          | 33.79%            | 0.00%                    |
| Late Mr. Harish Chander Nanda*                 | 19,731              | 0.03%             | 19,731              | 0.03%             | 0.00%                    |
| Mr. Diljit Singh Grewal                        | 1,500               | 0.00%             | 1,500               | 0.00%             | 0.00%                    |
| Mrs. Shushma Nanda                             | 3,065,985           | 3.91%             | 3,065,985           | 3.91%             | 0.00%                    |

\* Transmission of shares is under process.

#### 19 Other Equity

##### A Summary of Other Equity Balance

(₹ in lakhs)

| Particulars                           | As at 31 March 2025 | As at 31 March 2024 |
|---------------------------------------|---------------------|---------------------|
| Capital reserves                      | (313.16)            | (313.16)            |
| Securities premium                    | 12,314.68           | 11,035.39           |
| General reserves                      | 6.68                | 6.68                |
| Retained earnings                     | (3,567.48)          | (1,593.02)          |
| Other comprehensive income            | 21.60               | 12.83               |
| Money Received against Share warrants | 250.00              | -                   |
| <b>Total</b>                          | <b>8,712.32</b>     | <b>9,148.71</b>     |

##### a) Capital reserves

(₹ in lakhs)

|                                   | As at 31 March 2025 | As at 31 March 2024 |
|-----------------------------------|---------------------|---------------------|
| Opening balance                   | (313.16)            | (313.16)            |
| Addition/Deletion during the year | -                   | -                   |
| <b>Closing balance (A)</b>        | <b>(313.16)</b>     | <b>(313.16)</b>     |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### b) Securities premium

(₹ in lakhs)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Opening balance   | 11,035.39              | 11,035.39              |
| Add : Premium on shares issued through preferential allotment | 1,279.29               | -                      |
| <b>Closing balance (B)</b>                                    | <b>12,314.68</b>       | <b>11,035.39</b>       |

#### c) General reserves

(₹ in lakhs)

|                            | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------|------------------------|------------------------|
| Opening balance            | 6.68                   | 6.68                   |
| Addition during the year   | -                      | -                      |
| <b>Closing balance (C)</b> | <b>6.68</b>            | <b>6.68</b>            |

#### d) Retained earnings

(₹ in lakhs)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Opening balance  | (1,593.02)             | (1,192.70)             |
| Add: Profit/ (Loss )for the year transferred from the Statement of Profit and Loss | (1,974.43)             | (405.77)               |
| Less: Adjustment pertaining to a loan given to shareholder                         | (0.03)                 | 5.46                   |
| <b>Closing balance (D)</b>   | <b>(3,567.48)</b>      | <b>(1,593.02)</b>      |

#### e) Other comprehensive income

(₹ in lakhs)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Opening balance                                 | 12.83                  | 8.18                   |
| Add: Remeasurement of net defined benefit plans | 8.78                   | 4.65                   |
| <b>Closing balance (E)</b>                      | <b>21.60</b>           | <b>12.83</b>           |

#### f) Money Received against Share warrants

(₹ in lakhs)

|   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Opening balance                         | -                      | -                      |
| Add: Issued during the year             | 250.00                 | -                      |
| <b>Closing balance (F)</b>              | <b>250.00</b>          | <b>-</b>               |
|   |                        |                        |
| <b>Total other equity (A+B+C+D+E+F)</b> | <b>8,712.32</b>        | <b>9,148.72</b>        |

### B Nature and purpose of reserve

#### a) Capital reserve

A capital reserve is an account in the equity section of the balance sheet that can be used for contingencies or to offset capital losses. It is derived from the accumulated capital

surplus of a Group, created out of capital profit. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

#### b) Security premium

Securities premium is used to record the premium on

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### c) General reserve

This represents appropriation of profit by the Group and is available for distribution of dividend.

#### d) 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.

#### e) Other comprehensive income

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

## 20 Financial liabilities

### (i) Borrowings

(₹ in lakhs)

|                | Non current            |                        | Current                |                        |
|----------------|------------------------|------------------------|------------------------|------------------------|
|                | As at<br>31 March 2025 | As at<br>31 March 2024 | As at<br>31 March 2025 | As at<br>31 March 2024 |
| <b>Secured</b> |                        |                        |                        |                        |
| Cash Credit    | -                      | -                      | 430.28                 | 331.29                 |
| Term Loan      | 21.00                  | -                      | -                      | -                      |
| Vehicle loans  |                        |                        |                        |                        |
| - from banks   | 47.53                  | 11.89                  | 15.46                  | 12.64                  |
|                | <b>68.53</b>           | <b>11.89</b>           | <b>445.74</b>          | <b>343.92</b>          |

### (ii) Lease liabilities

(₹ in lakhs)

|                                    | Non current            |                        | Current                |                        |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                    | As at<br>31 March 2025 | As at<br>31 March 2024 | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Lease liability on office building | 52.05                  | 104.85                 | 79.53                  | 52.21                  |
|                                    | <b>52.05</b>           | <b>104.85</b>          | <b>79.53</b>           | <b>52.21</b>           |

## 21 Provisions

(₹ in lakhs)

|  | Non Current            |                        | Current                |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | As at<br>31 March 2025 | As at<br>31 March 2024 | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Provision for employee benefits - Gratuity         | 139.90                 | 128.28                 | 14.73                  | 10.85                  |
| Provision for employee benefits - Leave encashment | 10.67                  | 19.43                  | 0.88                   | 1.46                   |
|  | <b>150.57</b>          | <b>147.71</b>          | <b>15.61</b>           | <b>12.31</b>           |

## 22 Other non current liabilities

(₹ in lakhs)

|  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Deferred government grant- non current part(refer note 38) | 102.15                 | 118.90                 |
|  | <b>102.15</b>          | <b>118.90</b>          |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### Terms of borrowings and security from banks/others

| S. No. | Bank/ Party | Description            | 3/31/2025 |             | 3/31/2024 |             | Repayment schedule   | Installments frequency | Interest rate p.a |
|--------|-------------|------------------------|-----------|-------------|-----------|-------------|--|------------------------|-------------------|
|        |             |                        | Current   | Non-Current | Current   | Non-Current |  |                        |                   |
| 1      | SIDBI       | Term Loan              | -         | 21.00       | -         | -           | The original repayment schedule is given below:<br>1. 1 installment during F.Y. 2025-26<br>2. 12 installment during F.Y. 2026-27<br>3. 12 installment during F.Y. 2027-28<br>4. 12 installment during F.Y. 2028-29<br>5. 11 installment during F.Y. 2029-30  | Monthly                | 8.45%             |
| 2      | HDFC Bank   | Vehicle Loan - Jeep    | 2.15      | -           | 4.84      | 2.15        | The original repayment schedule is given below:<br>1. 7 installment during F.Y. 2020-21<br>2. 12 installment during F.Y. 2021-22<br>3. 12 installment during F.Y. 2022-23<br>4. 12 installment during F.Y. 2023-24<br>5. 12 installment during F.Y. 2024-25<br>6. 5 installment during F.Y. 2025-26  | Monthly                | 8%                |
| 3      | HDFC Bank   | Vehicle Loan - Ertiga  | 1.01      | -           | 2.26      | 1.01        | The original repayment schedule is given below:<br>1. 7 installment during F.Y. 2020-21<br>2. 12 installment during F.Y. 2021-22<br>3. 12 installment during F.Y. 2022-23<br>4. 12 installment during F.Y. 2023-24<br>5. 12 installment during F.Y. 2024-25<br>6. 5 installment during F.Y. 2025-26  | Monthly                | 8.10%             |
| 4      | HDFC Bank   | Vehicle Loan - Innova  | 5.04      | 3.24        | 4.70      | 8.61        | The original repayment schedule is given below:<br>1. 4 installment during F.Y. 2021-22<br>2. 12 installment during F.Y. 2022-23<br>3. 12 installment during F.Y. 2023-24<br>4. 12 installment during F.Y. 2024-25<br>5. 12 installment during F.Y. 2025-26<br>6. 8 installment during F.Y. 2026-27  | Monthly                | 7.30%             |
| 5      | HDFC Bank   | Vehicle Loan - XUV 700 | 3.95      | 19.05       | -         | -           | The original repayment schedule is given below:<br>1. 2 installment during F.Y. 2024-25<br>2. 12 installment during F.Y. 2025-26<br>3. 12 installment during F.Y. 2026-27<br>4. 12 installment during F.Y. 2027-28<br>5. 12 installment during F.Y. 2028-29<br>6. 10 installment during F.Y. 2029-30   | Monthly                | 9.10%             |
| 6      | HDFC Bank   | Vehicle Loan - BYD     | 3.19      | 25.23       | -         | -           | The original repayment schedule is given below:<br>1. 3 installment during F.Y. 2024-25<br>2. 12 installment during F.Y. 2025-26<br>3. 12 installment during F.Y. 2026-27<br>4. 12 installment during F.Y. 2027-28<br>5. 12 installment during F.Y. 2028-29<br>6. 12 installment during F.Y. 2029-30<br>7. 12 installment during F.Y. 2030-31<br>8. 12 installment during F.Y. 2031-32 | Monthly                | 8.95%             |
| 7      | ICICI Bank  | Vehicle Loan - ECO     | 0.13      | -           | 0.84      | 0.13        | The original repayment schedule is given below:<br>1. 4 installment during F.Y. 2019-20<br>2. 12 installment during F.Y. 2020-21<br>3. 12 installment during F.Y. 2021-22<br>4. 12 installment during F.Y. 2022-23<br>5. 12 installment during F.Y. 2023-24<br>6. 12 installment during F.Y. 2024-25<br>7. 1 installment during F.Y. 2025-26   | Monthly                | 9.50%             |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 23 Trade payables

(₹ in lakhs)

| Particulars                                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| Due to micro & small enterprises (Refer note 49) | 392.22                 | 381.94                 |
| Due to others                                    | 951.92                 | 1,027.88               |
|  | <b>1,344.14</b>        | <b>1,409.82</b>        |

#### Disclosure under the Micro, small and medium enterprises development Act,(27 of 2006) ("MSMED ACT 2006")

| Particulars  | As at<br>31 March 2025 | As at<br>31 March 2024 |
|--|------------------------|------------------------|
| <b>Total outstanding dues of micro and small enterprises<br/>(as per the intimation received from vendors)</b>   |                        |                        |
| a) Amount remaining unpaid to any supplier at the end of each accounting year:   |                        |                        |
| Principal  | 390.41                 | 381.94                 |
| Interest   | 1.81                   | -                      |
| b) Interest paid by the Group in terms of Section 16 of the Micro, Small and -Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.                                  | -                      | -                      |
| c) Interest due and payable for the period of delay in making payment (which - have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006. | -                      | -                      |
| d) Interest accrued and remaining unpaid   | -                      | -                      |
| e) Interest remaining due and payable even in the succeeding years, until - such date when the interest dues as above are actually paid to the small enterprises.  | -                      | -                      |

#### f) Trade payable ageing schedule

##### Outstanding for following periods from due date of payment as at 31 March 2025

(₹ in lakhs)

| Particular             | Not Due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total  |
|------------------------|---------|------------------|-------------|-------------|-------------------|--------|
| <b>Trade payables</b>  |         |                  |             |             |                   |        |
| MSME*                  | -       | 385.06           | 1.41        | 5.74        | 0.02              | 392.22 |
| Others                 | -       | 913.66           | 13.89       | 18.95       | 5.42              | 951.92 |
| Disputed dues - MSME   | -       | -                | -           | -           | -                 | -      |
| Disputed dues - Others | -       | -                | -           | -           | -                 | -      |

##### Outstanding for following periods from due date of payment as at 31 March 2024

(₹ in lakhs)

| Particular             | Not Due | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total    |
|------------------------|---------|------------------|-------------|-------------|-------------------|----------|
| <b>Trade payables</b>  |         |                  |             |             |                   |          |
| MSME*                  | -       | 381.78           | 0.16        | -           | -                 | 381.94   |
| Others                 | -       | 871.49           | 87.91       | 66.99       | 1.19              | 1,027.56 |
| Disputed dues - MSME   | -       | -                | -           | -           | -                 | -        |
| Disputed dues - Others | -       | -                | -           | -           | -                 | -        |

### 24 Other current financial liabilities

(₹ in lakhs)

| Particulars   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Interest accrued but not due on borrowings                | 0.38                   | 0.15                   |
| Payable to employees                                      | 93.33                  | 147.51                 |
| Payable towards purchase of property, plant and equipment | 315.91                 | 295.16                 |
| Expenses Payable  | 71.11                  | -                      |
|   | <b>480.72</b>          | <b>442.83</b>          |

\*there are no amounts due for payments to the Investors Education and Protection Fund under Section 125 of the Companies Act, 2013 as at 31 March 2025 (31 March 2024 - Nil).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### 25 Other current liabilities

(₹ in lakhs)

| Particulars                      | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------------------|------------------------|------------------------|
| Statutory dues                   | 27.91                  | 39.50                  |
| Advance received from customers  | 63.01                  | 16.05                  |
| Government grant (refer note 38) | 14.14                  | 14.14                  |
| Payable to employees             | -                      | 2.92                   |
|                                  | <b>105.07</b>          | <b>72.61</b>           |

#### 26 Revenue from operations

(₹ in lakhs)

| Particulars  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>Revenue from contracts with customers*</b>      |                             |                             |
| Sale of manufactured goods-Oral Care products      | 8,774.96                    | 6,520.20                    |
| Sale of packing material/raw material/traded Goods | 351.42                      | 460.38                      |
| <b>Other operating revenue</b>                     |                             |                             |
| Scrap sales  | 73.35                       | 99.24                       |
| <b>Revenue from Operations</b>                     | <b>9,199.73</b>             | <b>7,079.82</b>             |

\* It represents disaggregated revenue information in accordance with IND AS 115.

The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at year end are, as follows:

(₹ in lakhs)

| Particulars                                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Advances from customers (refer note no. 24) | 63.01                       | 18.44                       |

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

#### 27 Other income

(₹ in lakhs)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Interest income on fixed deposits                       | 78.05                       | 11.40                       |
| Interest income from financial assets at amortised cost | 4.51                        | 44.67                       |
| Interest income - Others                                | 39.81                       | -                           |
| Export incentives                                       | 7.33                        | 0.31                        |
| Government grant (refer note 38)                        | 14.14                       | 15.07                       |
| Profit/loss on modification of lease liability          | -                           | 69.48                       |
| Foreign exchange gain (net)                             | 0.41                        | -                           |
| Profit on sale of investments                           | 4.74                        | -                           |
| Miscellaneous income                                    | 22.04                       | 209.18                      |
| Profit on sale of fixed assets                          | 5.93                        | 0.15                        |
| Net gain on financial asset measured at FVTPL           | 31.60                       | 28.49                       |
| Shipping charges recovered                              | -                           | 0.55                        |
| Miscellaneous balance written back                      | 79.15                       | 52.14                       |
|   | <b>287.71</b>               | <b>431.44</b>               |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 28 Cost of materials consumed

(₹ in lakhs)

| Particulars                               | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>(i) Cost of raw materials consumed</b> |                             |                             |
| Stock at the beginning of the year        | 532.78                      | 381.71                      |
| Add: Purchases raw material               | 3,137.76                    | 2,434.40                    |
| Less: Stock at the end of the year        | (559.70)                    | (532.78)                    |
| Net off Provision for obsolete stock      | 28.77                       | -                           |
|   | <b>3,139.61</b>             | <b>2,283.33</b>             |
| <b>Cost of packing materials consumed</b> |                             |                             |
| Stock at the beginning of the year        | 350.95                      | 404.61                      |
| Add: Purchases packaging                  | 2,540.62                    | 1,746.40                    |
| Less: Stock at the end of the year        | (408.83)                    | (350.95)                    |
| Net off Provision for obsolete stock      | 123.39                      | -                           |
|   | <b>2,606.14</b>             | <b>1,800.06</b>             |
|   | <b>5,745.75</b>             | <b>4,083.39</b>             |

### (ii) Purchases of stock in trade

(₹ in lakhs)

| Particulars                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------------------------|-----------------------------|-----------------------------|
| Purchases of stock in trade | 308.19                      | 20.92                       |
| Purchases of finished goods | -                           | 180.56                      |
|                             | <b>308.19</b>               | <b>201.48</b>               |

### 29 Changes in inventories of finished goods, work in progress and stock-in-trade

(₹ in lakhs)

| Particulars                          | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------------------|-----------------------------|-----------------------------|
| <b>Finished goods</b>                |                             |                             |
| At the beginning of the year         | 142.78                      | 230.12                      |
| Less: At the end of the year         | (219.60)                    | (142.78)                    |
| Net off Provision for obsolete stock | 77.71                       | -                           |
|                                      | <b>0.89</b>                 | <b>87.35</b>                |
| <b>Work-in-progress</b>              |                             |                             |
| At the beginning of the year         | 172.56                      | 116.76                      |
| Add: Purchases                       | 39.36                       | 101.10                      |
| Less: At the end of the year         | (192.12)                    | (172.56)                    |
| Net off Provision for obsolete stock | 29.59                       | -                           |
|                                      | <b>49.39</b>                | <b>45.30</b>                |
|                                      | <b>50.28</b>                | <b>132.65</b>               |

### 30 Employee benefits expenses

(₹ in lakhs)

| Particulars                                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Salaries, wages, bonus and other allowances | 919.13                      | 821.77                      |
| Contribution to provident and other funds   | 42.30                       | 48.79                       |
| Workmen and staff welfare expenses          | 28.78                       | 23.35                       |
| Gratuity                                    | 30.87                       | 29.76                       |
| Leave encashment                            | (9.45)                      | (2.36)                      |
|   | <b>1,011.63</b>             | <b>921.31</b>               |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 31 Finance costs

(₹ in lakhs)

| Particulars                                    | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Interest expense                               | 22.56                       | 11.93                       |
| Interest on lease liability                    | 24.64                       | 30.26                       |
| Interest on delay in deposit of Statutory dues | -                           | 0.28                        |
| Bank charges                                   | 9.30                        | 3.52                        |
|  | <b>56.50</b>                | <b>46.00</b>                |

### 32 Depreciation and amortization expenses

(₹ in lakhs)

| Particulars                                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Depreciation on property, plant & equipment | 669.02                      | 568.80                      |
| Depreciation on right of use asset          | 62.90                       | 52.34                       |
| Amortisation of intangible assets           | 63.10                       | 13.44                       |
|   | <b>795.02</b>               | <b>634.58</b>               |

### 33 Other expenses

(₹ in lakhs)

| Particulars                        | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------------|-----------------------------|-----------------------------|
| Consumption of stores and spares   | 50.10                       | 25.54                       |
| Power and Fuel                     | 330.40                      | 273.34                      |
| Rent                               | -                           | -                           |
| Advertisement expenses             | 3.15                        | 1.54                        |
| Job work charges                   | 652.40                      | 501.98                      |
| Business promotion expenses        | 30.83                       | 26.91                       |
| Brokerage & Commission             | -                           | -                           |
| Sampling Expense                   | -                           | -                           |
| Display and listing charges        | -                           | -                           |
| Brand Promotion Expenses           | -                           | -                           |
| Repairs                            |                             |                             |
| Plant and Machinery                | 164.13                      | 126.20                      |
| Building                           | 53.88                       | 12.57                       |
| Others                             | 56.33                       | 29.06                       |
| Marketing fund                     | -                           | -                           |
| Revenue shares                     | -                           | -                           |
| Airport service charges            | -                           | -                           |
| Minimum guarantee                  | -                           | -                           |
| Freight and cartage outward        | 68.49                       | 29.41                       |
| Insurance charges                  | 50.26                       | 48.00                       |
| Legal and professional fees        | 262.95                      | 108.98                      |
| Rates and taxes                    | 56.88                       | 34.60                       |
| Bad debts written off              | 72.23                       | -                           |
| Telephone and postage              | 11.00                       | 5.55                        |
| Printing and stationery            | 10.16                       | 6.44                        |
| Travelling and conveyance expenses | 98.37                       | 69.53                       |
| Provision for doubtful receivables | 156.29                      | 0.19                        |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

(₹ in lakhs)

| Particulars                            | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Security guard expenses                | 47.42                       | 24.72                       |
| Loss on sale of fixed assets (Net)     | -                           | 0.00                        |
| Vehicle running & maintainance         | 27.78                       | 19.19                       |
| Freight & cartage inwards              | -                           | -                           |
| Commission on sale                     | 80.65                       | 58.88                       |
| Provision/balances written off         | 62.40                       | 22.21                       |
| Directors' sitting fees                | 7.77                        | 6.17                        |
| Testing charges                        | 27.30                       | 13.77                       |
| Auditor's remuneration (Refer note 48) | 7.86                        | 11.17                       |
| Research & Development charges         | -                           | -                           |
| Miscellaneous expenses                 | 79.27                       | 327.66                      |
| Amortization of deferred rent expense  | 4.95                        | 26.68                       |
| Interest on MSME                       | -                           | 0.02                        |
| Bank Charges                           | 0.01                        | 0.04                        |
| Online subscription charges            | -                           | 1.03                        |
| License fees                           | -                           | 9.13                        |
| Donation expense                       | 11.62                       | 2.25                        |
|  | <b>2,484.89</b>             | <b>1,834.71</b>             |

### 34 Exceptional Items

(₹ in lakhs)

| Particulars                                 | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Impairment of Property, plant and equipment | 285.94                      | -                           |
|   | <b>285.94</b>               | -                           |

### 35 Income taxes

(₹ in lakhs)

#### (a) Income tax expenses

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>Profit and loss section</b>  |                             |                             |
| i. <b>Current tax</b>   |                             |                             |
| Current tax on profits for the year   | -                           | -                           |
| Adjustments for current tax of previous years                                     | 4.83                        | -                           |
|   | 4.83                        | -                           |
| ii. <b>Deferred tax charge/(credit)</b>   |                             |                             |
| Origination and reversal of temporary differences                                 | 718.84                      | 62.91                       |
|   | 718.84                      | 62.91                       |
| <b>Income tax expense reported in the Statement of Profit and Loss (i+ii)</b>     | <b>723.67</b>               | <b>62.91</b>                |
| <b>Other Comprehensive Income (OCI) Section</b>                                   |                             |                             |
| Tax relating to items that will not be reclassified to Statement of Profit & Loss | (3.08)                      | (1.64)                      |
| <b>Income tax charged to OCI</b>  | <b>(3.08)</b>               | <b>(1.64)</b>               |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic rate (₹ in lakhs)

|   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| Profit from continuing operations (A)   | (1,250.76)                  | (342.86)                    |
| Income tax rate applicable (B)  | 26.00%                      | 26.00%                      |
| <b>Computed tax expense (A*B)</b>   | <b>(325.20)</b>             | <b>(89.14)</b>              |
| <b>Tax effect of the amounts that are not deductible (taxable) while calculating taxable income :</b> |                             |                             |
| Effect of Non- deductible expenses  | 220.06                      | 100.65                      |
| Effect of changes in tax rate due to MAT  | -                           | -                           |
| Tax expense for previous year   | 4.83                        | -                           |
| Deferred tax on unabsorbed losses, previously not recognised  | -                           | -                           |
| Tax impact of IND AS adjustment   | (5.82)                      | 15.19                       |
| Others  | (14.60)                     | (81.71)                     |
| <b>Income tax expense/(reversal)</b>  | <b>(120.73)</b>             | <b>(55.02)</b>              |

#### 36 Contingent liability

- Claims/litigations made against the Group not acknowledged as debts:  
Matters under litigation:  
Claims against the Group by vendors & customers amounting to ₹ 751.16 lakhs (Previous Year ₹ 31.38 lakhs). The management of the Group believes that the ultimate outcome of these proceedings will not have a material/adverse effect on the Group's financial condition and results of operations.
- Others:  
Bank guarantee issued by bank amounting to ₹ 134.36 lakhs (Previous Year ₹ 151.16 lakhs).

#### 37 Capital commitments

(₹ in lakhs)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) | 161.39                      | 39.14                       |
| <b>Total</b>   | <b>161.39</b>               | <b>39.14</b>                |

#### 38 Government grant

During the financial year ended 31 March, 2022, the Group had received a capital subsidy of Rs. 225 lakhs under the Industrial development scheme, 2017 notified vide no. 2(2)2018-SPS of the Government of India. The subsidy received is being apportioned to Statement of Profit & Loss over the useful life of the eligible assets. During the year the Group has recognised ₹ 14.14 lakhs (previous year ₹ 15.07 lakhs) as government grant based on useful life of the assets.

#### 39 Segment reporting

The Group is engaged in manufacturing a range of oral and dental products for elite national and international brands. Information reported to and evaluated regularly by the Chief Operational Decision Maker (CODM) for the purpose of resource allocation and assessing performance focuses on business as a whole. The CODM reviews the Group's performance on the analysis profit before tax at overall level. Accordingly, there is no other separate reportable segmental as defined by IND AS 108 "Segment Reporting".

#### Information about geographical areas are as under

(₹ in lakhs)

|              | Revenue from external customers |                          |
|--------------|---------------------------------|--------------------------|
|              | Year ended 31 March 2025        | Year ended 31 March 2024 |
| India        | 8,809.51                        | 6,889.95                 |
| UAE          | 8.84                            | 0.01                     |
| Italy        | 355.72                          | 96.24                    |
| Nepal        | 25.67                           | 33.60                    |
| Russia       | -                               | 35.99                    |
| USA          | -                               | 24.04                    |
| <b>Total</b> | <b>9,199.73</b>                 | <b>7,079.82</b>          |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### Information about major customers

Revenue of Rs. 4842.91 lakhs, (Previous year Rs. 3464.70 lakhs) arising from three customers in India contribute more than 10% of the Group's revenue individually. No other customer contribute 10% or more than 10% to the Group's revenue for the current year ended 31 March, 2025. The Group does not hold any non current assets outside India.

#### 40 Employee benefit obligations

The Group has classified various employee benefits as under:

##### a. Defined contribution plans

- i) Employees Provident fund
- ii) Employee State Insurance Scheme

The Group has recognised the following amounts in the Statement of Profit and Loss for the year: (Refer Note- 30)

| (₹ in lakhs)                                    |                             |                             |
|---|-----------------------------|-----------------------------|
| Particulars                                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Contribution to Provident Fund                  | 35.34                       | 40.08                       |
| Contribution to Employee State Insurance Scheme | 8.77                        | 8.71                        |
| <b>Total</b>                                    | <b>44.11</b>                | <b>48.79</b>                |

##### b. Defined benefit plans

- i.) Gratuity

##### c. Other long-term employee benefits

- ii.) Leave encashment

Gratuity is payable to eligible employees as per the Group's policy and The Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit (PUC) method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations.

Provision for leave benefits is made by the Group on the basis of actuarial valuation using the Projected Unit Credit (PUC) method.

Liability with respect to the gratuity and leave encashment is determined based on an actuarial valuation done by an independent actuary at the year end and is charged to Statement of Profit and Loss.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the Other Comprehensive Income as income or expense.

Other disclosures required under IND AS 19 "Employee benefits" are given below:

Principal Actuarial Assumptions at the Balance Sheet date

| (₹ in lakhs)                            |                             |                             |
|---|-----------------------------|-----------------------------|
| Particulars                             | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
| Discount rate (per annum)               | 6.99%                       | 7.22%                       |
| Rate of increase in compensation levels | 7.00%                       | 7.00%                       |
| Retirement age                          | 58 Years                    | 58 Years                    |
| Mortality table                         | 100% of IALM<br>(2012-14)   | 100% of IALM<br>(2012-14)   |
| Average withdrawal rate                 | 7%                          | 7%                          |

The discount rate has been assumed at 6.99% p.a. (Previous year 7.22% p.a.) based upon the market yields available on Government bonds at the accounting date for remaining life of employees. The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market on long term basis.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

| I) Changes in the present value of obligation                |                             | (₹ in lakhs)           |                             |                        |
|--|-----------------------------|------------------------|-----------------------------|------------------------|
| Particulars  | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|  | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| Present value of obligation as at the beginning of the year  | 20.89                       | 137.45                 | 23.25                       | 123.92                 |
| Acquisition adjustment                                       | -                           | -                      | -                           | -                      |
| Interest cost  | 1.51                        | 9.92                   | 1.73                        | 9.23                   |
| Past service cost  | -                           | -                      | -                           | -                      |
| Current service cost   | 3.07                        | 22.62                  | 4.62                        | 20.53                  |
| Contribution by plan participants                            | -                           | -                      | -                           | -                      |
| Curtailment cost/(credit)                                    | -                           | -                      | -                           | -                      |
| Settlement cost/(credit)                                     | -                           | -                      | -                           | -                      |
| Benefit paid   | -                           | (3.51)                 | -                           | (9.94)                 |
| Change in financial assumption                               | -                           | -                      | -                           | -                      |
| Experience variance  | -                           | -                      | -                           | -                      |
| Actuarial (gains)/loss                                       | (13.92)                     | (11.86)                | (8.71)                      | (6.29)                 |
| <b>Present value of obligation as at the end of the year</b> | <b>11.55</b>                | <b>154.63</b>          | <b>20.89</b>                | <b>137.45</b>          |
| Current  | 0.88                        | 14.73                  | 1.46                        | 10.85                  |
| Non current  | 10.67                       | 139.90                 | 19.43                       | 126.60                 |
| <b>Total</b>   | <b>11.55</b>                | <b>154.63</b>          | <b>20.89</b>                | <b>137.45</b>          |

| II) Reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets |                             | (₹ in lakhs)           |                             |                        |
|--|-----------------------------|------------------------|-----------------------------|------------------------|
| Particulars  | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|  | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| Present value of funded obligation as at the end of the year                                       | -                           | -                      | -                           | -                      |
| Fair value of plan assets as at the end of the year  | -                           | -                      | -                           | -                      |
| Funded (asset)/liability recognised in the balance sheet   | -                           | -                      | -                           | -                      |
| Present value of unfunded obligation as at the end of the year                                     | 11.55                       | 154.63                 | 20.89                       | 137.45                 |
| <b>Unfunded net liability recognised in the balance sheet</b>                                      | <b>11.55</b>                | <b>154.63</b>          | <b>20.89</b>                | <b>137.45</b>          |

| III) Expenses recognised in the Statement of Profit and Loss Account           |                             | (₹ in lakhs)           |                             |                        |
|--|-----------------------------|------------------------|-----------------------------|------------------------|
| Particulars  | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|  | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| Current service cost   | 3.07                        | 22.62                  | 4.62                        | 20.53                  |
| Past service cost  | -                           | -                      | -                           | -                      |
| Acquisition adjustment   | -                           | -                      | -                           | -                      |
| Interest cost  | 1.51                        | 9.92                   | 1.73                        | 9.23                   |
| Expected return on plan assets   | -                           | -                      | -                           | -                      |
| Curtailment cost/(credit)  | -                           | -                      | -                           | -                      |
| Settlement cost/(credit)   | -                           | -                      | -                           | -                      |
| Benefit paid   | -                           | -                      | -                           | -                      |
| Remeasurement  | -                           | -                      | -                           | -                      |
| Net actuarial (gains)/loss   | (13.92)                     | -                      | (8.71)                      | -                      |
| Employees contribution   | -                           | -                      | -                           | -                      |
| <b>Total expenses recognised in the Statement of Profit &amp; Loss account</b> | <b>(9.35)</b>               | <b>32.55</b>           | <b>(2.36)</b>               | <b>29.76</b>           |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

| Other Comprehensive Income (OCI)                          | Gratuity (Unfunded) (₹ in lakhs) |                             |
|---|----------------------------------|-----------------------------|
| Particulars   | Year ended<br>31 March 2025      | Year ended<br>31 March 2024 |
| Net cumulative unrecognized actuarial gain/(loss) opening | -                                | -                           |
| Actuarial gain / (loss) for the year on PBO               | 11.86                            | 6.29                        |
| Actuarial gain /(loss) for the year on asset              | -                                | -                           |
| Unrecognized actuarial gain/(loss) at the end of the year | 11.86                            | 6.29                        |

| IV) Expected Employer Contribution               | (₹ in lakhs)                |                        |                             |                        |
|--|-----------------------------|------------------------|-----------------------------|------------------------|
| Particulars                                      | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|  | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| Expected employer contribution for the next year | 4.34                        | 37.24                  | 7.16                        | 35.05                  |

| V) Maturity Profile of Defined Benefit Obligation | (₹ in lakhs)                |                        |                             |                        |
|---|-----------------------------|------------------------|-----------------------------|------------------------|
| Year  | Year ended<br>31 March 2025 |                        | Year ended<br>31 March 2024 |                        |
|   | Leave<br>Encashment         | Gratuity<br>(Unfunded) | Leave<br>Encashment         | Gratuity<br>(Unfunded) |
| 0 to 1 Year                                       | 0.81                        | 14.73                  | 1.46                        | 12.53                  |
| 1 to 2 Year                                       | 0.79                        | 10.59                  | 1.43                        | 8.81                   |
| 2 to 3 Year                                       | 1.06                        | 10.12                  | 1.91                        | 9.13                   |
| 3 to 4 Year                                       | 0.69                        | 9.99                   | 1.24                        | 8.47                   |
| 4 to 5 Year                                       | 0.70                        | 10.21                  | 1.27                        | 8.34                   |
| 5 Year onwards                                    | 7.50                        | 98.99                  | 13.57                       | 91.86                  |

| VI) Sensitivity Analysis of the Defined Benefit Obligation:- | (₹ in lakhs)             |                        |
|--|--------------------------|------------------------|
| Particulars  | Leave Encashment         | Gratuity<br>(Unfunded) |
|  | Year ended 31 March 2025 |                        |
| Impact of change in discount rate                            |                          |                        |
| Present value of obligation at the end of the year           | 11.55                    | 154.63                 |
| a) Impact due to increase of 0.5%                            | (0.53)                   | (5.66)                 |
| b) Impact due to decrease of 0.5%                            | 0.57                     | 6.05                   |
|  | Year ended 31 March 2024 |                        |
| Impact of change in salary rate                              |                          |                        |
| Present value of obligation at the end of the year           | 11.55                    | 154.63                 |
| a) Impact due to increase of 0.5%                            | 0.57                     | 5.08                   |
| b) Impact due to decrease of 0.5%                            | (0.53)                   | (4.82)                 |

#### Description of Risk Exposures :

Risks associated with the plan provisions are actuarial risks. These risks are:- (i) investment risk, (ii) interest risk (discount rate risk), (iii) mortality risk and (iv) salary risk.

- Investment Risk- The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government bonds yield. If plan liability is funded and return on plan assets is below this rate, it will create a plan deficit.
- Interest Risk (discount rate risk) – A decrease in the bond interest rate (discount rate) will increase the plan liability.
- Mortality Risk - The present value of the defined benefit plan liability is calculated by reference to the best

estimate of the mortality of plan participants. For this report we have used Indian Assured Lives Mortality (2012-14) ultimate table. A change in mortality rate will have a bearing on the plan's liability.

- Salary Risk – The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 41 Related party disclosures as per IND AS 24

#### (a) Names of related parties and description of relationship:

| Relationships   | Name of Related Party  |
|---|--|
| Related parties where control exists  | - JHS Svendgaard Mechanical and Warehouse Private Limited (100%) |
| Entities controlled by a person who is a KMP of the Company or a person who has significant influence over the Company      | - Starpool Consultants & Advisors LLP                            |
|   | - Harish Chander Nanda Educational and Charitable Society        |
|   | - Nirvikar Films LLP   |
|   | - Sia Cosmetics LLP  |
|   | - Maya Brands LLP  |
|   | - Number One Enterprises Private Limited                         |
| Relatives of Key Managerial Personnel   | - Magna Waves Buildtech Private Limited                          |
|   | - JHS Svendgaard Retail Ventures Limited                         |
|   | - Mrs Sushma Nanda (Mother of Mr. Nikhil Nanda)                  |
| Entities which are controlled or jointly controlled by Key Managerial Personnel category or by his/her close family members | - Mr Puneet Nanda (Brother of Mr. Nikhil Nanda)                  |
|   | - Number One Enterprises Private Limited                         |
| Personnel category or by his/her close family members   | - Apogee Enterprises Private Limited                             |
|   | - Purple Rock Infra Private Limited                              |
|   | - MWB Hospitality Private Limited                                |
|   | - MWB IT Park Private Limited                                    |
|   | - DVS Worldwide Services Private Limited                         |
|   | - Nikhil Nanda Motion Pictures LLP                               |
|   | - Pine Myst LLP  |
|   | - Ayanam Ecotourism Private Limited                              |
|   | - GuruNanda LLC  |

#### (b) Key Managerial Personnels (KMP) of the JHS Svendgaard Laboratories Limited

| Name of Key Managerial Personnel     | Category                             | Period  |
|--------------------------------------|--------------------------------------|---------|
| Mr. Nikhil Nanda                     | Managing Director                    | 2024-25 |
| Mr. Rajagopal Chakravarthi Venkatesh | Non -Executive Independent Director  | 2024-25 |
| Mr. Mukul Pathak                     | Non - Executive Independent Director | 2024-25 |
| Mrs. Upma Chawdhry                   | Non - Executive Independent Director | 2024-25 |
| Mr. Vinay Mittal                     | Non - Executive Independent Director | 2024-25 |
| Mr. Kapil Minocha                    | Non - Executive Independent Director | 2024-25 |
| Mr. Paramvir Singh                   | Chief Executive Officer              | 2024-25 |
| Mr. Ashish Goel                      | Chief Financial Officer              | 2024-25 |
| Mrs. Komal Jha                       | Company Secretary                    | 2024-25 |
| Mr. Deepesh Sharma                   | VP-Strategy & Business Development   | 2024-25 |

#### (c) Key Managerial Personnels (KMP) of JHS Mechanical and Warehouse Private Limited

| Name of Key Managerial Personnel | Category | Period  |
|----------------------------------|----------|---------|
| Mr. Nikhil Nanda                 | Director | 2024-25 |
| Mr. Chhabhi Lal Prasad           | Director | 2024-25 |
| Mr. Ashish Goel                  | Director | 2024-25 |
| Mr. Deepesh Sharma               | Director | 2024-25 |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

(d) **Key Management Personnel Compensation**

(₹ in lakhs)

| Particulars                   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------|-----------------------------|-----------------------------|
| Short- term employee benefits | 147.04                      | 161.96                      |
| Post- employment benefits     | 28.39                       | 27.60                       |
| Long- term employee benefits  | -                           | -                           |
| Director's Sitting fees       | 7.77                        | 6.17                        |
| <b>Total Compensation</b>     | <b>183.20</b>               | <b>195.73</b>               |

(e) **Transactions with related parties**

The following transactions occurred with related parties:

(₹ in lakhs)

| S.No.     | Statement of Profit and Loss heads  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-----------|---|-----------------------------|-----------------------------|
| <b>1.</b> | <b>Income:</b>  |                             |                             |
|           | Interest income   |                             |                             |
|           | - Nikhil Nanda  | 4.43                        | 44.67                       |
|           | Sale of Products  |                             |                             |
|           | - Apogee Enterprises Private Limited                                      | (0.87)                      | 0.87                        |
|           | - GuruNanda LLC   | -                           | 25.01                       |
| <b>2.</b> | <b>Expenditure:</b>   |                             |                             |
|           | i) Interest expenses on lease liability as per IND AS 116                 |                             |                             |
|           | - Nikhil Nanda  | 23.58                       | 30.26                       |
|           | ii) Depreciation expenses on Right of use assets as per as per IND AS 116 |                             |                             |
|           | - Nikhil Nanda  | 60.54                       | 52.34                       |
|           | iii) Amortization of deferred rent expense                                |                             |                             |
|           | - Nikhil Nanda  | 4.86                        | 26.68                       |
|           | iv) Electricity and Water expenses  |                             |                             |
|           | - Nikhil Nanda  | 19.95                       | 16.29                       |
|           | v) Rent Expenses  |                             |                             |
|           | - Magna Waves Private Limited   | -                           | 0.30                        |
|           | v) Purchase of Products   |                             |                             |
|           | - JHS Svendgaard Retail Ventures Limited                                  | 7.30                        | -                           |

\* As per section 135(1) of companies Act, 2013 this year CSR not applicable on the company.

(f) **Investments / Loans & advances and other adjustments to/ from Related Parties**

(₹ in lakhs)

|                              | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------------------------|-----------------------------|-----------------------------|
| <b>i. Payment Received</b>   |                             |                             |
| - GuruNanda LLC              | -                           | 436.90                      |
| - HWJHS Labs Private Limited | 0.20                        | -                           |

(g) **Balance Sheet heads (Closing balances)**

(₹ in lakhs)

|  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>Credit balances</b>   |                             |                             |
| <b>i. Other liabilities</b>  |                             |                             |
| - Nikhil Nanda   | 5.54                        | 8.68                        |
| <b>ii. Trade Payable</b>   |                             |                             |
| - Anand & Anand Legal Services LLP (Cease to be related party during the year) | -                           | 1.38                        |
| <b>Debit Balances</b>  |                             |                             |
| <b>iii. Loans and advances</b>   |                             |                             |
| - Nikhil Nanda (At amortised cost)   | 31.78                       | 68.83                       |
| <b>iv. Trade receivables</b>   |                             |                             |
| - Gurunanda LLC  | 62.17                       | 62.17                       |
| - Apogee Manufacturing Private Limited   | -                           | 34.58                       |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### (h) Terms and Conditions

Outstanding balances at the year end are unsecured, interest free and recoverable/repayable on demand. The Group has provided Corporate Guarantee for an amount upto Rs.500.00 Lacs towards the loan borrowed by related party, i.e. M/s JHS Svendgaard Retail Ventures Limited in favor Small Industrial Development Bank of India (SIDBI). There has been no guarantee provided or received for any related party receivable and payable, other than disclosed. For the year end 31 March, 2025 Rs.62.17 (31 March, 2024: ₹ Nil) has been provided for by the Group for receivables owed by the related party. This assessment undertaken each financial year through examining the financial position of related party and market in which related party operates.

#### 42 Fair valuation measurements

(₹ in lakhs)

| S. No. | Particulars   | Level of Hierarchy | Year ended 31 March 2025 |          |                 |                      | Year ended 31 March 2024 |          |                 |                      |
|--------|---|--------------------|--------------------------|----------|-----------------|----------------------|--------------------------|----------|-----------------|----------------------|
|        |   |                    | FVTPL                    | FVTOCI   | Amortized cost  | Total carrying value | FVTPL                    | FVTOCI   | Amortized Cost  | Total carrying value |
|        | <b>Financial assets</b>                                     |                    |                          |          |                 |                      |                          |          |                 |                      |
| 1      | <b>Investments</b>  |                    |                          |          |                 |                      |                          |          |                 |                      |
|        | Investment in Mutual Funds                                  | 1                  | 31.60                    | -        | 232.23          | 263.83               | 28.49                    | -        | 215.97          | 244.46               |
|        | Investment in Preference shares                             | 1                  | -                        | -        | 100.17          | 100.17               | -                        | -        | 100.17          | 100.17               |
| 2      | <b>Loans</b>  |                    |                          |          |                 |                      |                          |          |                 |                      |
|        | Related parties   | 3                  | -                        | -        | -               | -                    | -                        | -        | 165.57          | 165.57               |
|        | Others  | 3                  | -                        | -        | 74.21           | 74.21                | -                        | -        | 155.25          | 155.25               |
| 3      | <b>Trade receivables</b>                                    | 3                  | -                        | -        | 1,305.91        | 1,305.91             | -                        | -        | 1,287.96        | 1,287.96             |
| 4      | <b>Other financial assets</b>                               | 3                  | -                        | -        | 405.08          | 405.08               | -                        | -        | 232.88          | 232.88               |
| 5      | <b>Cash &amp; cash equivalents</b>                          | 3                  | -                        | -        | 674.54          | 674.54               | -                        | -        | 910.47          | 910.47               |
| 6      | <b>Bank balances other than cash &amp; cash equivalents</b> | 3                  | -                        | -        | 1,279.79        | 1,279.79             | -                        | -        | 126.01          | 126.01               |
|        | <b>Total financial assets</b>                               |                    | <b>31.60</b>             | <b>-</b> | <b>4,071.93</b> | <b>4,103.53</b>      | <b>28.49</b>             | <b>-</b> | <b>3,194.28</b> | <b>3,222.76</b>      |
|        | <b>Financial liability</b>                                  |                    |                          |          |                 |                      |                          |          |                 |                      |
| 1      | <b>Borrowings including current maturities</b>              | 3                  | -                        | -        | 514.27          | 514.27               | -                        | -        | 355.81          | 355.81               |
| 2      | <b>Trade &amp; other payables</b>                           | 3                  | -                        | -        | 1,344.14        | 1,344.14             | -                        | -        | 1,409.82        | 1,409.82             |
| 3      | <b>Lease liabilities</b>                                    | 3                  | -                        | -        | 131.58          | 131.58               | -                        | -        | 157.06          | 157.06               |
| 4      | <b>Other financial liabilities</b>                          | 3                  | -                        | -        | 480.72          | 480.72               | -                        | -        | 442.83          | 442.83               |
|        | <b>Total financial liabilities</b>                          |                    | <b>-</b>                 | <b>-</b> | <b>2,470.72</b> | <b>2,470.72</b>      | <b>-</b>                 | <b>-</b> | <b>2,365.53</b> | <b>2,365.53</b>      |

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.

- Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

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#### 3 The Group has valued the following investments in subsidiaries at cost, as per Ind AS 27.

(₹ in lakhs)

| Particulars                 | As at 31 March 2025 | As at 31 March 2024 |
|-----------------------------|---------------------|---------------------|
| Investment in equity shares | -                   | 1.20                |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH, 2025

### 44 Financial risk management

#### Risk management objectives and policies

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in Note 42. The main types of risks are market risk, credit risk and liquidity risk.

The Group's risk management is coordinated by its board of directors, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to volatile financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to, are described below:

#### 1 Market risk

Market risk is the risk that changes in market prices will have an effect on Group's income or value of the financial assets and liabilities. The Group is exposed to various types of market risks which result from its operating and investing activities. The most significant financial risks to which the Group is exposed are described below:

#### (a) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to USD and EURO. Foreign exchange risk arises from future commercial transactions and recognise assets and liabilities denominated in a currency that is not Group's functional currency(INR). The Risk is measured through a forecast of highly probable foreign currency cashflows

The following table presents non-derivative instruments which are exposed to currency risk and are unhedged as at 31 March 2025 and 31 March 2024:

| (₹ in lakhs)     |                  |                        |                        |
|------------------|------------------|------------------------|------------------------|
| Particulars      | Foreign currency | As at<br>31 March 2025 | As at<br>31 March 2024 |
| Trade Payable    | USD              | 57.62                  | 5.56                   |
| Trade Receivable | USD              | 8.85                   | 156.19                 |

To mitigate the Group's exposure to foreign exchange risk, cash flows in foreign currencies are monitored and net cash flows are managed in accordance with Group's risk management policies. Generally, the Group's risk management procedures distinguish short term foreign currency cash flows (due within 6 months) from longer term cash flows (due after 6 months). Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no hedging activity is undertaken.

The following table gives the volatility in exchange rates for the respective reporting years for major currencies: (₹ in lakhs)

| Currencies | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|------------|-----------------------------|-----------------------------|
| INR/USD    | -2%                         | -1%                         |

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis given in the table below is based on the Group's foreign currency financial instruments held at each reporting date.

#### Sensitivity analysis for entities with foreign currency balances in INR

The following tables illustrate the sensitivity of profit/loss and equity in regards to the Group's trade payables and trade receivables and the movement of exchange rates of respective functional currencies' against INR, assuming 'all other things being constant'.

If the respective functional currencies had strengthened/weakened against the INR by the afore mentioned percentage of market volatility, then this would have had the following impact on profit/loss:

| Year ended 31 March, 2025 | Movement | Profit and loss |           |
|---------------------------|----------|-----------------|-----------|
|                           |          | Strengthening   | Weakening |
| USD Sensitivity           | -2%      | 1.20            | (1.20)    |

| Year ended 31 March, 2024 | Movement | Profit and loss |           |
|---------------------------|----------|-----------------|-----------|
|                           |          | Strengthening   | Weakening |
| USD Sensitivity           | -1%      | (2.20)          | 2.20      |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

#### (b) Price risk

The Group is mainly exposed to the price risk due to investment in mutual funds and market linked debentures. The price risk arises due to uncertainties about the future market values of these investments. In order to minimise pricing risk arising from investment in mutual funds, Group invest in highly rated mutual funds.

The sensitivity to price risk if increases/ decrease in NAV of the mutual funds is:

(₹ in lakhs)

| Year ended 31 March, 2025 | Movement | Profit and loss |           |
|---------------------------|----------|-----------------|-----------|
|                           |          | Strengthening   | Weakening |
| Price risk sensitivity    | 2%       | 6.07            | (6.07)    |

| Year ended 31 March, 2024 | Movement | Profit and loss |           |
|---------------------------|----------|-----------------|-----------|
|                           |          | Strengthening   | Weakening |
| Price risk sensitivity    | 2%       | 5.62            | (5.62)    |

#### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to significant interest rate risk because funds are borrowed at fixed interest rates. The borrowings of the Group are principally denominated in rupees and fixed rates of interest.

(₹ in lakhs)

| Particulars   | As at<br>31 March 2025 | As at<br>31 March 2024 |
|---|------------------------|------------------------|
| Fixed-rate borrowings including current maturities  |                        |                        |
| - Vehicle loan (secured)                            | 62.99                  | 24.52                  |
| - Term Loan   | 21.00                  | -                      |
| <b>Total borrowings (gross of transaction cost)</b> | <b>83.99</b>           | <b>24.52</b>           |

## 2 CREDIT RISK

Credit risk arises from cash and cash equivalent, investments in mutual funds, deposits with the banks, as well as credit exposure to customers including outstanding receivables.

#### Credit risk management

For Bank and Financial Institutions, only high rated banks/ institutions are accepted.

For other counter parties, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties only.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Group considers reasonable and supportive forward-looking information.

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 receivable is considered low. The Group estimates its allowance for trade receivable using life time expected credit loss. The balance past due for more than 6 months (net of expected credit loss allowance), excluding receivable from Group companies is ₹ 195.03 lakhs (31

March, 2024 ₹ 481.30 lakhs).

The credit risk for cash and cash equivalents and other financial instruments is considered negligible and no impairment has been recorded by the Group.

#### Significant estimates and judgments

##### Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## 3 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 asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's is responsible for managing the short term and long term liquidity requirements. Short term liquidity situation is reviewed daily. Longer term liquidity position is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments:



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

(₹ in lakhs)

|   | As at 31 March, 2025 |               |             |               |                 |
|---|----------------------|---------------|-------------|---------------|-----------------|
|   | Upto 1 year          | 1 to 3 years  | 3 to 5 year | Above 5 years | Total           |
| Borrowings including current maturities | 445.74               | 68.53         | -           | -             | 514.27          |
| Trade payables                          | 1,344.14             | -             | -           | -             | 1,344.14        |
| Lease liabilities                       | 79.53                | 52.05         | -           | -             | 131.58          |
| Other financial liabilities             | 480.72               | -             | -           | -             | 480.72          |
| <b>Total</b>                            | <b>2,350.13</b>      | <b>120.59</b> | <b>-</b>    | <b>-</b>      | <b>2,470.72</b> |

|   | As at 31 March, 2024 |               |             |               |                 |
|---|----------------------|---------------|-------------|---------------|-----------------|
|   | Upto 1 year          | 1 to 3 years  | 3 to 5 year | Above 5 years | Total           |
| Borrowings including current maturities | 343.92               | 11.89         | -           | -             | 355.81          |
| Trade payables                          | 1,409.82             | -             | -           | -             | 1,409.82        |
| Lease liabilities                       | 52.21                | 104.85        | -           | -             | 157.06          |
| Other financial liabilities             | 442.83               | -             | -           | -             | 442.83          |
| <b>Total</b>                            | <b>2,248.78</b>      | <b>116.75</b> | <b>-</b>    | <b>-</b>      | <b>2,365.53</b> |

## 45 Capital management

### A Risk management

For the purposes of Group capital management, Capital includes equity attributable to the equity holders of the Group and all other equity reserves. The primary objective of the Group capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March, 2025 and 31 March, 2024.

(₹ in lakhs)

| Particulars          | As at<br>31 March 2025 | As at<br>31 March 2024 |
|----------------------|------------------------|------------------------|
| Equity share capital | 8,560.40               | 7,839.68               |
| Free reserve*        | (3,539.20)             | (1,573.52)             |

\* Comprises of retained earning and general reserves.

### B Dividends

The Group has not proposed any dividend for the year ended 31 March, 2025 (31 March, 2024: ₹ Nil).

## 46 Earnings per equity share

(₹ in lakhs)

| Particulars  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--|-----------------------------|-----------------------------|
| <b>Earnings per equity share has been computed as under:</b> |                             |                             |
| Earnings attributable to equity shareholders                 | (1,974.43)                  | (405.77)                    |
| Nominal value of equity share (Rs.)                          | 10                          | 10                          |
| No of shares as at end of the year                           | 85,603,966                  | 78,396,762                  |
| No. of weighted average equity shares                        | 83,155,491                  | 78,396,762                  |
| Basic Earning per share (Rs.)                                | (2.37)                      | (0.52)                      |
| Number of equity shares for Dilutive earning per share       | 83,155,491                  | 78,396,762                  |
| Dilutive earning per share (Rs.)                             | (2.37)                      | (0.52)                      |

## 47 Leases

The movement in lease liabilities is as follows :

(₹ in lakhs)

| Particulars   | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---|-----------------------------|-----------------------------|
| <b>Opening balance</b>  | <b>157.06</b>               | <b>219.71</b>               |
| Add : Lease assets during the period                          | 28.66                       | 181.80                      |
| Add : Interest expense during the period                      | 24.64                       | 30.26                       |
| Less: Cash outflows   | (78.77)                     | (69.69)                     |
| Less: Deletions/Adjustment on account of waiver in lease rent | -                           | (205.01)                    |
| <b>Closing lease liability at the end of the period</b>       | <b>131.58</b>               | <b>157.06</b>               |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH, 2025

### 48 Auditor's Remunerations

(₹ in lakhs)

|                          | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|--------------------------|-----------------------------|-----------------------------|
| Statutory audit          | 4.00                        | 4.00                        |
| Tax audit fees           | 0.50                        | 1.50                        |
| Internal audit fees      | -                           | -                           |
| Other matters            |                             |                             |
| - Limited reviews        | 3.00                        | 2.46                        |
| - Out of pocket expenses | -                           | 0.75                        |
| - Certification fees     | -                           | -                           |
|                          | <b>7.50</b>                 | <b>8.70</b>                 |

### 49 Suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006

A sum of Rs. 390.42 lakhs is payable to Micro and Small Enterprises as at 31 March, 2025 (31 March, 2024: ₹ 381.94 lakhs). The above amount is on account of trade payables only. Out of the total amount outstanding to Micro and Small Enterprises a sum of Rs. 45.19 lakhs (31 March, 2024:

₹ 119.92 lakhs) is outstanding for more than 45 days as at 31 March, 2025. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

### 50 Disclosure required under section 186(4) of the Companies Act 2013 :-

#### i Particulars of loan given

(₹ in lakhs)

| Sr. No. | Particulars        | Purpose          | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------|--------------------|------------------|-----------------------------|-----------------------------|
| 1       | Amit Saxena        | Business purpose | -                           | 2.11                        |
| 2       | Nirvikar Films LLP | Business purpose | -                           | 47.25                       |
| 3       | Creative Jewellers | Business purpose | 74.21                       | 110.35                      |

#### ii Particulars of investment made

(₹ in lakhs)

| Sr. No. | Particulars                                  | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|---------|--|-----------------------------|-----------------------------|
| 1       | HWJHS Labs Private Limited                   | -                           | 0.20                        |
| 2       | Sixth Sense India Opportunities III Class A1 | 263.83                      | 244.46                      |
| 3       | ARG Outlier Media Private Limited - CCPPS    | 100.17                      | 100.17                      |
| 4       | Liquid funds                                 | -                           | -                           |

### 51 Information pursuant to Regulation 34(3) & 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### Amit Saxena

(₹ in lakhs)

|                                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| Closing balance excluding provision | -                           | 2.11                        |
| Maximum balance during the year     | 2.11                        | 283.28                      |

#### Nirvikar Films LLP

(₹ in lakhs)

|                                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| Closing balance excluding provision | -                           | 47.25                       |
| Maximum balance during the year     | 47.25                       | 80.00                       |

#### Creative Jewellers

(₹ in lakhs)

|                                     | Year ended<br>31 March 2025 | Year ended<br>31 March 2024 |
|-------------------------------------|-----------------------------|-----------------------------|
| Closing balance excluding provision | 74.21                       | 110.35                      |
| Maximum balance during the year     | 110.35                      | 110.35                      |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

**52** In accordance with the requirements of Section 135 of the Companies Act, 2013, during the financial year ending

March 31, 2025, the Group has no obligation to spent in pursuance of its Corporate Social Responsibility policy.

#### 53 Additional Regulatory Information

##### Ratios

| Ratio                                      | Numerator   | Denominator   | Current Year | Previous Year | Variance |
|--|---|---|--------------|---------------|----------|
| Current ratio (in times)                   | Total current assets  | Total current liabilities   | 2.18         | 1.86          | 17%      |
| Debt-Equity ratio (in times)               | Debt consist of borrowings & lease liabilities  | Total equity  | 0.01         | 0.01          | 17%      |
| Debt Services Coverage ratio (in times)    | Earning for debt service= Net profit after taxes+ Non - Cash operating expenses+interest+other non-cash adjustments | Debt service = interest & lease payments + principal repayments               | -3.92        | 2.36          | -266%    |
| Return on equity ratio (in %)              | Profit for the year after tax less preference dividend  | Average trade equity  | -11.51%      | -2.35%        | -390%    |
| Inventory Turnover ratio (in times)        | Cost of goods sold  | Average inventory   | 4.98         | 3.44          | 45%      |
| Trade Receivable turnover ratio (in times) | Revenue from operations   | Average trade receivables   | 7.09         | 4.51          | 57%      |
| Trade Payables turnover ratio (in times)   | Credit purchase during the period   | Average trade payables  | 6.18         | 3.29          | 88%      |
| Net Capital turnover ratio (in times)      | Revenue from operations   | Average working capital (total current assets less total current liabilities) | 3.74         | 2.07          | 81%      |
| Net profit ratio (in %)                    | Net profit after tax  | Revenue from operations   | -21.46%      | -5.72%        | -275%    |
| Return on Capital employed (in %)          | Profit before tax & finance cost  | Capital employed (total assets - current liab.)                               | -6.77%       | -1.70%        | -298%    |
| Return on investment (in %)                | Income generated from investment funds  | Average invested funds in treasury investments                                | 4.96%        | 2.95%         | 68%      |

##### Explanation for change in ratio by more than 25%

**Debt Service Coverage Ratio :** The negative impact in the ratio is due to exceptional and non-recurring expenses /provisions that have been accounted for during the Current Year.

**Return on Equity Ratio :** The negative impact in the ratio is due to higher losses on account of exceptional and non-recurring expenses /provisions that have been accounted for during the Current Year.

**Inventory Turnover Ratio :** Higher turnover ratio is on account of reduction in inventory at the end of financial year after netting off the provision for obsolete and non-moving inventory.

**Trade Receivable Turnover Ratio :** Higher turnover is due to reduction in receivables at the end of financial year as the Group has written off / provisioned for receivables wherein it has observed uncertainty with respect to recoverability of a certain amount and thus made a provision of Rs. 197.82 lacs and write off amounting to Rs. 33.72 lacs.

**Trade Payable Turnover Ratio :** Higher turnover is due to reduction in creditors as the Group has availed overdraft / cash credit limit during the current financial year leading to improvisation in the creditors level despite the higher revenue and increased COGS.

**Net Capital turnover ratio :** Higher Turnover ratio is due to increase in the revenue and reduction in inventory, trade receivables and trade payables.

**Net Profit Ratio :** The negative impact in the ratio is due to higher losses on account of exceptional and non-recurring

expenses /provisions that have been accounted for during the Current Year.

**Return on Capital Employed :** The negative impact in the ratio is due to higher losses on account of exceptional and non-recurring expenses /provisions that have been accounted for during the Current Year.

**Return on Investment :** Higher ratio is on account of interest earned on the fixed deposits being made out of the funds amounting to Rs. 2000 lakhs received against issue of shares and Rs. 250 lakhs against the issue of warrants, for the period ended 31 March 2025, pending utilization for the specific objects for which funds were being raised.

#### 54 Other statutory information

- The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory Period.
- The Group has not traded or invested in Crypto currency or Virtual currency during the financial year.
- 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:
  - 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,



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH, 2025

- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) 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,
- (vi) The Group has no 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).
- (vii) The Group has not been declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (viii) during the year, Group does not have any transactions with companies struck off.
- 55** The figures of the previous year have been re-Grouped / re-classified to render them comparable with the figures of the current year.

**For V.K. Khosla & Co.**  
Chartered Accountants  
Firm Registration No.: 002283N

**Sd/-**  
**Amit Khosla**  
Partner  
Membership No.: 095943

**Place : New Delhi**  
**Date : 27 May 2025**

**For and on behalf of Board of Directors**  
**JHS Svendgaard Laboratories Limited**

**Sd/-**  
**Nikhil Nanda**  
Managing Director  
DIN : 00051501

**Sd/-**  
**Ashish Goel**  
Chief Financial Officer

**Sd/-**  
**Vinay Mittal**  
Director  
DIN : 08232559

**Sd/-**  
**Paramvir Singh**  
Chief Executive Officer &  
Executive Director

**Sd/-**  
**Komal Jha**  
Company Secretary

# NOTICE OF 21<sup>ST</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 21<sup>ST</sup> ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF JHS SVENDGAARD LABORATORIES LIMITED (the Company) WILL BE HELD ON Saturday, 20<sup>th</sup> September, 2025 AT 1:00 P.M. (IST) through Video Conferencing ("VC")/ Other Audio-Visual Means (OAVM) facility, to transact the following business:

## ORDINARY BUSINESSES:

1. TO CONSIDER AND ADOPT THE AUDITED STANDALONE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.
2. TO CONSIDER AND ADOPT THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025 AND THE REPORT OF THE AUDITORS THEREON.
3. APPOINTMENT OF STATUTORY AUDITOR

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

"RESOLVED THAT pursuant to Section 139, 142 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or enactment thereof for the time being in force), upon the recommendation of the Audit Committee, M/s. V.K. Khosla & Co, Chartered Accountants (Firm Registration No. 002283N), be and is hereby appointed as Statutory Auditors of the Company, for a period of 5 years commencing the conclusion of the ensuing Annual General Meeting till the conclusion of 26<sup>th</sup> Annual General Meeting to be held in the year of 2030 at such remuneration and terms and conditions decided by the Board of Directors of the Company in consultation with the Statutory Auditors.

**RESOLVED FURTHER THAT** any Director/ Key Managerial Personnel of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary e-forms with the Registrar of Companies."

4. APPOINTMENT OF MR. VINAY MITTAL (DIN: 08232559), AS DIRECTOR, LIABLE TO RETIRE BY ROTATION

To appoint a director in place of Mr. Vinay Mittal (DIN: 08232559), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

## SPECIAL BUSINESSES:

5. APPOINTMENT OF SECRETARIAL AUDITORS OF THE COMPANY

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

"RESOLVED THAT pursuant to the provision of Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 204 and other applicable provisions of the Companies Act, 2013, if any, and applicable rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. Dahiya & Associates, Practicing Company Secretaries (Peer Review certificate No. 6772/2025) be and are hereby appointed as Secretarial Auditors of the Company for term of five consecutive years commencing from financial year 2025-26 till financial year 2029-30, at such fees as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditors."

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and are hereby authorized to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

6. RE-APPOINTMENT OF MR. NIKHIL NANDA AS MANAGING DIRECTOR OF THE COMPANY.

To consider and if thought fit, to pass the following resolutions as **Special Resolution**:

"RESOLVED THAT pursuant to provisions of sections 196, 197, 198, 203, schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or reenactment(s) thereof, for the time being in force) and the Articles of Association of the Company, the approval of members of the Company be and is hereby accorded to reappointment of Mr. Nikhil Nanda as the Managing Director of the Company from July 2, 2025 for a period of 5 years, liable to be retire by rotation and on the terms and conditions as specified in the explanatory statement pursuant to section 102 (1) of the Companies Act, 2013 annexed to this notice and on the remuneration, which is as follows:

1. **Base pay:**  
Annual basic salary upto Rs. 60 lacs to be paid annually.
2. **Commission:**  
During the term of office, Mr. Nanda will be entitled to a commission upto 5% on net profits of the Company, every year.
3. **Employee benefits:**  
During his tenure, Mr. Nanda shall be entitled to avail himself of such benefits and privileges as may be

available to the directors of the Company, including participation in any employee benefit plans, if and to the extent applicable to directors, as may be maintained by the Company from time to time.

**4. Vacation:**

Mr. Nanda will be entitled to one paid vacation annually with family not exceeding Rupees Fifteen lacs (Rs. 15.00 lacs).

**5. Perquisite:**

The managing director shall be entitled to the following perquisite as under,

- i. Medical reimbursement: Reimbursement of all medical charges incurred in India and outside for Mr. Nikhil Nanda and family.
- ii. Car with driver and telephone facility: The Company shall provide car with driver and telephone facility at the residence of Mr. Nikhil Nanda. Provisions of car with driver for use of company's business and telephone facility at the residence will not be considered as perquisite.
- iii. Club Fees: Fees of clubs, subject to a maximum of two clubs. this will not include admission and life membership fees.

**6. Expenses:**

The Company will reimburse Mr. Nanda for reasonable travel, entertainment or other expenses incurred by him in furtherance of or in connection with the business only.

**7. Minimum Remuneration:**

Notwithstanding anything herein above stated, where in any financial year closing on and after March 31, 2025, during the tenure of Mr. Nanda as MD of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mr. Nanda the remuneration by way of base salary, variable pay and other allowances not exceeding the limits specified under schedule V to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force).

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not 'exceeding the limits specified under section 197, read with schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force).

**7. APPROVAL FOR 'JHS SVENDGAARD LABORATORIES LIMITED - EMPLOYEE STOCK OPTION SCHEME 2025'**

To consider and if thought fit, to pass the following resolutions as **Special Resolution**:

**"RESOLVED THAT** pursuant to the Section 62(1)(b) and other applicable provisions, if any, of the Companies Act,

2013 and applicable rules made there under (including any amendment(s), statutory modification(s) or re-enactment thereof) ["Companies Act"], Regulation 6(1) and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ["SEBI (SBEB & SE) Regulations, 2021"], relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations"], relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and / or sanction(s), the consent of the Shareholders of the Company be and is hereby accorded for approval of JHS Svendgaard Laboratories Employee Stock Option Scheme – 2025 ("Scheme") and the Board of Directors (hereinafter referred to as the "Board of Directors" which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) be and is hereby authorised to create, grant, offer, issue and allot under the Scheme, in one or more tranches, not exceeding 40,00,000 (Forty Lakhs) Employee Stock Options ("Options") (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to or for the benefit of Employees and Directors of the Company and to such persons as may, from time to time, be allowed to be eligible for the benefits of the Scheme (as permitted under the applicable), exercisable into not more than 40,00,000 (Forty Lakhs) Equity Shares ("Shares") of face value of Rs. 10 /- each, on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Scheme.

**RESOLVED FURTHER THAT** the Scheme shall be administered by the Nomination and Remuneration Committee of the Company who shall have all necessary powers as defined in the Scheme and is hereby designated as Compensation Committee in pursuance of the SEBI (SBEB & SE) Regulations, 2021.

**RESOLVED FURTHER THAT** the Scheme shall be implemented through direct route, for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee be and is hereby authorized to



issue and allot Shares upon exercise of Options from time to time in accordance with the Scheme and such Shares shall rank pari passu in all respects with the then existing Shares of the Company.

**RESOLVED FURTHER THAT** the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, stock splits, consolidation of shares, the outstanding options to be granted under the Scheme shall be suitably adjusted for the number of options as well as the exercise price in a fair and reasonable manner, in accordance with the Scheme.

**RESOLVED FURTHER THAT** the Board of Directors, subject to compliance with the SEBI (SBEB & SE) Regulations, 2021 and other applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Scheme and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Scheme and do all other things incidental and ancillary thereof.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Scheme and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby also authorised to nominate and appoint one or more persons for carrying out any or all of the activities that the Board of Directors are authorized to do for the purpose of giving effect to this resolution."

**For and on behalf of Board of Directors**  
**JHS Svendgaard Laboratories Limited**

**Sd/-**  
**Komal Jha**  
**Company Secretary & Compliance Officer**

**Date: 21/08/2025**  
**Place: New Delhi**

**Registered Office:**

**Trilokpur Roadkala Amb**

**Distt Sirmaur Himachal Pradesh-173003**

**Email- [cs@svendgaard.com](mailto:cs@svendgaard.com)**

**Website: [www.svendgaard.com](http://www.svendgaard.com)**

**CIN: L74110HP2004PLC027558**

#### **NOTES:-**

1. Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2024 dated September 19, 2024, (collectively referred to as ("MCA Circulars")) has permitted the companies to hold their Annual General Meeting ("AGM" or "Meeting") through Video Conference ("VC") or through Other Audio-Visual Means ("OAVM") without the physical presence of Members at a common venue. In compliance with the provisions of Companies Act, 2013 ("the Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") and Secretarial Standard-2 on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India and MCA Circulars, the 21st AGM of the Company is being held through VC/OAVM on Saturday, September 20, 2025, at 1:00 P.M. (IST). The proceedings of the AGM are deemed to be conducted at the Registered Office of the Company situated at Trilokpur Road, Kala Amb, Distt. Sirmaur Himachal Pradesh-173003.
2. As per the provisions of clause 3.A. II. of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matters of Special Business as appearing at Item Nos. 4 to 6 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice
3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH.**  
**ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by email to



csmdahiya@gmail.com with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com) and [cs@svendgaard.com](mailto:cs@svendgaard.com). Corporate Members/Institutional Investors can also upload their Board Resolution/ Power of Attorney/ Authority Letter. by clicking on the "Upload Board Resolution/Authority Letter" displayed under the "e-Voting" tab in their login.

6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be entitled to vote at the Meeting.

The register of directors and key managerial personnel (KMP) and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. Members may request for inspection of the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act. Members desiring inspection of statutory registers and other documents as referred in the Notice, may send their request in writing to the Company from their registered e-mail address by mentioning their name, DP ID and Client ID/Folio No. and Mobile No. an email to [cs@svendgaard.com](mailto:cs@svendgaard.com).

1. Members whose shareholding is in demat mode are requested to notify any change in address to their respective depository participant(s) (DP).
2. In compliance with Section 108 of the Act, read with the corresponding rules, Regulation 44 of the LODR Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (e-voting) facility provided by the National Securities Depository Limited (NSDL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the 'Instructions for e-voting' section which forms part of this Notice. The Board has appointed Dahiya & Associates, (Membership No. FCS 9540) (CP No. 23052) Practicing Company Secretaries, as the scrutinizer ("Scrutinizer") for conducting the e-voting process in a fair and transparent manner.
3. Members holding shares either in physical or dematerialized mode, as on cut-off date, i.e. 13<sup>th</sup> September, 2025, may cast their votes electronically. The e-voting period commences on Wednesday, 17<sup>th</sup> September, 2025 (9:00 a.m. IST) and ends on Friday, 19<sup>th</sup> September, 2025 (5:00 p.m. IST). The e-voting module will

be disabled by NSDL thereafter. Members will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. 13<sup>th</sup> September, 2025. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.

4. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
5. Any person holding shares in physical mode or a person, who acquires shares and becomes a member of the Company after the Notice is sent and holding shares as on the cut-off date, i.e. 13<sup>th</sup> September, 2025, may obtain the login ID and password by sending a request to [evoting@nsdl.com](mailto:evoting@nsdl.com).

However, if he / she is already registered with NSDL for remote e-voting, then he / she can use his / her existing user ID and password for casting the vote.

6. In compliance with the Circulars, the Integrated Annual Report for 2024-25 and Notice of the 21<sup>st</sup> AGM, and instructions for e-voting are being sent through electronic mode to those members whose email addresses are registered with the Company / depository participant(s) (DP).
7. Additionally, in accordance with Regulation 36(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, A letter providing the web-link for accessing the Integrated Annual report, including the exact path, will be sent to those members who have not registered their email address with the Company.
8. Physical copy of the Annual Report shall be sent to those shareholders who request for the same to the Company's e-mail address at [cs@svendgaard.com](mailto:cs@svendgaard.com) mentioning Folio No./DP ID and Client ID.
9. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses, are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Alankit Assignments Limited at [rta@alankit.com](mailto:rta@alankit.com), to receive copies of the Integrated Annual Report 2024-25 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report.
- Shareholders holding shares in physical form can register their e-mail id with the RTA by sending an e-mail to RTA at [rta@alankit.com](mailto:rta@alankit.com).

- Shareholders holding shares in demat mode may update the e-mail address through their respective Depository Participant(s).

**Please note that registration of e-mail address and mobile number is now mandatory while voting electronically and joining virtual meetings.**

- Members, who are holding shares in physical/ electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Intergrated Annual Report 2024-25 along with AGM Notice by email to [cs@svendgaard.com](mailto:cs@svendgaard.com). Members holding shares in demat form can update their email address with their Depository Participants.
- Please note that the updation/registration of email addresses on the basis of the above scanned documents will be only for the purpose of sending the notice of 21<sup>st</sup> AGM and Annual Report for 2024-25 and thereafter shall be disabled from the records of the RTA immediately after the 21<sup>st</sup> AGM. The Member(s) will therefore be required to send the email ID updation request along with hard copies of the aforesaid documents to RTA for actual registration in the records to receive all the future communications including Annual Reports, Notices, Circulars, etc. from the Company electronically.
  - Members may also note that the Notice of the 21<sup>st</sup> AGM and the Integrated Annual Report 2024-25 will also be available on the Company's website at [www.svendgaard.com](http://www.svendgaard.com) websites of the stock exchanges, i.e. BSE and NSE, at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively, and on the website of NSDL, <https://www.evoting.nsdl.com>.
  - An Explanatory Statement pursuant to Section 102 of the Act in respect of the business under item nos. 5 to 7 set out above and additional information, pursuant to Regulation 30 & 36 of the LODR Regulations, in respect of the Directors and Auditors seeking appointment / reappointment at the AGM, forms part of this Notice.
  - Members who have questions or are seeking clarifications on the Annual Report or on the proposals as contained in this Notice, are requested to send email to the Company on [cs@svendgaard.com](mailto:cs@svendgaard.com) on or before 5:00 p.m. on Friday, 12<sup>th</sup> September, 2025. This would enable the Company to compile the information and provide the replies at the meeting. The Company will be able to answer only those questions at the meeting which are received in

advance as per the above process. The Company will allot time for members to express their views or give comments during the meeting. The Members who wish to speak at the meeting need to register themselves as a speaker by sending an e-mail from their registered e-mail ID mentioning their name, DP ID and Client ID/Folio number and Mobile number, on e-mail ID, [cs@svendgaard.com](mailto:cs@svendgaard.com) from 5<sup>th</sup> September, 2025 to 12<sup>th</sup> September, 2025. Depending on the availability of time, the Company reserves the right to restrict the number of speakers at the meeting.

- As per Section 72 of the Act, members holding shares in physical mode may submit their nomination by submitting SH-13 which can be downloaded from the Company's website at [www.svendgaard.com/investor\\_query](http://www.svendgaard.com/investor_query). Members holding shares in demat mode may contact their respective DPs to update the nomination.
  - Members are requested to submit the said form to their respective DPs in case the shares are held in electronic form, and to the RTA in case the shares are held in physical form.
  - Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio.
  - Non-Resident Indian members are requested to inform RTA / respective DPs, immediately of:
    - Change in their residential status on return to India for permanent settlement.
    - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
  - In terms of Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. 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 Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at [www.svendgaard.com/investor\\_query](http://www.svendgaard.com/investor_query) and on the website of the Company's RTA at [www.alankit.com/registrars-and-share-transfer-agent](http://www.alankit.com/registrars-and-share-transfer-agent).

- Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2nd July 2025, the Securities and Exchange Board of India (SEBI) has permitted a special window for the ungment of physical transfer deeds that were originally lodged on or before April 1, 2019, and rejected, returned, or not processed due to deficiencies in documentation or procedural issues, and Not re-submitted by the earlier cut-off date of March 31, 2021. The special window is open for a period of six months, from July 07, 2025 to January 06, 2026. Shareholders who hold such transfer deeds are requested to re-lodge the same with the Company's Registrar and Share Transfer Agent (RTA) within the stipulated period. Post verification, the shares will be issued only in dematerialized form, in accordance with SEBI regulations. Shareholders are encouraged to act promptly, as requests received after January 06, 2026 will not be considered.
- It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transmission and transposition shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
- SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_ IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.
- Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website [www.svendgaard.com/investor\\_query](http://www.svendgaard.com/investor_query)
- **Norms for furnishing of PAN, KYC, Bank details and Nomination:**  
To mitigate unintended challenges on account of freezing of folio, SEBI vide circular dated November 17, 2023 has done away with the provision regarding freezing of folios not having PAN, KYC and nomination details. Further, SEBI, vide its circular dated November 3, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and May 7, 2024) has mandated that with effect from April 1, 2024, dividend to security holders holding securities in physical form, shall be paid only through electronic mode. Such payment shall be made after furnishing the PAN, contact details including mobile no., bank account details and specimen signature.  
Further, relevant FAQs published by SEBI on its website can be viewed at the following link : [www.sebi.gov.in/sebi\\_data/faqfiles/jan2024/1704433843359.pdf](http://www.sebi.gov.in/sebi_data/faqfiles/jan2024/1704433843359.pdf)  
The securities in the frozen folios shall be eligible:
  - To lodge any grievance or avail of any service, only after furnishing the complete documents / details as mentioned above;
  - To receive any payment including dividend, interest or redemption amount (which would be only through electronic mode) only after they comply with the above stated requirements. The forms for updation of PAN, KYC, bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website [www.svendgaard.com](http://www.svendgaard.com).
  - In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The Company dispatched a letter to the Members holding shares in physical form in relation to the above referred SEBI Circular. Members who hold shares in dematerialised form and wish to update their PAN, KYC Bank details and Nomination, are requested to contact their respective DPs. Further, Shareholders holding shares in physical form are requested to ensure that their PAN is linked to Aadhaar to avoid freezing of folios. Such frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, after December 31, 2025.
- 15. The Members can join the AGM in the VC/OAVM 30 minutes before and within 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 16. Listing Regulations, has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The companies and the registrar and share transfer agents are required to seek relevant bank details of shareholders from depositories/ investors for making payment of dividends in electronic mode. It is also mandatory to print the bank details on the physical instrument if the payment

is made in physical mode. Accordingly, shareholders are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in dematerialised form and with the registrar and share transfer agent in respect of shares held in physical form. For further details about registration process, please contact your depository/ R&TA of the Company at [rt@alankit.com](mailto:rt@alankit.com).

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). Further, 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/Claimants 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 application to the IEPF Authority, in e-Form/web form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

Further, pursuant to the provisions of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the requisite details of unpaid and unclaimed amounts lying with the Company has been uploaded on Company's website [www.svendgaard.com](http://www.svendgaard.com).

18. 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 their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA. You are also requested to update your Bank details by writing to the Company's RTA.
19. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 read with press release no. 12/2019 dated March 27, 2019, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize the equity shares of the Company.
20. To prevent fraudulent transactions, shareholders are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
21. The Scrutinizer will submit his report to the Chairman of

the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and RTA, and will also be displayed on the Company's website, [www.svendgaard.com](http://www.svendgaard.com).

#### **E-VOTING FACILITY:**

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

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

The remote e-voting period begins on Wednesday, 17<sup>th</sup> September, 2025 at 09:00 A.M. and ends on Friday, 19<sup>th</sup> September, 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 13<sup>th</sup> September, 2025 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being i.e. 13<sup>th</sup> September, 2025.



The details of the process and manner for Remote e Voting are explained herein below: Process to vote electronically using NSDL e-Voting system:

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 and joining virtual meeting for Individual shareholders holding securities in demat mode**

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 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 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.</li> <li>Existing IDeAS 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 “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ 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 “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed 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>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 “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <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 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 or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;">  <p>App Store</p>  <p>Google Play</p> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div> |

|  |  |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL                                     | <ol style="list-style-type: none"> <li>1. 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>2. 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 or joining virtual meeting &amp; voting during the meeting. 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>3. 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>4. 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 | 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 n, 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 or joining virtual meeting & voting during the meeting.   |

**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.

**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 and 022 - 2499 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 e-Voting and joining virtual meeting 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<br>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<br>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<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

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

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
  - 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'.
  - 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:**

- 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).
- [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password)

based login for casting the votes on the e-Voting system of NSDL.

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

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

- 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 and General Meeting is in active status.
- Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message “Vote cast successfully” will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote

**General Guidelines for shareholders**

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to



the Scrutinizer by e-mail to [csmdahiya@gmail.com](mailto:csmdahiya@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

- 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.
- 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) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request 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:**

- 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 [cs@svendgaard.com](mailto:cs@svendgaard.com).
- 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 [cs@svendgaard.com](mailto:cs@svendgaard.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.**
- Alternatively shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
- 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 AGM are as under:-**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- 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.
- 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.
- 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 AGM through VC/OAVM are as under:**

- Member will be provided with a facility to attend the 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" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join 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.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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.
- 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 [cs@svendgaard.com](mailto:cs@svendgaard.com). The same will be replied by the company suitably.

## Explanatory Statement-Pursuant to Section 102 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The following Explanatory Statement sets out material facts relating to the Ordinary Business Item no. 3, and Special Business item no. 5, 6 and 7 of the accompanying Notice:

### ITEM NO.03

Upon the recommendation of the Audit Committee, the Board of Directors of the Company at its their meeting held on November 13, 2024 had appointed V.K. Khosla & Co., Chartered Accountants (Firm Registration No. 002283N) as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of Lodha & Co. LLP, Chartered Accountants and they shall hold the office till the conclusion of the next annual general meeting.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the appointment of M/s. V.K. Khosla & Co., Chartered Accountants, for the first consecutive

term of five years from the conclusion of 21<sup>st</sup> AGM till the conclusion of 26th AGM of the Company to be held in the year 2030, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

Accordingly, shareholders' approval by way of ordinary resolution is sought.

M/s. V.K. Khosla & Co., Chartered Accountants (Firm Registration No. 002283N), have conveyed their consent for being appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013 and shall satisfy the criteria as provided under section 141 of the Companies Act, 2013.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 03 of the notice as an ordinary resolution.

None of the Directors or Key Managerial Persons of the Company (including their relatives), except to the extent of their shareholding in the Company are concerned or interested in the said resolution.

**Details required to be provided as per Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the appointment of the Statutory Auditors is provided below:**

|  |  |
|--|--|
| Proposed Fee payable to auditor                    | Rs. 4,00,000 per annum   |
| Material change in the fee payable to such auditor | The fees is reasonable and is commensurate with the experience and scope of work.  |
| Rationale for such change                          | V.K. Khosla & Co. (VKKC) has had a long and prestigious history. VKKC has prided itself on values such as competency, professionalism, responsibility and accountability, honesty, integrity and dedication, values which have been critical to our continued growth and success. VKKC is a dynamic and multi – faceted accountancy firm as trusted advisors, we strive to attract and develop, the best professionals, to provide value added services to clients in making the best financial decisions possible. they have maintained standards for Continued Professional Education and satisfied clients are testimony to the fact that V. K. Khosla & Co. has a tradition since 1971 of providing high personalized service. |

## ITEM NO.5

In terms of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and other applicable provisions of the Companies Act, 2013, each as amended, the Company is required to appoint Secretarial Auditors for a period of 5 years commencing FY2025-26, to conduct the Secretarial Audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations read with applicable SEBI Circulars.

the Audit Committee and the Board of Directors at their respective meetings held on August 12, 2025, have approved and recommended the appointment of M/s Dahiya & Associates (Firm Registration No. S2023HR902800, Peer Review No. 6772/2025), a Practicing Company Secretary as the Secretarial Auditor of the Company on the following terms and conditions:

- a) **Term of appointment:** For a term of 5 (Five) consecutive years from April 01, 2025 to March 31, 2030.
- b) **Proposed Fees:** Fees of Rs. 75,000 (Rupees Seventy-Five Thousand only), plus applicable taxes and reimbursement of out-of-pocket expenses on actuals, in connection with the secretarial audit for FY 2025-26 and for subsequent years of the term, such fee as determined by the Board, on recommendation of Audit Committee.
- c) **Basis of recommendations:** The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI Listing Regulations. While recommending the Board of Directors have also considered, experience of the individual, capability, independent assessment, audit experience and also evaluation of the quality of audit work done by him in the past.
- d) M/s Dahiya & Associates has provided its consent to be appointed as Secretarial Auditors and has confirmed that, if appointed, its appointment, will be in accordance with Regulation 24A of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024 and other relevant applicable SEBI Circulars issued in this regard.

The Board of Directors of the Company recommends the resolution set out at Item No.5 for approval of the Members as an Ordinary Resolution.

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

## ITEM NO. 6

Mr. Nikhil Nanda was re-appointed as the Managing Director of the Company for a period of five years with effect from 2<sup>nd</sup> July, 2020. the present term of Mr. Nikhil Nanda was expired on 1<sup>st</sup> July, 2025. the Board has, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members, approved the re-appointment of Mr. Nikhil Nanda as Managing Director of the Company for a further period of five years w.e.f 2<sup>nd</sup> July, 2025, post completion of his present term in 01<sup>st</sup> July 2025.

Mr. Nikhil Nanda is not disqualified from being re-appointed as a director in terms of section 164 of the Act and has given his consent to act as Managing Director of the Company. Mr. Nikhil Nanda satisfies all the conditions as set out in section 196(3) of the Act and Part-i of schedule V to the Act, for being eligible for his appointment and also confirms that he is not debarred from appointment by any order of SEBI or any other Authority.

Mr. Nikhil Nanda has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by the BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Mr. Nikhil Nanda is a first-generation entrepreneur with over 30+ years of experience in the oral care industry. He holds a degree of Post Graduate diploma in Business management - Finance and marketing from FORE school of management, New Delhi. He is the vision and direction behind the Company in tune with the current market scenario, of being a global village working and establishing manufacturing facilities to service the world. since 1996. He has dealt with all the facets of the business ever since the constitution of proprietorship concerns to corporatization of the same. His achievement includes exploring international markets for the Company's growth and is lead source of product development.

As so far as the remuneration of Mr. Nikhil Nanda as managing director is concerned, the same is specified in the resolution itself, which is put for the approval of members.

Mr. Nikhil Nanda holds 2,64,98,602 equity shares of the face value of Rs. 10/- each in the Company and is not related to other directors or Key managerial Personnel of the Company.

It is proposed to seek the members approval for the re-appointment of and remuneration payable to Mr. Nikhil Nanda as managing director, in terms of the applicable provisions of the Act and the relevant Rules made thereunder.

Mr. Nikhil Nanda is interested in the said resolution as it pertains to his own re-appointment. Mr. Nikhil Nanda is deemed to be interested in the said resolution. The other relatives of Mr. Nikhil Nanda may be deemed to be interested in the said resolution at Item No. 6 of the Notice to the extent of their shareholding, if any, in the Company.

None of the other Directors, Key Managerial Personnels of the Company and their relatives are, in any way, concerned or interested, financially, or otherwise, in the said resolution.

Disclosures as required under Regulation 30 and 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

## ITEM No. 7

Equity based remuneration includes alignment of personal goals of the Employees with Organizational objectives by participating in the ownership of the Company. The Company understands the need to enhance the Employee engagement, to reward the Employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

With a view to drive long term objectives of the Company, to attract, motivate and retain employees by rewarding for their performance and incentivize key talent to drive long term objectives of the Company, it is proposed to approve and adopt the JHS Svendgaard Laboratories Employee Stock Option Scheme – 2025 (“Scheme”).

The Board of Directors has considered and approved the Scheme at its meeting dated 12<sup>th</sup> August, 2025. The Scheme shall be implemented through Direct route to extend the benefits to the Eligible Employees by the way of fresh allotment from the Company.

In terms of Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [“SEBI (SBEB & SE) Regulations, 2021”], and Section 62 and other applicable provisions, if any, of the Companies Act, 2013, the issue of Equity Shares under the captioned Scheme requires approval of the Shareholders by way of a Special Resolution. The Special Resolution set out at Item No.6 is to seek your approval for the said purpose.

The salient features and other details of the Scheme as required pursuant to Regulation 6(2) of SEBI (SBEB & SE) Regulations, 2021 are as under:

### 1. Brief Description of the Scheme:

The Scheme shall be called JHS Svendgaard Laboratories Employee Stock Option Scheme – 2025 (“Scheme”).

#### The Purpose of the Scheme:

The Company has structured this Scheme for the Employees. The purpose of the Scheme includes the followings:

- To reward the Employees for their association and performance.
- To motivate and retain the Employees to contribute to the growth and profitability of the Company.
- To achieve sustained growth and the creation of

shareholder value by aligning the interests of the Employees with the long-term interests of the Company.

- To provide deferred rewards to Employees.

### 2. The total number of Options to be offered and granted under the Scheme:

The maximum number of Options that may be granted in one or more tranches, pursuant to this Scheme shall not exceed 40,00,000 (Forty Lakhs) Options which shall be convertible into equal number of Shares not exceeding 40,00,000 (Forty Lakhs) Equity Shares having face value of Rs. 10/- each.

If any Option Granted under the Scheme lapses or is forfeited or surrendered or cancelled under any provision of the Scheme, such Option shall be added back to the pool and shall be available for further Grant under the Scheme unless otherwise determined by the Committee.

Further, the maximum number of Options that can be Granted and the Shares arise upon Exercise of these Options shall stand adjusted in case of Corporate Action.

### 3. Identification of classes of Employees entitled to participate in the Scheme:

- An Employee as designated by the Company, who is exclusively working in India or outside India; or
- A Director of the Company, whether a Whole Time Director or not, including a non-executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or

but does not include

- An Employee who is a Promoter or a person belonging to the Promoter Group; or
- A Director who either himself or through his Relative or through any Body Corporate directly or indirectly holds more than ten percent of the outstanding equity shares of the Company.

### 4. Requirement of Vesting and period of Vesting:

The Vesting Period shall commence from a period of 1 (One) year from the Grant Date and shall extend upto a maximum period of 5 (Five) years from the Grant Date, at the discretion of and in the manner prescribed by the Committee and set out in the Grant Letter.

The Vesting Schedule, % of Options to be vested will be clearly defined in the Grant Letter of respective Grantees subject to minimum and maximum Vesting Period as specified above.

Vesting of Options may be subject to continued / uninterrupted employment with the Company and achievement of performance criteria, or any additional relevant metrics as outlined in the Grant Letter.

**5. Maximum period within which the Options shall be vested:**

The maximum period within which the Options shall be vested is 5 (Five) years from the date of grant of such Options.

**6. Exercise Price or Pricing Formula:**

Under this Scheme, the Exercise Price will be decided by the Committee at the time of Grant and shall be linked with the Market Price as defined in the Scheme.

The Committee has the power to provide suitable discount on such price as arrived above. However, in any case the Exercise Price shall not go below the face value of the Share of the Company.

**7. Exercise period and process of Exercise:**

After Vesting, Options can be exercised either wholly or partly, within a maximum exercise period of 5 (Five) years from the date of respective Vesting, after submitting the Exercise application along with payment of the Exercise Price, applicable taxes and other charges, if any, during the Exercise Window as intimated from time to time to the Grantee.

The mode and manner of the Exercise shall be communicated to the Grantees individually.

**8. Appraisal process for determining the eligibility of the Employees to the scheme:**

The Committee may on the basis of all or any of the following criteria, decide on the Employees who are eligible for the Grant and decide upon the quantum of Options under the Scheme and the terms and conditions thereof:

- I. Based on Designation: Depending upon the role/ position of the employee and its criticality and involvement in strategic decision-making.
- II. Based on Performance and Other Criteria:
  - Performance of Employee: Employee's performance during the financial year in the Company on the basis of decided parameters including annual appraisal process.
  - Performance of Company: Performance of the Company as per the standards to be set by the Board of Directors from time to time.
- III. Any other criteria as decided by the Committee in consultation with Board of Directors from time to time.

**9. The Maximum number of Options to be granted per Employee and in aggregate:**

Subject to availability of Options in the pool under the Scheme, the maximum number of Options that can be granted to any Eligible Employee during any one year shall not be equal to or exceed 1% of the issued equity share

capital (excluding outstanding warrants and conversions) of the Company at the time of Grant. The Committee may decide to Grant such number of Options equal to or exceeding 1% of the issued equity share capital (excluding outstanding warrants and conversions) to any Eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting.

The maximum number of Options that may be granted in one or more tranches, pursuant to this Scheme shall not exceed 40,00,000 (Forty Lakhs) Options which shall be convertible into equal number of Shares not exceeding 40,00,000 (Forty Lakhs) Equity Shares having face value of Rs. 10/- each.

**10. The Maximum quantum of benefits to be provided per Employee under the scheme:**

The maximum quantum of benefits that will be available to every Eligible Employee under the Scheme will be the difference between the Fair Market Value (as given under Rule 3(8)(ii) of the Income Tax Rules, 1962) of Company's Share on the Recognized Stock Exchange(s) as on the Date of Exercise of Options and the Exercise Price paid by the Employee.

**11. Whether the Scheme(s) is to be implemented and administered directly by the Company or through a Trust:**

The Scheme shall be implemented through direct route for extending the benefits to the eligible Employees by the way of fresh allotment from the Company.

The Scheme shall be administered by the Nomination and Remuneration Committee of the Company.

**12. Whether the Scheme involves new issue of shares by the company or secondary acquisition by the Trust or both:**

The Scheme involves new issue of Equity Shares by the Company.

**13. The amount of loan to be provided for implementation of the Scheme by the Company to the Trust, its tenure, utilization, repayment terms, etc.:**

Not applicable, since the Scheme is proposed to be implemented by direct route.

**14. The Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Scheme:**

Not applicable, since the Scheme is proposed to be implemented by direct route.

**15. Disclosure and accounting policies:**

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations, 2021 or as may be prescribed by regulatory authorities from time to time.



**16. The method which the Company shall use to value its Options:**

The Company shall comply with the requirements of IND – AS 102 and shall use Fair value method and the fair value of Options would be calculated as per the prescribed method under the applicable regulations.

**17. Statement with regard to Disclosure in Director's Report:**

As the company is adopting fair value method, presently there is no requirement for disclosure in director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.

**18. Period of lock-in:**

The Shares allotted to the Grantees pursuant to Exercise of Options shall be subject to no lock-in period from the date of allotment. The Grantee is free to sell the Shares.

**19. Terms & conditions for buyback, if any, of specified securities:**

The Committee has the powers to determine the procedure for buy-back of Options granted under the Scheme, if to be undertaken at any time by the Company, and the applicable terms and conditions, in accordance with the applicable laws.

The Board of Directors recommend the resolutions as set out at Item no. 7 for your approval as Special Resolutions.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the options may be granted under the Scheme.

JHS Svendgaard Laboratories Employee Stock Option Scheme – 2025 and other documents referred to in the aforesaid resolutions are available for inspection on the website of the Company or at the registered office of the Company.

## ANNEXURE TO ITEM NO.4

Details required under Regulation 30 and 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD1/P/CIR/2023/123 dated July 13, 2023.

Details of Director retiring by rotation and seeking Re-appointment at the 21<sup>st</sup> Annual General Meeting

|   |   |
|---|---|
| <b>Particulars</b>  | <b>Vinay Mittal</b>   |
| <b>Director Identification Number</b>   | 08232559  |
| <b>Designation/category of the Director</b>   | Non-Executive (Non-Independent) Director  |
| <b>Age</b>  | 71  |
| <b>Date of the first appointment on the Board</b>   | 27-05-2022  |
| <b>Qualification</b>  | Bachelors in English Literature from St. Stephen's College, Delhi University. two years of Law degree from Faculty of Law, Delhi University   |
| <b>Profile, Experience and Expertise in specific functional areas</b>   | Mr. Vinay Mittal did Bachelors in English Literature from St. Stephen's College, Delhi University. In 1973, he enrolled into Faculty of Law, Delhi University for two years of Law degree. He then joined Indian Railways Traffic Service in 1975 and where he remained in the service for good 37 years. Mr. Mittal retired as chairman of Railway Board in 2013 and joined Union Public Service Commission as member till 2018. |
| <b>Shareholding in the Company including shareholding as a beneficial owner</b>   | Nil   |
| <b>Relationship with the other Directors</b>  | None  |
| <b>Terms &amp; conditions of the reappointment</b>  | To retire by rotation   |
| <b>Directorships held in other companies including equity listed companies and excluding foreign companies as on the date of this Notice.</b> | Nil   |
| <b>Memberships / Chairmanships of committees of other companies (excluding foreign companies) as on date of this Notice</b>                   | Nil   |
| <b>Number of meetings of the Board attended during the financial year</b>   | 7   |
| <b>Details of remuneration paid in FY24-25</b>  | Nil   |
| <b>Resignation from Listed Entities in past three years</b>   | Nil   |

For other details such as the number of meetings of the Board attended during FY 2024-25, remuneration last drawn in FY 2024-25 by Mr. Vinay Mittal please refer to the corporate governance report which is a part of this Integrated Annual Report

For and on behalf of Board of Directors  
JHS Svendgaard Laboratories Limited  
Sd/-  
Komal Jha  
Company Secretary & Compliance Officer  
Date: 21/08/2025  
Place: New Delhi

Registered Office:  
Trilokpur Road, Kala Amb  
Distt Sirmaur Himachal Pradesh-173003  
Email- [cs@svendgaard.com](mailto:cs@svendgaard.com)  
Website: [www.svendgaard.com](http://www.svendgaard.com)  
CIN: L74110HP2004PLC027558



## ANNEXURE- 2

PURSUANT TO REGULATION 30 AND 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015 AND SECRETARIAL STANDARD - 2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI), INFORMATION ABOUT THE DIRECTOR PROPOSED TO BE RE- APPOINTED/ APPOINTED UNDER ITEM NO. 6 IS FURNISHED AS BELOW:

|  |  |
|--|--|
| Name of the Director & DIN   | Mr. Nikhil Nanda (DIN: 00051501)   |
| Nationality  | Indian   |
| Designation/category of the Director   | Managing Director  |
| Date of Birth  | 26.09.1972   |
| Date of reappointment  | With effect from July 02, 2025 for the period of Five (05) years   |
| Date of first appointment in the current designation   | 08.10.2004   |
| Qualification  | Degree in Business management with double majors in Finance and marketing from FoRe school of management, New Delhi  |
| Brief Profile  | Mr. Nikhil Nanda is a first-generation entrepreneur with over 30+ years of experience in the oral care industry. He holds a degree of Post Graduate diploma in Business management - Finance and marketing from FORE school of management, New Delhi. He is the vision and direction behind the Company in tune with the current market scenario, of being a global village working and establishing manufacturing facilities to service the world. since 1996, He has dealt with all the facets of the business ever since the constitution of proprietorship concerns to corporatization of the same. His achievement includes exploring international markets for the Company's growth and is lead source of product development. |
| Nature of Expertise in Specific Functional Areas;  | Entrepreneur with Good leadership skills   |
| Terms and conditions of re-appointment   | Mr. Nikhil Nanda will serve for a period of 5 (Five) consecutive years   |
| Names of Listed Entities in which Director also holds the Directorship and the Membership of Committees of the Board | JHS Svendgaard Retail Ventures Limited   |
| Name of Committee(s) of JHS Svendgaard Laboratories Limited in which Director is Chairman/ Member                    | Audit Committee- Member<br>Stakeholder Relationship Committee –Member<br>Corporate Social Responsibility Committee- Chairperson  |
| Listed Entities from which Director has resigned as Director in past three years                                     | None   |
| Number of Shares held in the Company   | 2,64,98,602  |
| Number of Board Meetings attended during the year  | 8  |
| Remuneration Last Drawn (per annum)  | Rs. 60,00,000/-  |
| Inter-se relationship between Directors and other Key Managerial Personnel   | None   |

For and on behalf of Board of Directors  
JHS Svendgaard Laboratories Limited  
Sd/-  
Komal Jha  
Company Secretary & Compliance Officer  
Date: 21/08/2025  
Place: New Delhi

Registered Office:  
Trilokpur Road, Kala Amb  
Distt Sirmaur Himachal Pradesh-173003  
Email- [cs@svendgaard.com](mailto:cs@svendgaard.com)  
Website: [www.svendgaard.com](http://www.svendgaard.com)  
CIN: L74110HP2004PLC027558





## **JHS SVENDGAARD LABORATORIES LIMITED**

### **Registered Office:**

Trilokpur Road, Kheri (Kala-Amb), Tehsil-Nahan  
District- Sirmour, Himachal Pradesh- 173 030  
[www.svendgaard.com](http://www.svendgaard.com)

### **Corporate Office:**

B-1/E-23, Mohan Co-operative Industrial Area,  
Mathura Road, New Delhi- 110 044

BSE - 532771, NSE - JHS, E-mail - [cs@svendgaard.com](mailto:cs@svendgaard.com)