

Independent Auditor's Report

To the Members of Swara Baby Products Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Swara Baby Products Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

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

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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Responsibilities of Management for the Financial Statements

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material 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; and



- 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.
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure B, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - 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, except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure A wherein we have expressed an unmodified opinion; and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 41 to the financial statements, has disclosed the impact of pending litigation(s) on its financial position as at 31 March 2024;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024.;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;



iv.

- a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46.5 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46.6 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2024.

vi. As stated in note 47 to the financial statements and based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has been operated for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below:

- a) The audit trail feature for accounting software used for maintenance of accounting records was not enabled from 1 April 2023 to 13 April 2023.
- b) The said accounting software did not capture the details of who made the changes i.e., User Id for one location from 1 April 2023 to 31 March 2024.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Shashi Tadwalkar
Partner
Membership No.: 101797

UDIN: 24101797BKCPDK2035

Place: Pune
Date: 28 June 2024

Annexure A

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Swara Baby Products Private Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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


Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements 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 **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Shashi Tadwalkar

Partner

Membership No.: 101797

UDIN: 24101797BKCPDK2035

Pune

28 June 2024

Annexure B referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Swara Baby Products Private Limited on the financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The property, plant and equipment capital work-in-progress and relevant details of right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.
- (b) As disclosed in Note 44 to the financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by bank based on the security of current assets during the year. The quarterly returns, in respect of the working capital limits have been filed by the Company with such bank and such returns are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii) The Company has not made investments in companies, firms, limited liability partnerships or any other parties during the year. The Company has also not provided any guarantee or security or granted any loans or advances in the nature of loans, to firms or limited liability partnerships during the year. Further, the Company has provided guarantee, security and granted secured loans or advances in the nature of loans to companies during the year, in respect of which:
 - (a) The Company has provided loans or advances in the nature of loans, or guarantee, or security to Subsidiaries and Others during the year as per details given below:



(Amounts in Rupees millions)

| Particulars | Guarantees | Security | Loans | Advances in the nature of loans |
|--|------------|----------|--------|---------------------------------|
| Aggregate amount granted during the year (Rs.): | | | | |
| - Subsidiaries | 1200.00 | - | 842.35 | - |
| - Others | - | - | 50.00 | - |
| Balance outstanding as at balance sheet date in respect of above cases Rs.): | | | | |
| - Subsidiaries | 1200.00 | - | 933.22 | - |
| - Others | - | - | 250.00 | - |

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal interest are regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has granted loan(s) or advance(s) in the nature of loans which are repayable on demand, as per details below:

(Amounts in Rupees millions)

| Particulars | All Parties | Promoters | Related Parties |
|---|-------------|-----------|-----------------|
| Aggregate of loans/advances in nature of loan | | | |
| - Repayable on demand (A) | - | - | 1183.22 |
| - Agreement does not specify any terms or period of repayment (B) | - | - | - |
| Total (A+B) | | | 1183.22 |
| Percentage of loans/advances in nature of loan to the total loans | - | - | 100% |

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.



- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.



- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.



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(b) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to any ongoing project as at end of the current financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Shashi Tadwalkar

Partner

Membership No.: 101797

UDIN: 24101797BKCPDK2035

Place: Pune

Date: 28 June 2024

Swara Baby Products Private Limited
Balance Sheet as at 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

| Particulars | Note No. | As at 31 March 2024 | As at 31 March 2023 |
|--|----------|---------------------|---------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 5 | 1,036.50 | 1,121.91 |
| Capital work-in-progress | 5 | - | 0.47 |
| Right-of-use assets | 6 | 29.56 | 29.94 |
| Financial assets | | | |
| (a) Investment | 7a | 0.10 | 0.10 |
| (b) Others financial assets | 7 | 147.41 | 182.44 |
| Other non-current assets | 8 | 159.33 | 245.33 |
| Total non-current assets | | 1,372.90 | 1,580.19 |
| Current assets | | | |
| Inventories | 9 | 895.42 | 928.86 |
| Financial assets | | | |
| (a) Trade receivables | 10 | 496.56 | 368.76 |
| (b) Cash and cash equivalents | 11 | 0.05 | 0.05 |
| (c) Bank balances other than (b) above | 11a | 0.30 | 7.75 |
| (d) Loans | 12 | 1,183.22 | 559.01 |
| (e) Other financial assets | 13 | 81.47 | 36.04 |
| Income tax assets (net) | 14 | - | 10.57 |
| Other current assets | 15 | 65.14 | 51.42 |
| Total current assets | | 2,722.16 | 1,962.46 |
| Total assets | | 4,095.06 | 3,542.65 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 16 | 257.01 | 251.87 |
| Other equity | 17 | 2,234.05 | 1,647.32 |
| Total equity | | 2,491.06 | 1,899.19 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| (a) Borrowings | 18 | 67.65 | 143.03 |
| (b) Lease liabilities | 6 | 1.94 | 1.64 |
| Provisions | 19 | 4.39 | 3.20 |
| Deferred tax liabilities (net) | 33 | 90.18 | 65.16 |
| Other non-current liabilities | 20 | 189.22 | 172.06 |
| Total non-current liabilities | | 353.38 | 385.09 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (a) Borrowings | 21 | 550.40 | 619.97 |
| (b) Lease liabilities | 6 | 0.22 | 0.22 |
| (c) Trade payables | 22 | | |
| i) total outstanding dues of micro and small enterprises | | 85.86 | 26.66 |
| ii) total outstanding dues of creditors other than micro and small enterprises | | 351.26 | 451.36 |
| (d) Other financial liabilities | 23 | 18.73 | 19.68 |
| Other current liabilities | 24 | 216.12 | 110.00 |
| Provisions | 19 | 1.41 | 0.85 |
| Current tax Liability (net) | 19a | 26.62 | 29.63 |
| Total current liabilities | | 1,250.62 | 1,258.37 |
| Total equity & liabilities | | 4,095.06 | 3,542.65 |

Summary of material accounting policy information

2-4

See accompanying notes forming integral part of financial statements

5-48

As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For and on behalf of the Board of Directors

Swara Baby Products Private Limited

CIN: U36999MP2016PTC068986



Shashi Tadwalkar

Partner

Membership No.: 101797

Place: Pune

Date: 28 June 2024



Gautam Sharma

Director

DIN: 08776136

Place: Pune

Date: 28 June 2024

Alok Birla

Managing Director

DIN: 00232079

Place: Pune

Date: 28 June 2024

Tushar Gunjalkar

Company Secretary

Membership No: 52938

Place: Pune

Date: 28 June 2024



Swara Baby Products Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

| Particulars | Note No. | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------|----------------------------------|----------------------------------|
| Income | | | |
| Revenue from operations | 25 | 6,864.97 | 5,372.87 |
| Other income | 26 | 169.50 | 78.94 |
| Total income | | 7,034.47 | 5,451.81 |
| Expenses | | | |
| Cost of material consumed | 27 | 3,507.67 | 3,779.60 |
| Purchase of traded goods | | 1,721.00 | 637.53 |
| Changes in inventories of finished goods, traded goods and work-in-progress | 28 | 63.89 | (118.28) |
| Employee benefits expense | 29 | 141.51 | 138.20 |
| Finance costs | 30 | 50.01 | 62.32 |
| Depreciation and amortisation expense | 31 | 116.04 | 112.91 |
| Other expenses | 32 | 638.83 | 448.72 |
| Total expenses | | 6,238.95 | 5,061.00 |
| Profit before tax | | 795.52 | 390.81 |
| Tax expense | | | |
| Current tax | 33 | 182.76 | 86.03 |
| Short / (Excess) provision for tax relating to prior years | | 1.01 | (10.92) |
| Deferred tax charge | 33 | 25.02 | 10.55 |
| Total tax expense | | 208.79 | 85.66 |
| Profit for the year | | 586.73 | 305.15 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Re-measurement of post-employment benefit obligations | | - | - |
| Income tax relating to items that will not be reclassified to statement of profit or loss | | - | - |
| Other comprehensive income for the year, net of tax | | - | - |
| Total comprehensive income for the year | | 586.73 | 305.15 |
| Earnings per share | | | |
| Basic earning per share (INR) | 34 | 45.65 | 24.73 |
| Diluted earning per share (INR) | 34 | 23.15 | 12.12 |

Summary of material accounting policy information
See accompanying notes forming integral part of financial statements

2-4
5-48

As per our report of even date attached

For Walker Chandlok & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N500013

For and on behalf of the Board of Directors of
Swara Baby Products Private Limited
CIN: U36999MP2016PTC068986

Shashi Tadwalkar

Shashi Tadwalkar
Partner
Membership No.: 101797

Place: Pune
Date: 28 June 2024

Gautam Sharma
Alok Birla
Tushar Gunjalkar

Gautam Sharma
Director
DIN: 08776136

Alok Birla
Managing Director
DIN: 00232079

Tushar Gunjalkar
Company Secretary
Membership No: 52938

Place: Pune
Date: 28 June 2024

Place: Pune
Date: 28 June 2024

Place: Pune
Date: 28 June 2024



Swara Baby Products Private Limited
Statement of cash flows for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

| Particulars | Year ended 31 March 2024 | Year ended 31 March 2023 |
|--|-----------------------------|-----------------------------|
| Cash flow from operating activities | | |
| Profit before tax | 795.52 | 390.81 |
| Adjustments for : | | |
| Depreciation and amortization expenses | - | - |
| Finance cost | 116.04 | 112.91 |
| Interest income | 50.01 | 62.32 |
| Deferred Income on government grant | (69.01) | (0.81) |
| Interest on income subsidy | (49.59) | (44.49) |
| Income on lease transfer | (14.64) | - |
| Net gain on foreign currency transactions and translations (unrealised) | - | (2.25) |
| Unwinding of discount on government grant | (1.35) | (25.35) |
| Liabilities/ Provisions written back to the extent no longer required | (19.47) | (6.04) |
| Loss on sale of fixed assets | (0.31) | - |
| | 0.07 | - |
| Operating profit before working capital changes | | |
| | 807.27 | 487.10 |
| Changes in working capital | | |
| Decrease/(Increase) in inventories | | |
| (Increase) in trade receivables | 33.44 | (286.34) |
| Decrease/(Increase) in other current assets | (127.80) | (106.98) |
| (Increase)/Decrease in other financial assets | 110.08 | (65.05) |
| (Decrease)/Increase in Trade payables | (8.87) | 49.30 |
| (Decrease) in Other financial liabilities | (41.21) | 169.24 |
| Increase/(Decrease) in other current liabilities | (0.24) | 2.47 |
| Increase/(Decrease) in provision | 96.50 | (117.68) |
| Cash generated from operating activities | 1.75 | (9.30) |
| Income tax paid | 870.92 | 122.76 |
| Net cash flows generated from operating activities (A) | (176.21) | (58.41) |
| | 694.71 | 64.35 |
| Cash flow from investing activities | | |
| Payment/Receipts for property, plant and equipment and intangible assets | | |
| Proceeds from sale of property, plant and equipment | (64.30) | 6.89 |
| Decrease in bank balances other than cash and cash equivalents | 0.50 | - |
| Interest received | 7.45 | 40.05 |
| Loan given during the year | 69.22 | 30.00 |
| Investment in subsidiary company | (624.21) | (534.92) |
| Net cash flow used in investing activities (B) | - | (0.11) |
| | (611.34) | (458.09) |
| Cash flow from financing activities | | |
| Receipt of Government grant | | |
| Repayment of borrowings (net of receipts) | 115.22 | 54.48 |
| Interest paid on borrowings | (157.54) | 394.69 |
| Receipts of Intercompany borrowing | (58.62) | (60.06) |
| Proceeds from issuance of shares | 12.60 | - |
| Payment for lease liabilities (refer note no.6) | 5.14 | - |
| Net cash flow used in financing activities (C) | (0.17) | (5.60) |
| | (83.37) | 383.51 |
| Net increase/decrease in cash and cash equivalents (A+B+C) | | |
| Cash and cash equivalents at the beginning of the year | 0.00 | (10.23) |
| Cash and cash equivalents at the end of the year (Derived) | 0.05 | 10.28 |
| | 0.05 | 0.05 |



Swara Baby Products Private Limited
Statement of cash flows for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

| Components of cash and cash equivalent as at the end of the year | 31 March 2024 | 31 March 2023 |
|--|---------------|---------------|
| Cash and cash equivalent comprise of: | | |
| Cash on hand | | |
| Balances with banks: | 0.02 | 0.02 |
| Balances with bank in current accounts | 0.03 | 0.03 |
| Total cash and cash equivalent | 0.05 | 0.05 |

Movement in financial liabilities

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------------|---------------------------|---------------------------|
| Opening balance of lease liabilities | 1.86 | 6.91 |
| Movement | | |
| Cash flows | | |
| Non cash changes | (0.22) | (5.60) |
| Closing balance of lease liabilities | 0.52 | 0.55 |
| | 2.16 | 1.86 |

Summary of material accounting policy information

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

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Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors of
Swara Baby Products Private Limited
CIN: U36999MP2016PTC068986

Shashi Tadwalkar

Shashi Tadwalkar
Partner
Membership No.: 101797

Place:
Date:
UDIN:

Gautam Sharma

Gautam Sharma
Director
DIN: 08776136

Place:
Date:

Alok Birla
Alok Birla
Managing Director
DIN: 00232079

Place:
Date:

Tushar Gunjalkar

Tushar Gunjalkar
Company Secretary
Membership No: 52938

Place:
Date:



Swara Baby Products Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

| (A) Equity share capital | | | | |
|--|---------------------|--------|---------------------|--------|
| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
| | No. of shares | Amount | No. of shares | Amount |
| Equity shares of [Face value of Rs. 10] each issued, subscribed and fully paid | | | | |
| Opening as on 01 April 2023 | 12.34 | 123.39 | 12.34 | 123.39 |
| Add: shares issued during the year | 0.51 | 5.14 | - | - |
| Closing balance | 12.85 | 128.53 | 12.34 | 123.39 |

| (B) 0.1% Compulsorily convertible cumulative preference shares | | | | |
|---|---------------------|--------|---------------------|--------|
| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
| | No. of shares | Amount | No. of shares | Amount |
| Shares of [Face value of Rs. 10] each issued, subscribed and fully paid | | | | |
| Opening as on 01 April 2023 | 12.85 | 128.48 | 12.85 | 128.48 |
| Add: shares issued during the year | - | - | - | - |
| Closing balance | 12.85 | 128.48 | 12.85 | 128.48 |

| (C) Other equity | | | |
|---|--------------------|-------------------|----------|
| Particulars | Securities premium | Retained earnings | Total |
| Balance as at 1 April 2023 | 871.07 | 776.25 | 1,647.32 |
| Profit for the year | - | 586.73 | 586.73 |
| Premium on issue of shares during the year | - | - | - |
| Total other comprehensive income for the year | 871.07 | 1,362.98 | 2,234.05 |
| Balance as at 31 March 2024 | 871.07 | 1,362.98 | 2,234.05 |

| Particulars | Securities premium | Retained earnings | Total |
|---|--------------------|-------------------|----------|
| Balance as at 1 April 2022 | 871.07 | 471.10 | 1,342.17 |
| Profit for the year | - | 305.15 | 305.15 |
| Premium on issue of shares during the year | - | - | - |
| Total other comprehensive income for the year | - | - | - |
| Balance as at 31 March 2023 | 871.07 | 776.25 | 1,647.32 |

Summary of material accounting policy information
See accompanying notes forming integral part of financial statements

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As per our report of even date
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N/NS00013

For and on behalf of the Board of Directors of
Swara Baby Products Private Limited
CIN: U36999MP2016PTC068986



Shashi Tadwalkar
Partner
Membership No.: 101797

Place: Pune
Date: 28 June 2024



Gautam Sharma
Director
DIN: 08776136

Alok Birla
Managing Director
DIN: 00232079

Place: Pune
Date: 28 June 2024

Tushar Gunjalkar
Company Secretary
Membership No: 52938

Place:
Date:



Swara Baby Products Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2024

1 General Information

Swara Baby Products Pvt Ltd ('the Company') (CIN: U36999WB2016PTC218399) is a private limited company engaged in the business of manufacturing and dealing in baby care products mainly in diapers for kids. The Company has its registered office and production unit at Plot No. 381 to 388, Sec 3, Pithampur Industrial Area, Pithampur, District - Dhar, Indore - 454 775, Madhya Pradesh.

1.1 Basis of Preparation of Interim Financial Statements

(a) Statement of Compliance with Ind AS

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 the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements were authorised for issue by the Company's Board of Directors on 28 June 2024.

The financial statements up to year ended 31 March 2020 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

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

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) as required by relevant Ind AS.

All assets and liabilities are classified into current and non-current :-

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The operating cycle of the Company is less than 12 months.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2 Summary of material accounting policy information

2.1 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized 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 Statement of Profit and Loss during the year in which they are incurred.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset."

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.



Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

| Property, plant and equipment | |
|--|-----------------------|
| Leasehold improvement* | Over the lease period |
| Plant & Machinery | 10 years |
| Furniture and Fixtures | 10 years |
| Electrical Installation | 10 years |
| Vehicle | 10 years |
| Building (other than factory buildings) other than RCC Frame Structure | 30 years |
| Office Equipment | 5 years |
| Computers: | |
| -Servers | 6 years |
| -End user devices such as, desktops, laptops etc. | 3 years |

* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.2 Foreign Currency Transactions

(a) 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 ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.3 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

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



2.4 Revenue Recognition

Revenue from contracts with customers is recognised upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ services.

To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and

Sale of goods

Revenue towards satisfaction of performance obligation is measured at amount of consideration received or receivable net of returns and allowances, trade discounts and rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government. Goods and Service Tax (GST) is not received by the Company in its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rendering of services

The Company also earns revenue from Job work Charges. Revenue from Job work charges is recognised when control of the 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 services.

Revenue is measured at the transaction value of the consideration received or receivable. Amounts disclosed as revenue are net of indirect taxes, trade allowances, rebates and amounts collected on behalf of third parties and is not recognised in instances where there is uncertainty with regard to ultimate collection. In such cases revenue is recognised on reasonable certainty of collection.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

2.5 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.6 Leases

The Company as a lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of use asset measured at inception shall comprise of the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of use assets subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right of use asset is depreciated in the straight line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of use assets are tested for impairment where there any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the statement of profit and loss.



The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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

2.7 Inventories

Inventories are valued at the lower of cost and net realisable value.

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

Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those 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. In determining the cost, weighted average cost method is used.

Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net realisable 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. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

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

The comparison of cost and net realizable value is made on item by item basis.

2.8 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently increases and the Decemberrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.9 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

The Company records a provision for Decemberommissioning costs. Decemberommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the Decemberommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of Decemberommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



2.10 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.11 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured 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.

(ii) Subsequent measurement

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

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

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

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. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

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 fair value through other comprehensive income (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 Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. 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. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies 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.

If the Company Decemderides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

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

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



(iv) **Derecognition of financial assets**

A financial asset is derecognized only when

- the rights to receive cash flows from the financial asset is transferred 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 financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) **Financial liabilities**

(i) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) **Subsequent measurement**

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. 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 as finance costs in the Statement of Profit and Loss.

(iii) **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 and Loss as finance costs.

(c) **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 recognized 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.

2.12 Convertible preference shares

Convertible preference shares are treated as equity based on the terms of the contract and in accordance with IndAs.

2.13 Employee Benefits

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year 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.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.



(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

2.14 Government Grants

Government grants are recognized initially as deferred income at fair value when :

- a) There is reasonable assurance that they will be received,
- b) The Company will comply with the conditions associated with the grant

They are then recognized in profit or loss as other income on a systematic basis.

Grants that compensate the Company for expenses incurred are recognized in profit or loss as other operating revenue on a systematic basis in the periods in which such expenses are recognized.

Government grants related to assets are deferred and amortised over the useful life of the asset. Government grants related to income are deferred on a systematic basis over the period of the grant.

2.15 Earnings Per Share

Basic earnings per 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 year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.16 Borrowing Costs

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. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

2.17 Segment Reporting

The Company primarily operates in trading & manufacturing of baby products which is the only reportable segment.

2.18 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.



3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Use of Estimates and judgements

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

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

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation. Refer Note 33.

(b) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details Refer Note 35.

4

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. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

5 Property, plant and equipment

| Particulars | Computers | Buildings | Electrical Equipments & installations | Plant and machinery | Furniture & Fixtures | Office Equipment | Motor Vehicles | Total |
|------------------------------------|--------------|---------------|---------------------------------------|---------------------|----------------------|------------------|----------------|-----------------|
| Gross Block | | | | | | | | |
| Balance as at 1 April 2022 | 7.95 | 247.72 | 44.62 | 997.10 | 31.60 | 8.06 | 2.74 | 1,339.79 |
| Additions for the year | 3.62 | 132.40 | 3.76 | 21.21 | 4.34 | 1.50 | - | 166.83 |
| Disposals during the year | - | 115.00 | - | 3.33 | - | - | - | 118.33 |
| Balance as at 31 March 2023 | 11.57 | 265.12 | 48.38 | 1,014.98 | 35.94 | 9.56 | 2.74 | 1,388.29 |
| Balance as at 1 April 2023 | 11.57 | 265.12 | 48.38 | 1,014.98 | 35.94 | 9.56 | 2.74 | 1,388.29 |
| Additions for the year | 0.97 | 4.90 | 2.19 | 15.22 | 4.61 | 1.29 | 1.64 | 30.82 |
| Disposals during the year | - | - | - | 0.90 | - | - | - | 0.90 |
| Balance as at 31 March 2024 | 12.54 | 270.02 | 50.57 | 1,029.30 | 40.55 | 10.85 | 4.38 | 1,418.21 |
| Accumulated Depreciation | | | | | | | | |
| Balance as at 1 April 2022 | 3.07 | 12.94 | 7.51 | 124.97 | 3.21 | 2.25 | 0.78 | 154.73 |
| Depreciation for the year | 2.65 | 7.69 | 4.39 | 92.25 | 3.25 | 1.60 | 0.32 | 117.15 |
| Disposals during the year | - | - | - | 0.50 | - | - | - | 0.50 |
| Balance as at 31 March 2023 | 5.72 | 20.63 | 11.90 | 216.72 | 6.46 | 3.85 | 1.10 | 266.38 |
| Balance as at 1 April 2023 | 5.72 | 20.63 | 11.90 | 216.72 | 6.46 | 3.85 | 1.10 | 266.38 |
| Depreciation for the year | 3.00 | 8.44 | 4.67 | 94.09 | 3.56 | 1.49 | 0.41 | 115.66 |
| Disposals during the year | - | - | - | 0.33 | - | - | - | 0.33 |
| Balance as at 31 March 2024 | 8.72 | 29.07 | 16.57 | 310.48 | 10.02 | 5.34 | 1.51 | 381.71 |
| Balance as at 31 March 2023 | 5.85 | 244.49 | 36.48 | 798.26 | 29.48 | 5.71 | 1.64 | 1,121.91 |
| Balance as at 31 March 2024 | 3.82 | 240.95 | 34.00 | 718.82 | 30.53 | 5.51 | 2.87 | 1,036.50 |



Swara Baby Products Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

5.2 Capital work in progress

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------|---------------------|---------------------|
| Balance at beginning of year | | 80.77 |
| Additions | 0.47 | 59.22 |
| Capitalised during the year | 2.46 | 129.35 |
| Sales during the year | 2.93 | 10.17 |
| Balance at end of year | - | 0.47 |

Ageing schedule of Capital-work-in progress (including the project whose completion is overdue)

As at 31 March 2024

| CWIP | Amount in CWIP 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 | - | - | - | - | - |

As at 31 March 2023

| CWIP | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 0.47 | - | - | - | 0.47 |
| Projects temporarily suspended | - | - | - | - | - |

Note: There are no capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

6 Right-of-use assets

The changes in the carrying value of ROU assets for the period ended 31 March, 2024 and year ended 31 March, 2023 are as follows:

| Particulars | Leasehold land | Total |
|-----------------------------|----------------|---------|
| Balance as on 1 April 2022 | | |
| Additions during the year | 86.18 | 86.18 |
| Deletions during the year | - | - |
| Amortisation for the year | (55.48) | (55.48) |
| Balance as on 31 March 2023 | (0.76) | (0.76) |
| | 29.94 | 29.94 |
| Balance as on 1 April 2023 | | |
| Additions during the year | 29.94 | 29.94 |
| Deletions during the year | - | - |
| Amortisation for the year | - | - |
| Balance as on 31 March 2024 | (0.38) | (0.38) |
| | 29.56 | 29.56 |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss. (refer note 31)

The break-up of current and non-current lease liabilities as at 31 March 2024 and 31 March 2023 is as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---------------------|---------------------|
| Current lease liabilities | | |
| Non-current lease liabilities | 0.22 | 0.22 |
| Total lease liabilities | 1.94 | 1.64 |
| | 2.16 | 1.86 |

The movement in lease liabilities during the year ended 31 March 2024 and 31 March 2023 is as follows:

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|---------------------------------------|-----------------------------------|-----------------------------------|
| Opening Balance | | |
| Additions during the year | 1.86 | 6.92 |
| Deletions during the year | - | - |
| Interest Cost accrued during the year | - | (5.06) |
| Payments during the year | 0.22 | 0.53 |
| Adjustments in lease liability | (0.22) | (0.53) |
| Closing Balance | 0.30 | - |
| | 2.16 | 1.86 |

Amounts recognised in the Statement of profit and loss

| Particulars | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|--|-----------------------------------|-----------------------------------|
| Interest expense on lease liabilities (Refer Note 30) | | |
| Expenses related to short-term leases or low value leases (included in other expenses) | 0.22 | 0.53 |
| | 34.75 | 30.21 |
| | 34.97 | 30.74 |



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts in Rupees millions, unless otherwise stated)

7 Non-current financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|----------------------|----------------------|
| Security Deposits | | 3.94 |
| Government grants receivables | 11.71 135.70 | 178.50 |
| Total | 147.41 | 182.44 |

7a Non-current investments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Investment in equity instrument | | |
| Unquoted- carried at cost | | |
| Investment in equity instrument of subsidiaries (fully paid up) | | |
| Swara Hygiene Private Limited 1,00,000 (31 March 2023 :1,00,000) equity shares of face value of 10 Rs.per share | 0.10 | 0.10 |
| Total | 0.10 | 0.10 |

8 Other non-current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|----------------------|----------------------|
| Capital advances | | 6.45 |
| Balances with government authorities | 36.80 122.22 | 238.46 |
| Prepaid Expenses | 0.31 | 0.42 |
| Total | 159.33 | 245.33 |

9 Inventories

| | As at March 31, 2024 | As at March 31, 2023 |
|------------------------|----------------------|----------------------|
| Raw material * | | 650.76 |
| Work in progress | 684.10 | 4.33 |
| Finished goods ** | 1.32 | 207.84 |
| Traded goods | 95.90 | 18.82 |
| Store and spares parts | 69.88 | 47.11 |
| Total | 895.42 | 928.86 |

* Above Inventories includes Raw materials-in-transit amounting to INR NIL million (March 31, 2023: INR 93.58 million)

** Above Inventories includes Finished goods-in-transit amounting to INR 8.18 million (March 31, 2023: INR 9.15 million)

10 Trade receivable

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|----------------------|----------------------|
| Secured, considered good | | |
| Unsecured | | |
| -Considered good | 496.56 | 368.76 |
| Further classified as: | 496.56 | 368.76 |
| Receivable from related parties | 68.53 | 25.60 |
| Receivable from others | 428.03 | 343.16 |
| | 496.56 | 368.76 |



(All amounts in Rupees millions, unless otherwise stated)

Trade receivables ageing schedule as at 31 March 2024

| Particulars | Less than 6 months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|--------------------|-------------------|-------------|-------------|-------------------|---------------|
| Undisputed Trade receivables – considered good | 479.61 | 14.70 | 2.10 | 0.15 | - | 496.56 |
| 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 | - | - | - | - | - | - |
| Total | 479.61 | 14.70 | 2.10 | 0.15 | - | 496.56 |

Trade receivables ageing schedule as at 31 March 2023

| Particulars | Less than 6 months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|--------------------|-------------------|-------------|-------------|-------------------|---------------|
| Undisputed Trade receivables – considered good | 364.27 | 3.30 | 1.16 | 0.03 | - | 368.76 |
| 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 | - | - | - | - | - | - |
| Total | 364.27 | 3.30 | 1.16 | 0.03 | - | 368.76 |

11 Cash and cash equivalents

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------|----------------------|----------------------|
| Cash in hand | - | - |
| Balances with banks: | 0.02 | 0.02 |
| In current accounts | - | - |
| | 0.03 | 0.03 |
| Total | 0.05 | 0.05 |

11a Bank balances other than Cash and cash equivalent

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date | 0.30 | 7.75 |
| Total | 0.30 | 7.75 |

12 Loan

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Loan to key managerial personnel and related parties | 1,183.22 | 559.01 |
| Total | 1,183.22 | 559.01 |



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts in Rupees millions, unless otherwise stated)

| Name of the loanee | Rate of interest | Due date | Secured / Unsecured | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|------------------|---------------------|---------------------|----------------------|----------------------|
| Swara Hygiene Private Limited | 8.25% | Repayable on demand | Unsecured | 933.22 | 346.51 |
| Solis Hygiene Private Limited | | Repayable on demand | Unsecured | 250.00 | 200.00 |
| Alok Birla | | 18/09/2024 | Unsecured | - | 12.50 |

Loans & advances to Directors/KMP/Related Parties as at 31 March 2024

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|--------------------------|---|---|
| Key managerial personnel | - | - |
| Related Parties | 1,183.22 | 100% |

Loans & advances to Directors/KMP/Related Parties as at 31 March 2023

| Type of Borrower | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
|--------------------------|---|---|
| Key managerial personnel | 11.38 | 2.04% |
| Related Parties | 547.63 | 97.96% |

13 Other financial assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------|----------------------|----------------------|
| Government grants receivables | 79.09 | 34.55 |
| Interest accrued on deposits | - | 0.21 |
| Security deposits | 2.38 | 1.28 |
| Total | 81.47 | 36.04 |

14 Income tax assets (net)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|----------------------|----------------------|
| Income tax assets | - | 10.57 |
| Total | - | 10.57 |

15 Other current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|----------------------|----------------------|
| Advance recoverable in kind | 52.30 | 49.58 |
| Balances with government authorities | 9.32 | - |
| Prepaid expenses | 3.52 | 1.84 |
| Total | 65.14 | 51.42 |



16 Share capital

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Authorised | | |
| 1,60,00,000 (31 March 2021:1,60,00,000) Equity Shares of Rs. 10 each | | |
| 1,30,00,000 (31 March 2021 :1,30,00,000 CCPS (Compulsorily Convertible Preference Shares) of Rs. 10 each | 160.00 | 160.00 |
| | 130.00 | 130.00 |
| Issued, subscribed and paid up | 290.00 | 290.00 |
| 1,28,52,719 (31 March 2021: 1,23,38,700) Equity Shares of Rs. 10 each each | | |
| 1,28,48,221 (31 March 2021: 1,28,48,221) 0.1% CCPS (Compulsorily Convertible Non-cumulative Preference Shares) of Rs. 10 each | 128.53 | 123.39 |
| Total | 128.48 | 128.48 |
| | 257.01 | 251.87 |

- (a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year
(i) Equity Shares

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|---------------|----------------------|---------------|
| | Number of shares | Amount | Number of shares | Amount |
| Outstanding at the beginning of the year | 12.34 | 123.39 | 12.34 | 123.39 |
| Add: shares issued during the year | 0.51 | 5.14 | - | - |
| Outstanding at the end of the year | 12.85 | 128.53 | 12.34 | 123.39 |

- (ii) 0.1% Compulsorily Convertible cummulative Preference Shares

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|---------------|----------------------|---------------|
| | Number of shares | Amount | Number of shares | Amount |
| Outstanding at the beginning of the year | 12.85 | 128.48 | 12.85 | 128.48 |
| Add: shares issued during the year | - | - | - | - |
| Outstanding at the end of the year | 12.85 | 128.48 | 12.85 | 128.48 |

- (b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable 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.
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (c) Rights, preferences and restrictions attached to preference shares

The Company has only one class of Compulsorily Convertible Preference Shares (CCPS) having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable 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.
The dividends would be cumulative and would be paid prior to payment of any dividend with respect to Equity Shares. The holders of CCPS shall have the right to convert all or any portion of the CCPS held by them at any time at conversion ratio of 1:1 into Equity Shares, prior to expiry of 19 years from the allotment of shares.

- (d) Details of shares held by shareholders

| Name of the shareholder | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|---------------------|----------------------|-----------------|
| | Number of shares | % of holding in the | Number of shares | % of holding in |
| Equity shares of INR 10 each fully paid | | | | |
| Anadya Bon Merchari LLP | | | | |
| Ritum Jain | 3.08 | 23.98% | 3.08 | 24.98% |
| Radiant Toddler Care Private Limited | - | - | 2.23 | 18.05% |
| Anadya Residency LLP | - | - | 1.95 | 15.78% |
| Rajneesh Jain | - | - | 1.23 | 10.00% |
| Rahul Bubna | - | - | 0.92 | 7.49% |
| Brainbees Solutions Pvt. Ltd. | - | - | 0.83 | 6.69% |
| Rahul Jain | 9.26 | 72.02% | 0.61 | 4.98% |
| Vinod Kumar Jain | - | - | 0.56 | 4.51% |
| Kiran Jain | - | - | 0.56 | 4.51% |
| Alok Birla | - | - | 0.37 | 3.01% |
| | 0.51 | 4.00% | - | - |



(e) Shares held by promoters at the end of the year

| Name of the shareholder | As at March 31, 2024 | | As at March 31, 2023 | |
|--------------------------------|----------------------|-------------------|----------------------|-------------------|
| | Number of shares | % of Total shares | Number of shares | % of Total shares |
| Anadya Bon Merchari LLP | | | | |
| Ritum Jain | 3.08 | 23.98% | 3.08 | 24.98% |
| Radiant Toddler Care Pvt. Ltd. | - | - | 2.23 | 18.05% |
| Anadya Residency LLP | - | - | 1.95 | 15.78% |
| Rajneesh Jain | - | - | 1.23 | 10.00% |
| Rahul Bubna | - | - | 0.92 | 7.49% |
| | - | - | 0.83 | 6.69% |

17 Other equity

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| (A) Securities premium (SP) | | |
| Opening balance | | |
| Add : Securities premium credited on issue of shares | 871.07 | 871.07 |
| Closing balance | 871.07 | 871.07 |
| (B) Surplus in the Statement of Profit and Loss | | |
| Opening balance | | |
| Add: Net profit for the current year | 776.25 | 471.100 |
| Other comprehensive income | 586.73 | 305.150 |
| Closing balance | - | - |
| Total other equity (A + B) | 1,362.98 | 776.250 |
| | 2,234.05 | 1,647.32 |

18 Non-current borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Term loan | | |
| From Bank | | |
| Secured bank loan | 143.03 | 227.69 |
| Less: Current maturity of long term loans (Refer note 21) | 143.03 | 227.69 |
| Total non current borrowings | (75.38) | (84.66) |
| | 67.65 | 143.03 |

19 Provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| | Current | Current |
| Provision for employee benefits (Refer note 44) | 0.50 | 0.20 |
| Provision for gratuity | 0.91 | 0.65 |
| Provision for compensation absences | | |
| Total Current Provision | 1.41 | 0.85 |
| Provisions | | |
| Provision for gratuity | | |
| Total Non Current Provision | 4.39 | 3.20 |
| | 4.39 | 3.20 |

19a Current tax Liability (net)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------|----------------------|----------------------|
| Income tax provision | | |
| | 26.62 | 29.63 |
| Total | 26.62 | 29.63 |



20 Other non-current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|-------------------------|-------------------------|
| Deferred government grant | 189.22 | 172.06 |
| Total | 189.22 | 172.06 |

21 Short-term borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|-------------------------|-------------------------|
| Secured, from bank, term loan | | |
| Loan from Brainbees solutions limited | 462.60 | 450.00 |
| Cash Credit Facility | 11.40 | 83.52 |
| Current maturity of long term loans | 75.38 | 84.66 |
| Interest accrued but not due on loan | 1.02 | 1.79 |
| Total | 550.40 | 619.97 |

Note: Borrowings are subsequently measured at amortised cost and



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

Term loan disclosure

Note no. 18 continued

| Particular | Start Date | Maturity Date | Terms of Repayment | Nature of Security | Interest Rate | As at 31 March 2024 | | | As at 31 March 2023 | | |
|----------------------------|------------|---------------|--------------------------------|--|----------------|-----------------------|-------------------|--------|-----------------------|-------------------|--------|
| | | | | | | Non Current Liability | Current Liability | Total | Non Current Liability | Current Liability | Total |
| Term Loan 469LN06191780001 | 27-Jun-19 | 27-Sep-24 | Monthly Installment in 5 Years | 1. Equitable Mortgage of Factory Land & Building at Pithampur | 7.90% - 11.65% | - | 8.95 | 8.95 | 8.96 | 15.38 | 24.34 |
| Term Loan 469LN06191900001 | 9-Jul-19 | 27-Sep-24 | Monthly Installment in 5 Years | | 7.90% - 11.65% | - | 3.64 | 3.64 | 3.64 | 6.25 | 9.89 |
| Term Loan 469LN06192460001 | 3-Sep-19 | 27-Sep-24 | Monthly Installment in 5 Years | 2. First Charge of Plant & Machinery of the Company & Including Assets Both Present and Future | 7.90% - 11.65% | - | 0.34 | 0.34 | 0.34 | 0.59 | 0.93 |
| Term Loan 007LN06211070002 | 17-Apr-21 | 17-Apr-26 | Monthly Installment in 5 Years | | 7.90% - 11.65% | 21.43 | 19.82 | 41.25 | 40.25 | 20.80 | 61.05 |
| Term Loan 007LN06211740002 | 23-Jun-21 | 17-Apr-26 | Monthly Installment in 5 Years | | 7.90% - 11.65% | 22.25 | 20.51 | 42.76 | 41.74 | 21.52 | 63.26 |
| Term Loan 007LN06213050001 | 1-Nov-21 | 17-Apr-26 | Monthly Installment in 5 Years | | 7.90% - 11.65% | 23.97 | 22.12 | 46.09 | 45.19 | 23.02 | 68.21 |
| | | | | | | 67.65 | 75.38 | 143.03 | 140.12 | 87.56 | 227.68 |



22 Trade payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Total outstanding dues of micro and small enterprises | 85.86 | 26.66 |
| Total outstanding dues of creditors other than micro and small enterprises* | 351.26 | 451.36 |
| Total | 437.12 | 478.02 |

Trade payable ageing schedule as at 31 March 2024

| Particulars | Outstanding for following periods from due date of payments | | | | |
|-----------------------|---|-------------|----------|-------------------|---------------|
| | Less than 1 year | 1-2 yrs. | 2-3 yrs. | More than 3 years | Total |
| MSME | 85.86 | - | - | - | 85.86 |
| Others | 350.71 | 0.55 | - | - | 351.26 |
| Disputed dues- MSME | - | - | - | - | - |
| Disputed dues- Others | - | - | - | - | - |
| Total | 436.57 | 0.55 | - | - | 437.12 |

Trade payable ageing schedule as at 31 March 2023

| Particulars | Outstanding for following periods from due date of payments | | | | |
|-----------------------|---|-------------|-------------|-------------------|---------------|
| | Less than 1 year | 1-2 yrs. | 2-3 yrs. | More than 3 years | Total |
| MSME | 25.85 | 0.33 | 0.48 | - | 26.66 |
| Others | 450.86 | 0.29 | 0.21 | - | 451.36 |
| Disputed dues- MSME | - | - | - | - | - |
| Disputed dues- Others | - | - | - | - | - |
| Total | 476.71 | 0.62 | 0.69 | - | 478.02 |

23 Other financial liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Other financial liabilities at amortised cost | | |
| Capital creditors | 1.55 | 2.26 |
| Accrued employee liability | 17.18 | 17.42 |
| Total | 18.73 | 19.68 |

24 Other current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|-------------------------|-------------------------|
| Statutory due payable | 7.93 | 4.92 |
| Advance from customer | 14.14 | 43.19 |
| Deferred government grant | 54.64 | 45.00 |
| Deferred Revenue | 9.34 | 10.33 |
| Refund liability | 130.07 | 6.56 |
| Total | 216.12 | 110.00 |



25 Revenue from operations

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| Sale of products* | | |
| Sale of services | 6,806.96 | 5,328.23 |
| Other services | 25.29 | 6.27 |
| Other operating revenue | 32.72 | 38.37 |
| Revenue from operations | | |
| * Sale of products consist of: (net of returns, discounts, etc.) | 6,864.97 | 5,372.87 |
| Diapers ^ | | |
| Trading items | 4,701.57 | 4,485.27 |
| Others | 1,977.20 | 769.38 |
| | 128.19 | 73.58 |
| | 6,806.96 | 5,328.23 |

Reconciliation of revenue from contract with customer

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| (a) Contract balances | | |
| Contract assets | | |
| Trade receivables | 496.56 | 368.76 |
| Contract liabilities | | |
| Advance from customer | 14.14 | 53.52 |
| (b) Reconciliation of revenue as recognized in the Statement of Profit & Loss with the contracted price | | |
| Revenue as per contracted price | | |
| Less: Sales return | 7,029.52 | 5,475.49 |
| Less: Discount | - | 0.74 |
| Revenue as per Statement of Profit & Loss | 164.55 | 101.87 |
| | 6,864.97 | 5,372.88 |

26 Other income

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Interest income | | |
| - on fixed deposits designated as amortized cost | 0.51 | 0.49 |
| - Security deposits | 0.49 | 0.32 |
| - on loan given to related parties | 68.01 | - |
| Unwinding of discount on government grant | 19.47 | 6.04 |
| Income on Interest Subsidy | 14.64 | - |
| Net gain on foreign currency transactions and translations | 15.35 | 0.44 |
| Income from government grant | 49.59 | 44.49 |
| Liabilities/ Provisions written back to the extent no longer required | 0.31 | - |
| Miscellaneous income | 1.13 | 27.16 |
| Total | 169.50 | 78.94 |

27 Cost of material consumed

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| Inventory at the beginning of the year | | |
| Add: Purchases* | 650.75 | 510.72 |
| Less: Inventory at the end of the year | 3,541.02 | 3,919.64 |
| Cost of raw material consumed | 684.10 | 650.76 |
| | 3,507.67 | 3,779.60 |

* Includes packing material, Customs, Clearing Charges, Carriage Inward, etc. incurred in order to bring the materials in its intended use.



28 Changes in inventories of finished goods, traded goods and work-in-progress

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Inventories at the beginning of the year | | |
| -Finished goods | 226.66 | 108.49 |
| -Work-in-progress | 4.33 | 4.23 |
| -Traded goods | - | - |
| Total | 230.99 | 112.72 |
| Less: Inventories at the end of the year | | |
| -Finished goods | 165.78 | 226.66 |
| -Work-in-progress | 1.32 | 4.34 |
| -Traded goods | - | - |
| Total | 167.10 | 231.00 |
| Net decrease/ (increase) | 63.89 | (118.28) |

29 Employee benefits expense

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Salaries, wages, bonus and other allowances | 130.44 | 128.02 |
| Contribution to provident and other funds | 3.98 | 4.50 |
| Staff welfare expenses | 7.09 | 5.68 |
| Total | 141.51 | 138.20 |

30 Finance costs

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Interest on borrowing | 47.61 | 57.47 |
| Others (commission on funding, Bank charges) | 2.18 | 4.32 |
| Interest expenses on lease liability | 0.22 | 0.53 |
| Total | 50.01 | 62.32 |

31 Depreciation and amortization expense

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Depreciation on property, plant and equipment | 115.66 | 112.15 |
| Amortization on right to use assets | 0.38 | 0.76 |
| Total | 116.04 | 112.91 |

32 Other expenses

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Power and fuel | 77.03 | 69.46 |
| Consumption of stores & spares | 33.74 | 26.81 |
| Labour charges | 66.94 | 59.12 |
| Freight & forwarding charges | 64.09 | 43.65 |
| Repairs and maintenance - others | 6.86 | 4.70 |
| Rent | 34.75 | 30.21 |
| Rates and taxes | 2.44 | 1.63 |
| Vehicle running expenses | 0.75 | 0.65 |
| Travel and conveyance | 24.78 | 17.22 |
| Postage and courier | 1.66 | 0.93 |
| Insurance | 7.21 | 6.95 |
| Printing & stationery | 1.06 | 1.35 |
| Communication, broadband and internet expenses | 0.78 | 0.68 |
| Security expenses | 7.38 | 6.14 |
| Legal and professional charges | 16.90 | 16.21 |
| Payment to auditors* | 1.10 | 1.10 |
| Advertisement & business promotion | 237.77 | 121.52 |
| Commission | 3.81 | 2.90 |
| Expenditure towards Corporate Social Responsibility activities (refer note 43) | 6.78 | 4.55 |
| Miscellaneous expenses | 43.00 | 32.94 |
| Total | 638.83 | 448.72 |



Swara Baby Products Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

*Note : Payment to auditors includes

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---------------------------|-------------------------------------|-------------------------------------|
| As auditor: | | |
| Statutory audit | 1.00 | 1.00 |
| In other capacity: | | |
| Tax audit | 0.10 | 0.10 |
| Total | 1.10 | 1.10 |

33 Income Tax

(A) Deferred tax relates to the following:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Deferred tax assets | | |
| On unabsorbed depreciation and carry forward business losses | | |
| On disallowance u/s 43B | 1.46 | 0.44 |
| | 1.46 | 0.44 |
| Deferred tax liabilities | | |
| On excess depreciation claimed in Income-tax act, 1961 | 91.64 | 65.60 |
| Impact on right to use assets | - | - |
| | 91.64 | 65.60 |
| Deferred tax income | (90.18) | (65.16) |
| Less: Deferred tax asset not recognized | | |
| Deferred tax liability | (90.18) | (65.16) |

(B) Recognition of deferred tax asset to the extent of deferred tax liability

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Deferred tax asset | 1.46 | 0.44 |
| Deferred tax liabilities | (91.64) | (65.60) |
| Deferred tax assets/ (liabilities), net | (90.18) | (65.16) |

(C) Reconciliation of deferred liabilities (net):

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Opening balance as of 1 April | | |
| Tax liability recognized in Statement of Profit and Loss | (65.16) | (54.61) |
| | (25.02) | (10.55) |
| Closing balance as at 31 March | (90.18) | (65.16) |

(D) Deferred tax liabilities to be recognized in Statement of Profit and Loss

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Tax liability | (26.04) | (10.35) |
| Tax asset | 1.02 | (0.20) |
| Deferred tax liability to be recognized | (25.02) | (10.55) |

(E) Income tax expense

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| - Current tax taxes | 182.76 | 86.03 |
| - Deferred tax charge | 25.02 | 10.55 |
| - Tax adjustment of earlier years | 1.01 | (10.92) |
| Income tax expense reported in the statement of profit or loss | 208.79 | 85.66 |

(F) Reconciliation of tax charge

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Profit before tax | 795.52 | 390.81 |
| Income tax expense at tax rates applicable | 200.22 | 98.36 |
| Tax effects of: | | |
| - Item not deductible for tax | (1.71) | (1.44) |
| - Other income not liable to tax | 6.53 | - |
| - Tax adjustment of earlier years | 1.01 | (10.92) |
| - Others | 2.74 | (0.34) |
| Income tax expense | 208.79 | 85.66 |



34 Earnings per share

Basic earnings per share amounts are calculated by dividing the profit/loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | For the period ended 31 March 2024 | For the period ended 31 March 2023 |
|--|------------------------------------|------------------------------------|
| Profit attributable to equity shareholders | 586.73 | 305.15 |
| Profit attributable to equity shareholders after preference dividend | 586.73 | 305.15 |
| Profit attributable to equity shareholders adjusted for the effect of dilution | 586.73 | 305.15 |
| Weighted average number of equity shares for basic EPS | 12.85 | 12.34 |
| Basic earning per share (INR) | 45.65 | 24.73 |
| Weighted average number of equity shares for diluted EPS | 25.34 | 25.19 |
| Diluted earning per share (INR) | 23.15 | 12.12 |

35 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –

| Particulars | For the period ended 31 March 2024 | As at March 31, 2023 |
|--|------------------------------------|----------------------|
| Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29) | 3.98 | 4.50 |

(B) Defined benefit plans

The Company operates the following post-employment defined benefit plans.

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and salary risk.

Description of actual risk as mentioned above

1. Interest rate risk - The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields of Government bonds. The estimated term of the bonds is consistent with the estimated term of the defined benefit obligation (DBO) and it is denominated in INR. A decrease in market yield on government bonds will increase the Group's defined benefit liability, although it is expected that this would be offset partially by an increase in the fair value of certain of the plan assets.

2. Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

3. Salary risk - The present value of the defined benefit plan obligation is calculated with reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan obligation.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------------------|---------------------|---------------------|
| a) Gratuity payable to employees | 4.89 | 3.40 |
| b) Compensated absences for employees | 0.91 | 0.65 |

i) Actuarial assumptions

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Discount rate (per annum) | 7.15% | 7.30% |
| Rate of increase in salary | 10.00% | 10.00% |
| Expected average remaining working lives of | 3.43 Yrs | 4.40 Yrs |
| Attrition rate | 25.00% | 20.00% |



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts in Rupees millions, unless otherwise stated)

ii) Changes in the present value of defined benefit obligation

| Particulars | Employee's gratuity fund | |
|--|----------------------------------|----------------------------------|
| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
| Present value of obligation at the beginning of the year | 3.41 | 2.21 |
| Interest cost | 0.25 | 0.15 |
| Past service cost | - | - |
| Current service cost | 1.64 | 1.76 |
| Curtailments | - | - |
| Settlements | - | - |
| Benefits paid | - | - |
| Actuarial (gain)/ loss on obligations | (0.41) | (0.71) |
| Present value of obligation at the end of the year | 4.89 | 3.41 |

iii) Expense recognized in the Statement of Profit and Loss

| Particulars | Employee's gratuity fund | |
|--|----------------------------------|----------------------------------|
| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
| Current service cost | 1.64 | 0 |
| Past service cost | - | - |
| Interest cost | 0.25 | 0.15 |
| Expected return on plan assets | - | - |
| Actuarial (gain) / loss on obligations | (0.41) | (0.71) |
| Settlements | - | - |
| Curtailments | - | - |
| Total expenses recognized in the Statement Profit and Loss | 1.48 | (0.56) |

iv) Assets and liabilities recognized in the Balance Sheet

| Particulars | Employee's gratuity fund | |
|--|--------------------------|---------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Present value of unfunded obligation as at the end of the year | 4.89 | 3.41 |
| Unrecognized actuarial (gains)/losses | - | - |
| Unfunded net (asset) / liability recognized in Balance Sheet* | 4.89 | 3.41 |

*Included in provision for employee benefits (Refer note 19)

Amounts to be recognised in Balance Sheet

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------|---------------------|---------------------|
| Gratuity | | |
| Non-current | 4.39 | 3.20 |
| Current | 0.50 | 0.20 |
| | 4.89 | 3.40 |

v) A quantitative sensitivity analysis for significant assumption as at 31 March 2024, 31 March 2023 is as shown below:

| Particulars | Employee's gratuity fund | |
|--------------------------------------|--------------------------|---------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Impact on defined benefit obligation | | |
| Discount rate | | |
| 1% increase | 0.22 | 0.20 |
| 1% decrease | 0.24 | 0.22 |
| Rate of increase in salary | | |
| 1% increase | 0.23 | 0.21 |
| 1% decrease | 0.22 | 0.20 |

vi) Maturity profile of defined benefit obligation

| Particulars | Employee's gratuity fund | |
|--------------------|--------------------------|---------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Year | | |
| Apr 2023- Mar 2024 | 0.50 | 0.20 |
| Apr 2024- Mar 2028 | 3.54 | 1.97 |
| Apr 2028- Mar 2033 | 2.10 | 2.00 |
| Apr 2033 onwards | 1.03 | 1.57 |



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts in Rupees millions, unless otherwise stated)

36 Related Party Disclosures:

I Names of related parties and description of relationship as identified and certified by the Company:

Parent Company

Brainbees Solutions Limited

Wholly owned subsidiaries

Swara Hygiene Private Limited

Fellow Subsidiaries

Intellibeas Solutions Private Limited
Firstcry Management DWC - LLC
Shenzhen Starbees Services Ltd
Joybees Private Limited
Digital Age Retail Private Limited
Firmroots Private Limited
Solis Hygiene Private Limited
Globalbees Brands Private Limited
Firstcry Retail DWC - LLC
Firstcry Trading Company
Firstcry General Trading LLC
Merhaki Foods and Nutrition Private Limited
Maxinique Solutions Private Limited
Better and Brighter Homecare Private Limited
Eyezen Technologies Private Limited
Cloud Lifestyle Private Limited
HealthyHey Foods LLP
Butternut Ventures Private Limited
Dynamic IT Solution Private Limited
Kubermart Private Limited
Mush Textiles Private Limited
Globalbees Brands DWC LLC
HS Fitness Private Limited
DF Pharmacy Limited
Candes Technology Private Limited
Solarista Renewables Private Limited
Encasa Homes Private Limited
Frootle India Private Limited
Prayosha Expo Private Limited
Wellspire India Private Limited
Plantex E-Commerce Private Limited
JW Brands Private Limited
Kitchenopedia Appliances Private Limited
Edubees Educational Trust
Brainbees ESOP Trust
Brainbees Employee Welfare Trust

Enterprises over which KMP/Director and relatives of KMP/Director exercises significant influence

KA Enterprises
Anadya Baby Products LLP
Solis Hygiene Private Limited
Rajneesh Jain

Nature of relationship

Entities over which a director has significant influence
Entities over which a director has significant influence
Entities over which a director has significant influence
Relative of Director



Swara Baby Products Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

Key Management Personnel (KMP)

| Name | Nature of relationship |
|-------------------------|-------------------------------|
| Alok Birla | Managing Director |
| Supam Maheshwari | Director |
| Gautam Sharma | Director |
| Sangita Birla | Director |
| Prashant Prakash Jadhav | Director |
| Ritum Jain | Director (Upto 15 April 2023) |
| Tushar Gunjalkar | Company Secretary |

II Summary of the transactions with related parties is as follows :

Parent Company (Brainbees Solutions Limited)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------|---------------------|---------------------|
| Sale of products | 2,028.86 | 1,430.87 |
| Interest expense | 32.75 | 2.45 |
| Refund liability | 88.42 | |

Subsidiary Company (Swara Hygiene Private Limited)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---------------------|---------------------|
| Investment in equity share | - | 0.10 |
| Sale of products | 217.06 | 4.15 |
| Sale of assets | - | 167.66 |
| Purchases | 572.40 | - |
| Loan given | 842.35 | - |
| Interest income on loan given | 45.25 | 4.65 |

Entity under common control

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---------------------|---------------------|
| Sale of products | 158.98 | 14.81 |
| Business Support Services | 1.50 | 4.50 |
| Purchases | 1,084.54 | 301.47 |
| Loan given | 50.00 | - |
| Interest income on loan given | 19.38 | 5.61 |

III Disclosure in respect of all related party transactions:

Sale of products

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------|----------------------------------|----------------------------------|
| Brainbee Solution Limited | 2,028.86 | 1,430.87 |
| KA Enterprises | 36.16 | 4.49 |
| Solis Hygiene Private Limited | 113.03 | 10.32 |
| Swara Hygiene Private Limited | 217.06 | 4.15 |
| FirstCry Retail DWC LLC | 9.78 | - |

Business Support Services

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--------------------------|----------------------------------|----------------------------------|
| Anadya Baby Products LLP | 1.50 | 4.50 |

Purchase

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------|----------------------------------|----------------------------------|
| KA Enterprises | 10.34 | 4.42 |
| Solis Hygiene Private Limited | 1,074.20 | 297.06 |
| Swara Hygiene Private Limited | 572.40 | - |



Swara Baby Products Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

Sale of Assets

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------|-------------------------------------|-------------------------------------|
| Swara Hygiene Private Limited | - | 167.66 |

Loan given

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------|-------------------------------------|-------------------------------------|
| Swara Hygiene Private Limited | 842.35 | - |
| Solis Hygiene Private Limited | 50.00 | - |

Interest Income

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------|-------------------------------------|-------------------------------------|
| Swara Hygiene Private Limited | 45.25 | 4.65 |
| Solis Hygiene Private Limited | 19.38 | 5.61 |
| Alok Birla | 0.31 | 1.13 |

Interest Expenses

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--------------------------|-------------------------------------|-------------------------------------|
| Ritum Jain | - | 0.49 |
| Rajneesh Jain | - | 0.11 |
| Rahul Bupna | - | 0.32 |
| Anadya Baby Products LLP | - | 0.69 |

Key Management Personnel (KMP)

Compensation of key management personnel

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|------------------|-------------------------------------|-------------------------------------|
| Alok Birla | 28.80 | 12.20 |
| Tushar Gunjalkar | 0.62 | 0.03 |
| Rucha Pandey | - | 0.40 |

Interest on Loan

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------|-------------------------------------|-------------------------------------|
| Alok Birla | 0.31 | 1.13 |

IV Amount due to/from related party as on 31 March 2024:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------|---------------------|---------------------|
| Trade receivables | 0.93 | 38.40 |
| Loan | 450.00 | 400.00 |
| Interest on loan | 12.59 | - |
| Refund liability | 88.42 | - |

Subsidiary Company (Swara Hygiene Private Limited)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------|---------------------|---------------------|
| Investment | 0.10 | 0.10 |
| Trade receivables | 61.67 | 5.79 |
| Advance | 38.26 | - |
| Loan | 933.22 | 347.31 |



Trade Payable

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---------------------|---------------------|
| Solis Hygiene Private Limited | 2.21 | 1.54 |

Trade Receivable

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---------------------|---------------------|
| KA Enterprises | 5.92 | 0.04 |
| Solis Hygiene Private Limited | | 0.64 |
| Swara Hygiene Private Limited | 61.67 | 5.79 |
| Brainbee Solution Limited | 0.93 | 38.40 |

Loan Given

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---------------------|---------------------|
| Solis Hygiene Private Limited | 250.00 | 200.00 |
| Swara Hygiene Private Limited | 933.22 | 347.31 |

Loan Taken

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------------------|---------------------|---------------------|
| Brainbee Solution Limited | 462.59 | 400.00 |

Key Management Personnel (KMP)

Loan Given

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------|---------------------|---------------------|
| Alok Birla | - | 12.50 |

Loan Taken

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------|---------------------|---------------------|
| Ritum Jain | - | 15.00 |
| Rajneesh Jain | - | 3.50 |
| Rahul Bupna | - | 10.00 |
| Anadya Baby Products LLP | - | 21.50 |

Note: All transactions with these related parties are priced on an arm's length basis.

37 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and current borrowing from ultimate holding company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Equity | | |
| Total equity (i) | 2,491.06 | 1,899.19 |
| Borrowings other than convertible preference shares | 2,491.06 | 1,899.19 |
| Less: Cash and cash equivalents | 618.05 | 763.00 |
| Total debt (ii) | 0.05 | 0.05 |
| Overall financing (iii) = (i) + (ii) | 618.00 | 762.95 |
| Gearing ratio (ii) / (iii) | 3,109.06 | 2,662.14 |
| | 0.20 | 0.29 |



Swara Baby Products Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

38 Fair value measurements

A Financial instruments by category

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables and other current financial liabilities approximates their carrying amounts largely due to short term maturities of these instruments.

The carrying value and fair value of financial instruments by categories as on 31 March 2024

| | Note | Amortized Cost | Financial assets/ liabilities at fair value through profit or loss | | Financial assets/ liabilities at fair value through OCI | | Total carrying value | Total fair value |
|------------------------------|-------|----------------|--|-----------|---|-----------|----------------------|------------------|
| | | | Designated upon initial recognition | Mandatory | Equity instruments designated upon initial recognition | Mandatory | | |
| Financial assets: | | | | | | | | |
| Security Deposits | 7 | 14.09 | - | - | - | - | 14.09 | - |
| Trade receivables | 10 | 496.56 | - | - | - | - | 496.56 | - |
| Cash and cash equivalents | 11 | 0.05 | - | - | - | - | 0.05 | - |
| | | 510.70 | - | - | - | - | 510.70 | - |
| Financial liabilities: | | | | | | | | |
| Lease liability | 6 | 2.16 | - | - | - | - | 2.16 | - |
| Borrowings | 18,21 | 618.05 | - | - | - | - | 618.05 | - |
| Employee benefit obligations | 19 | 1.41 | - | - | - | - | 1.41 | - |
| Trade payables | 22 | 437.12 | - | - | - | - | 437.12 | - |
| Other financial liabilities | 23 | 18.73 | - | - | - | - | 18.73 | - |
| | | 1,077.47 | - | - | - | - | 1,077.47 | - |

The carrying value and fair value of financial instruments by categories as on 31 March 2023

| | Note | Amortized Cost | Financial assets/ liabilities at fair value through profit or loss | | Financial assets/ liabilities at fair value through OCI | | Total carrying value | Total fair value |
|------------------------------|-------|----------------|--|-----------|---|-----------|----------------------|------------------|
| | | | Designated upon initial recognition | Mandatory | Equity instruments designated upon initial recognition | Mandatory | | |
| Financial assets: | | | | | | | | |
| Security Deposits | 7 | 5.22 | - | - | - | - | 5.22 | - |
| Trade receivables | 10 | 368.76 | - | - | - | - | 368.76 | - |
| Cash and cash equivalents | 11 | 0.05 | - | - | - | - | 0.05 | - |
| | | 374.03 | - | - | - | - | 374.03 | - |
| Financial liabilities: | | | | | | | | |
| Lease liability | 6 | 1.86 | - | - | - | - | 1.86 | - |
| Borrowings | 18,21 | 763.00 | - | - | - | - | 763.00 | - |
| Employee benefit obligations | 19 | 1.41 | - | - | - | - | 1.41 | - |
| Trade payables | 22 | 478.02 | - | - | - | - | 478.02 | - |
| Other financial liabilities | 23 | 19.68 | - | - | - | - | 19.68 | - |
| | | 1,263.97 | - | - | - | - | 1,263.97 | - |



39 Financial instruments - Risk management

Fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within 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 assets or liabilities that are not based on observable market data (unobservable inputs).

The Company does not have assets and liabilities which are measured at fair value on a recurring basis as of 31 March 2024, 31 March 2023.

Financial risk management framework

A financial risk management framework is in place in the form of a treasury policy approved by board of directors of holding company which has been adopted by the Company. In accordance with its treasury policy, the Company actively monitors and manages financial risk with the objectives of reducing fluctuations in reported earnings and cash flows from these risks and providing economic protection against cost increases. These objectives are achieved through (a) an assessment of the impact of market risks against defined risk limits, which take into account the risk appetite of the Company and (b) the use of a variety of derivative and non-derivative financial instruments. This policy also guides the manner of investing the surplus funds of the Company. Also, the Company has a Trade Finance Credit policy which guides on managing the customer credit limits.

Financial risk factors:

The nature of the Company's business exposes it to a range of financial risks. These risks include:

- (i) market risks, which include potential unfavorable changes in foreign exchange rates, interest rates, commodity prices and other market prices,
- (ii) credit risk and
- (iii) liquidity and refinancing risk.

(i) Market risk factors:

Foreign exchange risk:

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The following table analyzes the Company's foreign currency risk exposure as a result of financial instruments designated in major foreign currencies as at 31 March 2024

| Particulars | U.S. dollars | INR | Total |
|-------------------|--------------|--------|--------|
| Trade receivables | - | - | - |
| Trade payables | 2.26 | 188.25 | 188.25 |
| Capital creditors | 0.12 | 9.66 | 9.66 |
| Total | 2.38 | 197.91 | 197.91 |

The following table analyzes the Company's foreign currency risk exposure as a result of financial instruments designated in major foreign currencies as at 31 March 2023

| Particulars | U.S. dollars | INR | Total |
|-------------------|--------------|--------|--------|
| Trade receivables | 0.00 | 0.03 | 0.03 |
| Trade payables | 1.78 | 146.85 | 146.85 |
| Capital creditors | 0.02 | 1.31 | 1.31 |
| Total | 1.80 | 148.19 | 148.19 |



Swara Baby Products Private Limited
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Interest rate risk:

The Company's borrowings carry a fixed rate of interest and are measured at amortised cost. They are, therefore, not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flows will fluctuate due to change in market interest rates.

(ii) Credit risk:

Credit risk arises from the possibility that counterparties involved in transactions with the Company may default on their obligation, resulting in financial losses to the Company. Credit risk relates both to financial assets as well as to operational assets managed by the Company's businesses (such as trade receivables, security deposits).

The Company has policies and operating guidelines in place to ensure that financial instrument transactions and bank deposit transactions are only entered into with high credit quality banks and financial institutions.

The credit risk to operational assets is managed through the use of credit limits based on credit worthiness and business capabilities of the customers. The credit risk is also partially mitigated through commercial activities, which include cash sales incentives and obtaining other security from customers where appropriate.

On account of adoption of Ind AS 109 Financial Instruments, the Company uses expected credit loss model to assess the impairment loss of trade receivables.

Expected credit loss assessment for trade receivables and security deposits as at 31 March 2024 and 31 March 2023

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

The trade receivables are subject to low credit risk since the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil based on the Company's past experience. Hence, no provision has been created for Expected credit loss for credit risk arising from these financial assets.

(iii) Liquidity risk:

The Company's principal sources of liquidity are cash and cash equivalents, other financial assets and cash flow that is generated from operations. The Company believes that the current working capital is sufficient to meet its current obligatory requirements. Accordingly, no liquidity risk is perceived.

As on 31 March 2024, the Company had a working capital as follows

| Particular | As at March 31, 2024 | As at March 31, 2023 |
|------------------------|----------------------|----------------------|
| Current assets | 2,722.16 | 1,962.46 |
| Current liabilities | 1,250.62 | 1,258.37 |
| Working capital | 1,471.54 | 704.09 |

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2024 & 31 March 2023.

As at March 31, 2024

| Particulars | Carrying amount | Contractual cash flows | | | Total |
|-----------------------------|-----------------|------------------------|------------|-------------------|--------|
| | | Less than 1 year | 1- 3 years | More than 3 years | |
| Trade payables | 437.12 | 437.12 | - | - | 437.12 |
| Lease liabilities | 2.16 | 0.22 | 0.44 | 1.50 | 2.16 |
| Borrowing | 618.05 | 618.05 | - | - | 618.05 |
| Other financial liabilities | 18.73 | 18.73 | - | - | 18.73 |

As at March 31, 2023

| Particulars | Carrying amount | Contractual cash flows | | | Total |
|-----------------------------|-----------------|------------------------|------------|-------------------|--------|
| | | Less than 1 year | 1- 3 years | More than 3 years | |
| Trade payables | 478.02 | 478.02 | - | - | 478.02 |
| Lease liabilities | 1.86 | 0.22 | 0.44 | 1.20 | 1.86 |
| Borrowing | 763.00 | 618.18 | 144.82 | - | 763.00 |
| Other financial liabilities | 19.68 | 19.68 | - | - | 19.68 |



40 Dues to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| a) Principal amount payable to suppliers as at year end | 85.86 | 26.66 |
| b) Interest due thereon as at year end * | NIL | NIL |
| c) Interest amount for delayed payments to suppliers pursuant to provisions of MSMED Act actually paid during the year, irrespective of the year to which interest relates | NIL | NIL |
| d) Amount of delayed payments actually made to suppliers during the year | 161.56 | 77.15 |
| e) Amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding interest specified under the MSMED Act * | 1.38 | 0.35 |
| f) Interest accrued and remaining unpaid at the end of the year** | 1.38 | 0.35 |
| g) The amount of further 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 enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006 * | 2.02 | 0.65 |

Note : ** Above interest amounts have not been provided in the books.

The Company has compiled this information based on intimations received from the suppliers of their status as Micro or Small Enterprises and/ or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006

41 Contingent Liabilities and commitments

i. Contingent Liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------|----------------------|----------------------|
| Indirect tax matters | 10.62 | 10.62 |
| Total | 10.62 | 10.62 |

The Company has received a demand notice from Commissioner of Customs, Indore on 26th July 2023 for an amount of RS. 10.62 Millions (equivalent amount of penalty plus interest) for recovery Of custom duty.

The Company has filed appeal in Appellate Tribunal.

There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019, relating to the employer's contribution of provident fund under the Employees' Provident Funds and Miscellaneous Provident Act, 1952. The Company has also obtained a legal opinion on the matter and basis the same the company has assessed and implemented the recent SC judgement prospectively from March 2019 onwards. The Company would record any further effect on its financial statements, on receiving additional clarity from the relevant authorities on the subject.

ii. a) Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|----------------------|----------------------|
| Tangible assets (Net of advances) | 331.86 | 1.71 |
| Total | 331.86 | 1.71 |



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts in Rupees millions, unless otherwise stated)

b) Other Commitments

The Company has imported certain machinery under the Export Promotion Capital Goods (EPCG) Scheme and accordingly has an export obligation of Rs.571.75 (March 31, 2023 : Rs. 571.75). In this respect the Company has given Bond of Rs.101.66 (March 31, 2023 :Rs. 101.66) to the Commissioner of Customs.

| Year of issue | Export obligation to be fulfilled till F.Y | Unfulfilled export obligation | |
|---------------|--|-------------------------------|----------------------|
| | | As at March 31, 2024 | As at March 31, 2023 |
| | | Rs. Lakhs | Rs. Lakhs |
| 2021-2022 | 2027-2028 | 556.39 | 571.75 |

42 Corporate Social Responsibility

The areas for CSR activities are promoting education, healthcare and ensuring environmental sustainability. Amount spent during the year on activities which are specified in Schedule VII of the Companies Act 2013 are as mentioned below :

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|--|---|
| (a) amount required to be spent by the company during the year, | 6.71 | 4.53 |
| (b) amount of expenditure incurred till date | 6.78 | 6.53 |
| For F.Y: 2023-24 | 6.78 | - |
| For F.Y: 2022-23 | - | 4.55 |
| For F.Y: 2021-22 | - | 1.70 |
| For F.Y: 2020-21 | - | 0.28 |
| Paid | | |
| (i) Construction/acquisition of asset | - | - |
| (ii) On purposes other than (i) above | 6.78 | 6.53 |
| Yet to be paid | | |
| (i) Construction/acquisition of asset | - | - |
| (ii) On purposes other than (i) above | - | - |
| Total (b) | 6.78 | 6.53 |
| (c) shortfall at the end of the year, | - | - |
| (d) reason for shortfall, | | |
| (e) total of previous years shortfall, | - | - |
| (f) nature of CSR activities, | a) Rajasthan gokalyan b) Jan Jagrati Sevarth c) Rotary Club amanora trust d) Hanuman prasad poddar smaraka samiti e) Sarthak seva sangh f) Dr. Brijmohan sapoot kala sanskriti sewa | a) Rajasthan gokalyan b) Jan jagrati sevarth c) Niraman samajik sanstha devhare d) Round table india trust e) Mahesh forum charitable |



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts in Rupees millions, unless otherwise stated)

43 Ratio analysis & calculation

1 Current ratio

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|---------------------|---------------------|---------------------|
| Current assets | 2,722.16 | 1,962.46 |
| Current liabilities | 1,250.62 | 1,258.37 |
| Ratio | 2.18 | 1.56 |

Change from 31 March 2023

40%

Reason for more than 25% change

Being advance given to wholly owned subsidiary company during the year. Therefore, current assets increased.

2 Debt- Equity ratio

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|--------------|---------------------|---------------------|
| Debt | 618.05 | 763.00 |
| Equity | 2,491.06 | 1,899.19 |
| Ratio | 0.25 | 0.40 |

Change from 31 March 2023

-38%

Reason for more than 25% change

Company has not obtained any new borrowings whereas equity portion increased due to increase in net profit in current period. Therefore Debt - Equity ratio decreased.

3 Debt service coverage ratio

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------------|---------------------|---------------------|
| Earnings available for debt service | 752.78 | 480.37 |
| Debt service | 134.89 | 147.44 |
| Ratio | 5.58 | 3.26 |

Change from 31 March 2023

71%

Reason for more than 25% change

Company has not obtained any new borrowings whereas equity portion increased due to increase in net profit in current period. Therefore Debt service coverage ratio increased.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Profit for the year* | 586.73 | 305.14 |
| Add: Depreciation and amortisation expense | 116.04 | 112.91 |
| Add: Finance costs | 50.01 | 62.32 |
| Earning available for debt service | 752.78 | 480.37 |
| Finance cost | 50.01 | 62.32 |
| Lease payment | 0.22 | 0.22 |
| Principal repayment | 84.66 | 84.90 |
| Total interest and Principal repayment | 134.89 | 147.44 |
| Ratio | 5.58 | 3.26 |



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts in Rupees millions, unless otherwise stated)

4 Return on equity (ROE)

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------|---------------------|---------------------|
| Net Profit (After Tax) | 586.73 | 305.14 |
| Op. Shareholder Equity | 1,899.19 | 1,594.04 |
| Cl. Shareholder Equity | 2,491.06 | 1,899.19 |
| Avg Shareholder's Equity | 2,195.13 | 1,746.61 |
| Ratio | 0.27 | 0.17 |

Change from 31 March 2023 53%

Reason for more than 25% change

The increase in ROE is on account of increase in Net profit in the current year.

5 Inventory turnover ratio

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|-------------------|---------------------|---------------------|
| Sales | 6,864.97 | 5,372.87 |
| Opening inventory | 928.86 | 642.51 |
| Closing inventory | 895.42 | 928.86 |
| Average inventory | 912.14 | 785.69 |
| Ratio | 7.53 | 6.84 |

Change from 31 March 2023 10%

6 Trade receivables turnover ratio

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------|---------------------|---------------------|
| Credit sales | 6,864.97 | 5,372.87 |
| Opening accounts receivables | 368.76 | 261.77 |
| Closing accounts receivables | 496.56 | 368.76 |
| Average accounts receivables | 432.66 | 315.27 |
| Ratio | 15.87 | 17.04 |

Change from 31 March 2023 -7%

7 Trade payables turnover ratio

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|------------------------|---------------------|---------------------|
| Net credit purchases | 5,262.02 | 4,557.18 |
| Opening trade payables | 478.02 | 308.78 |
| Closing trade payables | 437.12 | 478.02 |
| Average trade payables | 457.57 | 393.40 |
| Ratio | 11.50 | 11.58 |

Change from 31 March 2023 -1%

8 Net capital turnover ratio

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|---------------------|---------------------|---------------------|
| Net sales | 6,864.97 | 5,372.87 |
| Current assets | 2,722.16 | 1,962.46 |
| Current liabilities | 1,250.62 | 1,258.37 |
| Working capital | 1,471.54 | 704.09 |
| Ratio | 4.67 | 7.63 |

Change from 31 March 2023 -39%

Reason for more than 25% change

Being advance given to wholly owned subsidiary company and increase in sales in the current year. Current assets and Sales increased.



Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts in Rupees millions, unless otherwise stated)

9 Net profit ratio

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|------------------------|---------------------|---------------------|
| Net profit (after tax) | 586.73 | 305.14 |
| Net sales | 6,864.97 | 5,372.87 |
| Ratio | 0.09 | 0.06 |

Change from 31 March 2023 50%

Reason for more than 25% change

Sales of the company increased due to increase in market demand and company got sanction of additional grants during the year. Therefore, Net profit ratio increased.

10 Return on capital employed

| Particular | As at 31 March 2024 | As at 31 March 2023 |
|------------------|---------------------|---------------------|
| EBIT | 845.53 | 453.13 |
| Capital employed | 3,199.29 | 2,727.35 |
| Ratio | 0.26 | 0.17 |

Change from 31 March 2023 59%

Reason for more than 25% change

Sales in the current year has increased due to overall increase in market demand ; Net profit also increased.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------|---------------------|---------------------|
| Profit before tax | 795.52 | 390.81 |
| Add: Finance costs | 50.01 | 62.32 |
| Adjusted EBIT | 845.53 | 453.13 |
| Total equity | 2,491.06 | 1,899.19 |
| Deferred tax liability | 90.18 | 65.16 |
| Non-current borrowings | 67.65 | 143.03 |
| Current borrowings | 550.40 | 619.97 |
| Total debt | 618.05 | 763.00 |
| Adjusted EBIT | 845.53 | 453.13 |
| Capital Employed | 3,199.29 | 2,727.35 |
| Ratio | 0.26 | 0.17 |



44 Borrowings secured against current assets

The carrying amounts of assets pledged as security for current and non-current borrowings are:

| Particulars | Notes | As at 31 March 2024 | As at 31 March 2023 |
|---|-------|---------------------|---------------------|
| Current | | | |
| Financial Assets | | | |
| Trade receivables | 10 | 496.56 | 368.76 |
| Non Financial Assets | | | |
| Inventories | | | |
| a) Raw material | 9 | 684.10 | 650.76 |
| b) Finished Goods | 9 | 95.90 | 207.84 |
| c) Traded Goods | 9 | 69.88 | 18.82 |
| d) WIP | 9 | 1.32 | 4.33 |
| e) Stores & Spares | 9 | 44.22 | 47.11 |
| Total current assets pledged as security | | 1,391.98 | 1,297.62 |
| Non Current | | | |
| Non Financial Assets | | | |
| Buildings | 5 | 240.95 | 244.47 |
| Plant & Machineries | 5 | 718.82 | 798.27 |
| Total non current assets pledged as security | | 959.77 | 1,042.74 |
| Total assets pledged as security | | 2,351.75 | 2,340.36 |

| Quarter | Name of bank | Particulars of Securities Provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies |
|---------|--------------|------------------------------------|--------------------------------|---|----------------------|-----------------------------------|
| Mar-24 | HDFC Bank | Finished Goods | 165.78 | 165.78 | - | - |
| Mar-24 | HDFC Bank | Raw material | 684.10 | 684.10 | - | - |
| Mar-24 | HDFC Bank | Trade receivables | 496.56 | 496.56 | - | - |

| Quarter | Name of bank | Particulars of Securities Provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies |
|---------|--------------|------------------------------------|--------------------------------|---|----------------------|-----------------------------------|
| Dec-23 | HDFC Bank | Finished Goods | 190.94 | 190.94 | - | - |
| Dec-23 | HDFC Bank | Raw material | 690.03 | 690.03 | - | - |
| Dec-23 | HDFC Bank | Trade receivables | 594.80 | 594.80 | - | - |

| Quarter | Name of bank | Particulars of Securities Provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies |
|---------|--------------|------------------------------------|--------------------------------|---|----------------------|-----------------------------------|
| Sep-23 | HDFC Bank | Finished Goods | 151.34 | 151.34 | - | - |
| Sep-23 | HDFC Bank | Raw material | 656.35 | 656.35 | - | - |
| Sep-23 | HDFC Bank | Trade receivables | 601.06 | 601.06 | - | - |

| Quarter | Name of bank | Particulars of Securities Provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies |
|---------|--------------|------------------------------------|--------------------------------|---|----------------------|-----------------------------------|
| Jun-23 | HDFC Bank | Finished Goods | 219.17 | 219.17 | - | - |
| Jun-23 | HDFC Bank | Raw material | 614.89 | 614.89 | - | - |
| Jun-23 | HDFC Bank | Trade receivables | 386.59 | 386.59 | - | - |

| Quarter | Name of bank | Particulars of Securities Provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies |
|---------|--------------|------------------------------------|--------------------------------|---|----------------------|--|
| Mar-23 | HDFC Bank | Finished Goods | 226.66 | 217.51 | 9.15 | Goods sold but material in transit. |
| Mar-23 | HDFC Bank | Raw material | 650.76 | 557.17 | 93.59 | Goods in transit. |
| Mar-23 | HDFC Bank | Trade receivables | 368.76 | 386.18 | (17.42) | Deduction from receivables on account of goods in transit. |



Swara Baby Products Private Limited
Notes forming part of the Financial Statements for the year ended 31 March 2024
(All amounts in Rupees millions, unless otherwise stated)

45 Government grant

MPIDC

- 1 Company got sanction from Madhya Pradesh Industrial Development Corporation for establishment of main (Investment) unit in F.Y 2018-19 amount Rs. 51.90 million. Till F.Y 2023-24 amount Rs. 38.01 million has been received, in P&L amount Rs. 7.82 million recognized during the year.
- 2 Company got sanction from Madhya Pradesh Industrial Development Corporation for Investment purpose (first expansion) in F.Y 2019-20 amount Rs. 82.56 million. Till F.Y 2023-24 amount Rs. 35.58 million has been received, in P&L amount Rs. 12.73 million recognized during the year.
- 3 Company got sanction from Madhya Pradesh Industrial Development Corporation for Investment purpose (Second expansion) in F.Y 2022-23 amount Rs. 243.10 million. Till F.Y 2023-24 amount Rs. 70.40 million has been received, in P&L amount Rs. 42.73 million recognized during the year.
- 4 Company got sanction from Madhya Pradesh Industrial Development Corporation in FY 2023-24 for interest subsidy on term loan disbursed for TUFs approved P&M of INR 30 millions.

TUFs

- 1 Company got sanction under Technology Upgradation Fund Scheme for Machine 2 in F.Y 2020-21 amount Rs. 22.65 million full amount has been received F.Y 22-23, in P&L amount Rs. 2.05 million recognized during the year.
- 2 Company got sanction under Technology Upgradation Fund Scheme for Machine 3 amount Rs. 73.63 million full amount has been received during the year, in P&L amount Rs. 3.70 million recognized during the year.

46 Other statutory information:

- 1 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 2 The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 3 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 5 The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 6 The Company has not received any fund from any person(s) or entity(is), including foreign entities (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.
- 7 The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 8 The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority.
- 9 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- 10 The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or Intangible assets or both during the current or previous year.
- 11 The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.



- 47 The Company is using Tally as their accounting software. The audit trail in Tally is a crucial feature that ensures transparency, accuracy, and accountability in financial transactions. It provides a detailed log of all activities and modifications made within the system, which is essential for both internal controls and external audits.

We confirm that following are maintained during the year except the audit trail feature for accounting software used for maintenance of accounting records was not enabled from 1 April 2023 to 13 April 2023.

1. Detailed logs of all financial transactions, including creation, modification, and deletion records.
2. Records of user activities, showing login times, changes made, and user-specific actions.
3. Each entry in the audit trail is time-stamped, providing precise tracking of when transactions and changes occur.
4. Only authorized users can access and make changes to the audit trail, ensuring its integrity.
5. The system can generate comprehensive audit trail reports for review and analysis.
6. The accounting software used for maintenance of books of accounts in Kolkata Location did not capture the details of User IDs who made the changes.

Also, in addition to that we are providing training to staff on the importance of the audit trail and how to use it effectively. We are Maintaining regular backups of the audit trail logs to prevent data loss. We are performing Regularly analyse the audit trail reports to identify trends, anomalies, and areas for improvement.

- 48 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification. The impact of such regrouping is not material to financial statements.

As per our report of even date attached

Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



Shashi Tadwalkar

Partner

Membership No.: 101797

Place:

Date:

For and on behalf of the Board of Directors

Swara Baby Products Private Limited

CIN: U36999MP2016PTC068986



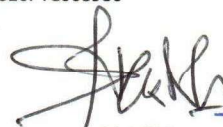
Gautam Sharma

Director

DIN: 08776136

Place:

Date:



Alok Birla

Managing Director

DIN: 00232079

Place:

Date:



Tushar Gunjalkar

Company Secretary

Membership No: 52938

Place:

Date:



BOARD'S REPORT

TO THE MEMBERS OF, SWARA BABY PRODUCTS PRIVATE LIMITED

The Directors present their eighth Annual Report on the business and operations of the Company, along with the Audited Financial Statements for financial year ended March 31 2024.

1. FINANCIAL PERFORMANCE

The summarized Financial Results of your Company are given in the table below:

| <i>(Amount in Rs. in million)</i> | | |
|------------------------------------|-----------------------------------|-----------------------------------|
| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
| Revenue from operations | 6,864.98 | 5372.87 |
| Other Income | 169.78 | 78.94 |
| Total Income | 7,034.76 | 5451.81 |
| Less: Expenses | 6,238.95 | 5,061.99 |
| Profit/Loss before Tax | 795.52 | 390.81 |
| Net Profit/(Loss) after Tax | 586.73 | 305.15 |

Note: The above figures are extracted from the standalone financial statements as per Indian Accounting Standards (Ind AS). As per exemption under Rule 6 Companies Accounts Rules 2014, consolidated financial statements for the f.y ended March 31 2024 has not been prepared.

2. STATE OF COMPANY'S AFFAIRS

The Company is engaged in the business of manufacturing/production, sale and distribution of Baby Diapers and other hygiene products. Particularly your Company continued the endeavor to become leading Original Equipment Manufacturer for pant style Baby Diapers in the Country.

During the financial year 2023-24 ("period under review") your Company has delivered progressive operational performance. Turnover of the Company has increased significantly. Accordingly, Profit before Tax and Net profit has increased.

During the year under review, the revenue from operations of your Company on standalone basis is Rs. 6864.98 Million and other income stood Rs. 169.78 Million. Your Company has earned profit (before tax) of Rs. 795.52 Million as compared to profit (before tax) of Rs. 390.81 Million in the previous year on standalone basis.



2. 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

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this Report.

3. CONVERSION OF THE COMPANY FROM PRIVATE LIMITED TO A DEEMED PUBLIC LIMITED COMPANY.

Upon conversion of the holding Company i.e. Brainbees Solutions Limited into a Public Limited Company, your Company has converted into a Deemed Public Limited Company with effect from November 02, 2023, as per provisions of the Companies Act 2013 read with rules made thereunder.

4. CHANGE IN NATURE OF BUSINESS

During the year under review, there is no change in the nature of the Business of the Company.

5. DIVIDEND

Considering future business plans, the Directors suggest ploughing back of the funds into the business and hence, do not recommend any dividend for the financial year 2023-24.

6. RESERVES

The closing balance of retained earnings of the Company as on March 31, 2024 was Rs. 1362.98 Millions. Rs. 776.25 Millions was transferred or carried to any reserves.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company, as on March 31, 2024 has following subsidiary:

| S. No. | Name of Subsidiaries | Type of Instrument | No. of Shares held as on 31.03.2024 (of Rs. 10 each) |
|--------|-------------------------------|--------------------|--|
| 1. | Swara Hygiene Private Limited | Equity Shares | 9,999 |

The Company doesn't have any joint ventures or associate companies.

8. SHARE CAPITAL

a. Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

b. Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

c. Bonus Shares

The Company has not issued any Bonus Shares during the year under review.

d. Employees Stock Option Plan/ Restricted Stock Option

The Company has not issued any Employees Stock Option Plan.



e. **Private Placement**

The Company has not issued any securities under Private Placement during the year under review.

f. **Rights Issue**

The Company has issued 5,14,019 equity shares (face value Rs. 10 each) through Rights Issue to Mr. Alok Birla, during the year under review.

9. DETAILS OF BOARD MEETINGS

During the Financial Year 2023-24, six Board Meetings of Board of Directors were held on April 15 2023, May 6 2023, August 7 2023, September 5 2023, December 8 2023 and March 22 2024.

The Company has duly complied with applicable provisions related to Notice, Minutes and Meetings as prescribed under the Companies Act, 2013 and Rules made thereunder, if any. The gap between the two Board Meetings does not exceed 120 days.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2024, following were the Directors of your Company:

| DIN | Full Name | Designation | Date of Appointment |
|----------|-------------------------------|-------------------|---------------------|
| 00232079 | Alok Birla | Managing Director | 04/07/2020 |
| 01730685 | Supam Satyanarayan Maheshwari | Director | 04/07/2020 |
| 08776136 | Gautam Sharma | Director | 04/07/2020 |
| 03130509 | Sangita Birla | Director | 16/08/2018 |
| 08801008 | Prashant Jadhav | Director | 22/07/2020 |

During the year under review Mr. Ritum Jain has resigned from the office of Directorship w.e.f. April 15 2023. Apart from that there was no change in the composition of the Board/ KMP.

11. COMMITTEES OF THE BOARD

During the year under review, the Board of Directors had the following Committee in order to effectively cater to their duties:

- a. Corporate Social Responsibility Committee.

12. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

13. CORPORATE SOCIAL RESPONSIBILITY

The net profit of the Company (as per provisions of Section 198 of the Companies Act, 2013) for the Financial Year 2022-23 exceeded Rs. 50 Million, hence CSR provisions were applicable on the Company for the financial year 2023-24. Desired CSR contribution/expenditure for the f.y 2023-24 amounts to Rs. 6.78 Millions.

The Company has spent total amount of Rs. 6.78 Millions on CSR activities details of which are as follows:



| Sr. No. | Activity | Amount in Rs. Millions |
|---------|--|------------------------------|
| 1. | Promoting Health Care, Through Hanuman Prasad Poddar Smarak Samiti | 0.50 |
| 2. | Animal welfare, Through Rajasthan Gokalyan | 2.00 |
| 3. | Promoting education and employment enhancing vocation skills, Through Jan Jagrati Sevarth Sansthan | 3.00 |
| 4. | Eliminating Poverty and bringing Equality, Through Rotary Club Amanora Trust Pune | 0.10 |
| 5. | Promoting education, Through Sarthak Seva Sangh Pune | 0.10 |
| 6. | Promoting women empowerment, Through Dr. Brij Mohan Sapoot | 1.08 |
| Total | | 6.78 |

The Annual Report on the CSR activities of the Company, pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed to this report as Annexure III.

14. STATUTORY AUDITORS

M/s Walker Chandiok & Co LLP, Chartered Accountants, (Firm Registration Number: 001076N/N500013), are appointed as Statutory Auditors of the Company for a period of five years starting from Financial Year 2022-23 and that they will hold office until the conclusion of eleventh Annual General Meeting of the Company to be held in year 2027.

15. AUDITOR'S OBSERVATIONS

The Auditors' Report to the Members for the year, under review, does not contain any qualifications, reservations, adverse remarks, disclaimers or observation(s). The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. Also, no frauds were reported by the Auditors under Section 143(12) of the Companies Act, 2013.

16. RISK MANAGEMENT POLICY

In terms of the requirement of the provisions of Section 134(3) (n) of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy and the Board reviews the same periodically.

Your Company recognizes the need to control and limit the risk, which it faces in day to day course of the business. The Company is exposed to certain financial risks, principally interest rate risk, liquidity risk, credit risk and risks associated with the economy, regulations, competition among others. These risks are managed through a Risk Management framework that is designed to minimize the potential adverse effects of these risks on financial performance of the Company. It contains the procedures to inform the Board Members about the risk assessment and minimization process. These processes are periodically reviewed to ensure that the management of the Company controls risk and runs through a well-defined framework.

17. INTERNAL FINANCIAL CONTROL

There are adequate internal control procedures commensurate with the size of the Company and nature of its business. The management has put in place effective Internal Control Systems to provide reasonable assurance for Safeguarding Assets from unauthorised access and



Maintenance of Proper Accounting Records and Adequacy & Reliability of the information used for carrying on Business Operations.

Further, the Company has taken adequate steps to ensure proper authorization of financial transactions and to prevent possibilities of frauds or other irregularities.

18. VIGIL MECHANISM

Further as per provisions of the Companies Act 2013, the Company have Vigil Mechanism and Whistle Blower Policy.

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

Your Company believes that a sustainable company is built on a foundation of good governance that promotes ethical behavior at all levels. Your Company has constituted the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The composition of Committee includes Mrs. Sangita Birla (Director), Mrs. Harsha Srivastava (General Manager SCM) and Advocate Akash Singh Thakur (External Member). The Committee meets every quarter. During the year under review, there were no complaints have been received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

20. THE WEB ADDRESS, IF ANY, WHERE ANNUAL RETURN REFERRED TO IN SUB-SECTION (3) OF SECTION 92 HAS BEEN PLACED:

The Company do not have website. Therefore, this requirement is not applicable for the Company.

21. DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES COMPANIES AND SALIENT FEATURES OF THEIR FINANCIAL STATEMENTS

The Company have a wholly owned subsidiary named Swara Hygiene Private Limited. However, the Company do not have any joint venture or an associate Company during the period under review.

Further, a statement containing the salient features of the financial statements of the subsidiaries in the prescribed format Form AOC- 1 is appended as Annexure – I' which forms part of this report. The statement also provides details of performance and financial position of the subsidiaries.

22. LOAN, INVESTMENT AND GUARANTEE

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

23. LOAN TAKEN FROM DIRECTORS:

During the year under review, Company has taken not availed any additional loan from the Director and their relatives.

24. RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPTs) that were entered during the Financial Year were on arm's length basis and were in the ordinary course of business. The particulars of contracts or arrangements with related parties referred to in sub section (1) of Section 188 entered by the Company during the financial year ended March 31, 2024 is annexed hereto as Annexure - II in prescribed Form AOC-2 and forms part of this report.



25. MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records under the provisions of Companies Act, 2013.

26. DIRECTORS' RESPONSIBILITY STATEMENT.

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors confirm that:

- (a) in the preparation of the annual accounts for the Financial Year ended March 31, 2024, the applicable accounting standards, have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the Profit of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (f) that internal financial controls to be followed by the company are in place and that such internal financial controls are adequate and are operating effectively.

27. DETAILS OF CONSERVATION OF ENERGY

Since the Company is mainly engaged in manufacturing sector, its machines are fully variable frequency drive (VFD) & servo controlled that consume power as per the process requirement and we keep glue tank heaters on only when we run the machine. The Company has strived to imbibe energy conservation principles and initiatives across all its facilities.

(A) Conservation of energy-

- (i) the steps taken or impact on conservation of energy:
- (ii) the steps taken by the company for utilizing alternate sources of energy:
- (iii) the capital investment on energy conservation equipment:

The Company is in process to take initiatives for conservation of energy.

28. RESEARCH AND DEVELOPMENT AND TECHNOLOGY ABSORPTION

The Company does not have any formal Research and Development Department. However, efforts are always made for the improvements in its process controls, control over the time and materials wastages. Expenditures on such activities cannot be identified separately.

- i. the efforts made towards technology absorption: Not applicable
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: Not applicable
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not applicable



- (a) the details of technology imported:
- (b) the year of import:
- (c) whether the technology been fully absorbed:
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

iv. the expenditure incurred on Research and Development: Not applicable

29. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has following foreign exchange earnings and outgoes during the year under review:

- Earning in Foreign Currency (in equivalent INR)- Rs.9.78/- and
- Outgoes in Foreign Currency (in equivalent INR)- Rs. Rs. 2046.21/-.

30. SECRETARIAL STANDARDS

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

31. SECRETARIAL AUDIT

During the Financial Year under review, your Company had been converted into deemed public limited company having turnover more than Rs. 250 crores, accordingly Company was required to appoint Secretarial Auditor pursuant to Section 204 of the Companies Act, 2013 and rules made thereunder. In view of the same, the board appointed M/s Nirmal Patel and Associates, Practicing Company Secretaries, (Firm Registration Number: F12535), for the financial year 2023-2024.

During the Financial Year under review, there are no qualifications, adverse remarks or disclaimers made by the Secretarial Auditor in their Secretarial Audit Report, which is annexed herewith as an Annexure IV.

32. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143

No such fraud reported by the Statutory Auditors of the Company for the period under review.

33. ANNUAL PERFORMANCE EVALUATION OF DIRECTORS/COMMITTEES

Pursuant to the provisions of the Act, the Board of Directors has carried out an annual performance evaluation of the Board as a whole, its Committee (CSR), and the directors individually, as per the framework as laid down by the Board.

34. 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:

- Details relating to deposits covered under Chapter V of the Companies Act, 2013;
- 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; and
- 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;
- The Managing Director of the Company did not receive any remuneration or commission from any of its subsidiaries;



- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

35. ACKNOWLEDGEMENT

Your Directors' wish to place on record their sincere appreciation for the valuable support received from the Company's bankers, financial institutions, central and state government authorities, clients, consultants, suppliers and employees of the Company and look forward to a greater measure of the same in the coming years. The Directors would also like to thank the Shareholders for their continuous support to the Company and their confidence in its management.

For and on behalf of the Board of Directors



Alok Birla
Managing Director
DIN: 00232079
Date: _____
Place: _____



Gautam Sharma
Director
DIN: 08776136
Date: _____
Place: _____



ANNEXURE - I**FORM NO. AOC- 1**

[Pursuant to first proviso to Section 129(3) of the Companies Act, 2013 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

(Amt in INR million)

| Sr. No. | Particulars | Details |
|---------|--|-------------------------------|
| 1. | Name of the subsidiary | Swara Hygiene Private Limited |
| 2. | The date since when subsidiary was acquired | 27/06/2022 |
| 3. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 01/04/2023 31/03/2024 |
| 4. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | NA |
| 5. | Share capital | 0.1 |
| 6. | Reserves & surplus | (127.91) |
| 7. | Total Assets | 3,332.79 |
| 8. | Total Liabilities (current and non-current) | 3,204.87 |
| 9. | Investments | 0.00 |
| 10. | Turnover | 769.95 |
| 11. | Profit/ (Loss) before taxation | 156.29 |
| 12. | Provision for taxation | 26.48 |
| 13. | Profit/ (Loss) after taxation | 129.81 |
| 14. | Proposed Dividend | 0.00 |
| 15. | % of shareholding | 99.99% |

Note:

1. Your Company have following subsidiaries which are yet to commence operations: NA
2. Your Company does not have any subsidiary which has been liquidated or sold during the year.



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures of the Company:

| Sr. No. | Name of Associates/Joint Ventures | Not Applicable |
|---------|--|----------------|
| 1. | Latest audited Balance Sheet Date | |
| 2. | Date on which the Associate or Joint Venture was associated or acquired | |
| 3. | Shares of Associate/Joint Ventures held by the Company on the year end | |
| | No. | |
| | Amount of Investment in Associates/Joint Venture | |
| | Extent of Holding % | |
| | | |
| 4. | Description of how there is significant influence | |
| 5. | Reason why the associate/joint venture is not consolidated | |
| 6. | Net worth attributable to Shareholding as per latest audited Balance Sheet | |
| | | |
| 7. | Profit/Loss for the year | |
| | i. Considered in Consolidation | |
| | ii. Not Considered in Consolidation | |

Note:

Your Company does not have any associates or joint ventures which is yet to commence operations or which has been liquidated or sold during the year.

For and on behalf of the Board of Directors



Alok Birla
Managing Director
DIN: 00232079
Date: _____
Place: _____



Gautam Sharma
Director
DIN: 08776136
Date: _____
Place: _____



Annexure II

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: **NOT APPLICABLE**

(i)

| S. No. | Particulars | Details |
|--------|---|----------------|
| 1 | Name(s) of the related party and nature of relationship | NOT APPLICABLE |
| 2 | Nature of contracts/arrangements/transactions | |
| 3 | Duration of the contracts / arrangements/transactions | |
| 4 | Salient terms of the contracts or arrangements or transactions including the value, if any | |
| 5 | Justification for entering into such contracts or arrangements or transactions | |
| 6 | Date(s) of approval by the Board | |
| 7 | Amount paid as advances, if any | |
| 8 | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | |



2. Details of material contracts or arrangement or transactions at arm's length basis & in the Ordinary Course of business with the related parties are as follows:

(Amount in Million)

| | | | |
|--|---|---|---|
| Name(s) of the related party and nature of relationship: | Brainbees Solutions Limited Holding Company | KA Enterprises Partnership firm in which a director of the Company is a Partner | Anadya Baby Products LLP LLP in which a director of the Company is a designated partner |
| Nature of contracts / arrangements / transactions: | Sale of Product Rs. 2028.82 | Sale- Rs. 36.16 Purchase Rs. 10.34 | Purchases Rs. 1.5 |
| Duration of the contracts / arrangements / transactions | - | - | - |
| Salient terms of the contracts or arrangements or transactions including the value, if any: | - | - | - |
| Date(s) of approval by the Board, if any: | Not applicable, since the transactions were entered in the ordinary course of business and at arm's length basis. | | |
| Amount paid as advances, if any: | NIL | | |



| | | |
|--|---|---|
| Name(s) of the related party and nature of relationship: | Solis Hygiene Private Limited A Company in which Director (relative of director) is a Director | Swara Hygiene Private Limited, Wholly owned Subsidiary |
| Nature of contracts / arrangements / transactions: | Sale Rs. 113.03 Purchase Rs. 1074.19 | Sale Rs. 217.05 Purchase Rs. 572.40 |
| Duration of the contracts / arrangements / transactions | - | - |
| Salient terms of the contracts or arrangements or transactions including the value, if any: | - | - |
| | - | - |
| Date(s) of approval by the Board, if any: | Not applicable, since the transactions were entered in the ordinary course of business and at arm's length basis. | |
| Amount paid as advances, if any: | NIL | |

For and on behalf of the Board of Directors


Alok Birla
Managing Director
DIN: 00232079
Date: _____
Place: _____


Gautam Sharma
Director
DIN: 08776136
Date: _____
Place: _____



ANNEXURE -III

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The CSR Policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Company undertakes CSR activities specified in Schedule VII to the Companies Act, 2013.

2. Composition of CSR Committee:

| Sl. No | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|-------------------|--------------------------------------|--|--|
| 1. | Mr. Alok Birla | Managing Director | NA | NA |
| 2 | Mr. Gautam Sharma | Director | NA | NA |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: **Not Applicable**

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable : **Not Applicable**

5.

a) Average net profit of the company as per section 135(5): **Rs. 338.53 million**

b) Two percent of average net profit of the company as per section 135(5): **Rs. 6.78 million**

c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **NIL**

d) Amount required to be set off for the financial year, if any: **NIL**

e) Total CSR obligation for the financial year ((b)+(c)-(d)): **Rs. 6.78 million**

6.

a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). **Rs. 6.78 millions**

b) Amount spent in Administrative Overheads: **NIL**

c) Amount spent on Impact Assessment, if applicable. **NIL**

d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 6.78 millions**



e) CSR amount spent or unspent for the Financial Year:

(Amount in Million)

| Total amount Spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| 6.78 million | NIL | NIL | NIL | NIL | NIL |

f) Excess amount for set-off, if any:

| S No | Particulars | Amount (in Rs) |
|------|---|----------------|
| (1) | (2) | (3) |
| i. | Two percent of average net profit of the company as per sub-section (5) of section 135 | 6.78 millions |
| ii. | Total amount spent for the Financial Year | 6.78 millions |
| iii. | Excess amount spent for the Financial Year [(ii)-(i)] | Nil |
| iv. | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | Nil |
| v. | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | Nil |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(Amount in Rs. in millions)

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|------|-----------------------------|--|--|--|--|--|--------------------|
| S No | Preceding Financial Year(s) | Amount Transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.) | Amount Spent in the Financial Year (in Rs) | Amount transferred to a Fund as specified under Schedule VII second proviso to subsection (5) of section 135, if any | Amount remaining to be spent in succeeding Financial Years (in Rs) | Deficiency, if any |
| | | | | | Amount (in Rs) Date of Transfer | | |
| 1 | 2022-23 | Nil | Nil | Nil | Nil | Nil | Nil |
| 2 | 2021-22 | Nil | Nil | Nil | Nil | Nil | Nil |
| 3 | 2020-21 | Nil | Nil | Nil | 0.28 Millions 29/09/2021 | Nil | Nil |



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☐ No

If Yes, enter the number of Capital assets created/ acquired

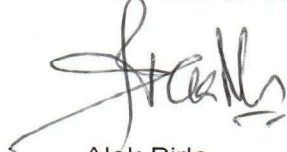
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year

| Sl. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pin code of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ beneficiary of the registered owner | | |
|---------|---|--------------------------------------|------------------|----------------------------|--|------|--------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | | |
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| Nil | | | | | | | |

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. **Not Applicable**

For and on behalf of the Board of Directors



Alok Birla
Managing Director
DIN: 00232079
Date: _____
Place: _____



Gautam Sharma
Director
DIN: 08776136
Date: _____
Place: _____

