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Independent Auditor's Report

To the Members of Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited) ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

4. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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



Chartered Accountants

Offices in Ahmedabad, Bengaluru, Chandigarh, Chennai, Coimbatore, Goa, Gurugram, Hyderabad, Indore, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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

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.

Responsibilities of Management for the Standalone Financial Statements

5. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, 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 standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;



- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern and;
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
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. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
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 A 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 A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) Except for the matters stated in paragraph 13(h)(v) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books. Further, the back-up of the books of accounts and other books and papers of the Company maintained in electronic mode has been maintained on servers physically located in India, on a daily basis;
 - c) The standalone financial statements dealt with by this report are in agreement with the books of account
 - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 01 April 2026 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)(v) 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 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure B 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 does not have any pending litigation which would impact its financial position as at 31 March 2026;
 - 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 2026.;
 - 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 2026.;
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (6a) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, 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 47(6b) to the standalone financial statements, no funds have been received by the Company from any persons or entities, 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.
 - iv. The Company has not declared or paid any dividend during the year ended 31 March 2026.
 - v. As stated in Note 48 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2025, has used an accounting software is operated by a third-party software service provider for maintaining its books of account which has a feature of recording audit trail facility and the same has been operated throughout the year for all relevant transactions recorded in the software at the application level. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year for all relevant transactions or whether there were



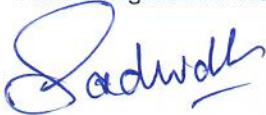
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any instances of audit trail feature being tampered with at the database level. The audit trail has been preserved at the application level by the Company as per the statutory requirements for record retention. Further, due to absence of the information in the Type 2 report, we are unable to comment on preservation of audit trail at the database level.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



Shashi Tadwalkar

Partner

Membership No.: 101797

UDIN: 26101797LKSKFO6916

Place: Pune

Date: 25 May 2026

Annexure A

Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited) on the Standalone financial statements for the year ended 31 March 2026

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

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

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The 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 title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in Note 5A to the standalone financial statements, are held in the name of the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible 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. 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 and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.
- (b) As disclosed in Note 45 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks and financial institutions 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 banks and financial institutions and such returns are in agreement with the books of account of the Company for the respective periods, which were subject to audit.



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- (iii) The Company has made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to firms, limited liability partnerships during the year. Further, the Company has made investments in, provided guarantee or security and granted (secured/unsecured) 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 during the year as per details given below:

(INR million)			
Particulars	Guarantee	Loans	Investment
Aggregate amount granted/provided/invested during the year:			
- Subsidiaries	300.00	241.51	1,642.54
Balance outstanding as at balance sheet date:			
- Subsidiaries	1700.00	1,062.63	1,642.64

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect 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 and interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies.
- (e) The Company has not granted any loans which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.
- (f) The Company has granted loans which are repayable on demand, as per details below:

(INR million)	
Particulars	Related Parties
Aggregate of loans	
- Repayable on demand (A)	917.72
Percentage of loans to the total loans	86%

- (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, we report that 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, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful 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 standalone financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(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 standalone financial statements in note 35, 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 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 realization 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing

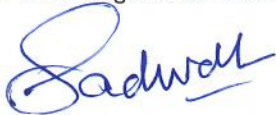


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project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

- (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: 26101797LKSKFO6916

Place: Pune
Date: 25 May 2026

Annexure B

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 Limited (Formerly known as Swara Baby Products Private Limited) ('the Company') as at and for the year ended 31 March 2026, 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 the financial statements criteria established by the company considering the essential components of Internal controls in guidance note of Internal financial controls over Financial Reporting ("The Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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



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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.

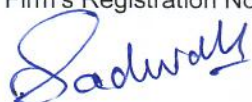
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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 2026, based on internal financial controls with respect to financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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



Shashi Tadwalkar
Partner
Membership No.: 101797

UDIN: 26101797LKSKFO6916

Place: Pune
Date: 25 May 2026

Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Standalone Balance Sheet as at 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	5A	1,864.96	1291.28
Capital work-in-progress	5B	107.42	6.28
Right-of-use assets	5C	233.02	243.10
Intangible assets	6	6.62	7.36
Financial assets			
Investments	7A	1,642.64	0.10
Loans	12	144.91	-
Others financial assets	7	58.41	106.72
Other non-current assets	8	907.88	209.15
Total non-current assets		4,965.86	1863.99
Current assets			
Inventories	9	1,350.63	1256.98
Financial assets			
(i) Trade receivables	10	640.19	458.79
(ii) Cash and cash equivalents	11	5.11	0.07
(iii) Bank balances other than (ii) above	11A	0.31	100.31
(iv) Loans	12	917.72	1278.33
(v) Other financial assets	13	57.14	49.74
Income tax assets (net)	14	3.20	-
Other current assets	14A	109.19	90.09
Total current assets		3,083.49	3234.31
Total assets		8,049.35	5098.30
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	488.57	128.53
Instrument entirely equity in nature	16	-	128.48
Other equity	16	4,359.10	2662.55
Total equity		4,847.67	2919.56
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	979.85	145.68
(ii) Lease liabilities	5C	25.99	31.71
Provisions	18	8.03	6.13
Deferred tax liabilities (Net)	32	109.60	108.98
Other non-current liabilities	19	95.62	141.11
Total non-current liabilities		1,219.09	433.61
Current liabilities			
Financial liabilities			
(i) Borrowings	20	1,026.39	1027.28
(ii) Lease liabilities	5C	9.58	9.18
(iii) Trade payables	21		
a) Total outstanding dues of micro enterprises and small enterprises		29.12	32.83
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		700.41	369.49
(iv) Other financial liabilities	22	29.89	57.11
Other current liabilities	23	184.52	240.12
Provisions	18	2.68	1.49
Current tax Liability (net)	19A	-	7.63
Total current liabilities		1,982.59	1745.13
Total equity & liabilities		8,049.35	5098.30

Summary of material accounting policy information

2-4

The accompanying notes form an integral part of these Standalone Financial Statements

5-50

As per our report of even date attached

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration Number 001076N/N500013

Shashi Tadwalkar

Shashi Tadwalkar
Partner
Membership No : 101797

Place: Pune
Date: 25/05/2026

For and on behalf of the Board of Directors
Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
CIN: U36999MP2016PLC068986



Shok Birla
Managing Director
DIN: 00232079

Place: Indore
Date: 25/05/26

Gautam Sharma
Director
DIN: 08776136

Place: Pune
Date: 25/05/26

Ravindra Sancheti
Chief Financial Officer

Place: Indore
Date: 25/05/26

Itisha Sahu
Company Secretary
Membership No: A59200

Place: Indore
Date: 25/05/26

Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
 Standalone Statement of Profit and Loss for the year ended 31 March 2026
 (All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	24	7,418.05	5,451.36
Other income	25	145.26	206.82
Total income		7,563.31	5,658.18
Expenses			
Cost of materials consumed	26	3,385.40	3,019.64
Purchase of stock-in-trade		2,811.79	1,218.57
Changes in inventories of finished goods, stock-in-trade and work-in-	27	1.45	(43.90)
Employee benefit expense			
(i) Employee benefit expense	28	212.78	155.48
(ii) Share based payment expense	28A	2.15	-
Finance costs	29	69.97	74.77
Depreciation and amortisation expense	30	161.95	122.77
Other expenses	31	544.08	527.64
Total expenses		7,189.57	5,074.97
Profit before tax		373.74	583.21
Tax expense			
Current tax	32	86.15	135.46
Deferred tax	32	0.81	18.91
Total tax expense		86.96	154.37
Profit for the year		286.78	428.84
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Re-measurement of post-employment benefit obligations		(0.74)	(0.45)
Income tax relating to items that will not be reclassified to statement of profit or loss		0.19	0.11
Other comprehensive (loss) for the year		(0.55)	(0.34)
Total comprehensive income for the year		286.23	428.50
Earnings per share			
Basic	33	1.50	2.50
Diluted	33	1.50	2.50

Summary of material accounting policy information

2-4

The accompanying notes form an integral part of these Standalone Financial Statements

5-50

As per our report of even date attached

For Walker Chandiok & Co LLP
 Chartered Accountants
 Firm Registration Number : 001076N/N500013

Shashi Tadwalkar

Shashi Tadwalkar
 Partner
 Membership No. 101797

Place Pune
 Date 25/05/26

For and on behalf of the Board of Directors
 Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
 CIN: U36999MP2016PLC068986



Ank Birla
 Managing Director
 DIN 00232079

Place Indore
 Date 25/05/26

Gautam Sharma
 Director
 DIN 08776136

Place Pune
 Date 25/05/26

Ravindra Sancheti
 Chief Financial Officer

Place Indore
 Date 25/05/26

Itisha Sahu
 Company Secretary
 Membership No. A59200

Place Indore
 Date 25/05/26

Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Standalone Statement of cash flows for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Cash flow from operating activities		373.74	583.21
Profit before tax			
Adjustments for :			
Depreciation and amortization expense	30	161.95	122.77
Finance costs	29	69.97	74.77
Interest income on security deposits	25	(1.16)	-
Interest income on loan given to related parties	25	(75.70)	(125.79)
Income from government grant	25	(48.11)	(54.64)
Interest income on subsidy		(0.53)	(4.90)
Allowance for doubtful debts		1.76	1.76
Payment for Interest on lease liabilities	29	(3.87)	(1.97)
Net gain on foreign currency transactions and translations (unrealised)	31	2.21	(0.40)
Unwinding of discount on government grant	25	(12.24)	(16.08)
ESOP Share based payment expense	28A	2.15	-
Operating profit before working capital changes		470.17	578.73
Changes in working capital			
(Increase) in inventories		(93.65)	(361.56)
(Increase) in trade receivables		(181.40)	(26.35)
(Increase) in other current assets		(137.97)	(99.78)
Decrease in other financial assets		1.50	0.82
Increase (Decrease) in Trade payables		327.21	(34.79)
Increase in other financial liabilities		7.27	2.50
Increase (Decrease) in other current liabilities		(52.98)	92.85
Increase in provision		5.09	1.37
Cash generated from operating activities		345.24	153.79
Income tax paid (net of refund)		(96.98)	(154.45)
Net cash flows generated from operating activities (A)		248.26	(0.66)
Cash flow from investing activities			
Payment for property, plant and equipment, capital work in progress and intangible assets		(1,451.55)	(500.33)
Receipt of Government grant		52.13	88.70
Proceeds from redemption of fixed deposits		100.00	-
Interest received		75.70	125.75
Loan given during the year		(237.00)	(775.11)
Loan repayment received during the year		452.70	680.00
Investment in fixed deposits		-	(100.01)
Net cash flow (used in) investing activities (B)		(1,008.02)	(481.00)
Cash flow from financing activities			
Proceeds from long term borrowings		1,004.50	197.98
Proceeds from short term borrowings (net)		(0.89)	448.90
Repayment of borrowings		(170.33)	(92.76)
Interest paid on borrowings		(56.49)	(69.08)
Share issue expenses		(2.81)	-
Payment for lease liabilities	5C	(9.18)	(3.36)
Net cash flow generated from financing activities (C)		764.80	481.68
Net increase in cash and cash equivalents (A+B+C)		5.04	0.02
Cash and cash equivalents at the beginning of the year		0.07	0.05
Cash and cash equivalents at the end of the year	11	5.11	0.07

Components of cash and cash equivalent as at the end of the year comprise of:	As at 31 March 2026	As at 31 March 2025
Cash on hand	0.03	0.04
Balances with bank in current accounts	5.08	0.03
Total cash and cash equivalent	5.11	0.07

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening balance of lease liabilities	40.89	2.16
Cash flows	(9.18)	(3.36)
Non cash changes	3.86	42.09
Closing balance of lease liabilities	35.57	40.89

Non-cash movement represents the movement with respect to leases, accrual of interest on lease liabilities (refer note 5C).

Summary of material accounting policy information

2-4

The accompanying notes form an integral part of these Standalone Financial Statements

5-50

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N/N500013

Sadwalkar
Shashi Tadwalkar
Partner
Membership No : 101797
Place Pune
Date 25/5/26



For and on behalf of the Board of Directors
Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
CIN: U36999MP2016PLC068986

Alok Birla
Alok Birla
Managing Director
DIN: 00232079
Place Indore
Date 25/5/26

Gautam Sharma
Gautam Sharma
Director
DIN: 08776136
Place Pune
Date 25/5/26

Rajendra Sancheti
Rajendra Sancheti
Chief Financial Officer
Place Indore
Date 25/5/26

Itisha Sahu
Itisha Sahu
Company Secretary
Membership No: A59200
Place Indore
Date 25/5/26

Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Standalone Statement of Changes in Equity for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

(A) Equity share capital (Refer Note 15)

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
Opening balance at the beginning of the year	1,28,52,719	128.53	1,28,52,719	123.39
Add: shares issued during the year	1,09,41,772	109.42	-	5.14
Add: Bonus shares issued during the year	6,10,71,187	122.14	-	-
Add: Issue on Conversion of 0.1% Compulsorily Convertible Non-cumulative Preference Shares of ₹ 10 each	1,28,48,221	128.48	-	-
Add: Sub-division of 1 share of face value ₹10/- each into 5 shares of face value ₹2/- each	14,65,70,848	-	-	-
Closing balance at the end of the year	24,42,84,747	488.57	1,28,52,719	128.53

(B) 0.1% Compulsorily convertible cumulative preference shares (Refer note 15)

Particulars	As at 31 March 2026		As at 31 March 2025	
	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 2025	1,28,48,221	128.48	1,28,48,221	128.48
Less: Conversion of Preference Shares into Equity Shares	-1,28,48,221	(128.48)	-	-
Closing balance	-	-	1,28,48,221	128.48

(C) Other equity (Refer Note 16)

Particulars	Reserves and Surplus			
	Securities premium	Retained earnings	Share option outstanding account	Total
Opening balance at the beginning of the year	871.07	1,791.48	-	2,662.55
Add: Net profit for the current year	-	286.78	-	286.78
Add: Securities premium credited on account of issue of shares (Refer Note 16)	1,531.85	-	-	1,531.85
Add: Share based Payment expense (Refer Note 28A)	-	-	3.42	3.42
Less: Securities premium arising on issue of bonus shares (Refer Note 16)	(122.14)	-	-	(122.14)
Less: Transaction cost arising on issues of shares	(2.81)	-	-	(2.81)
Total	2,277.97	2,078.26	3.42	4,359.65
Less: other comprehensive loss for the year	-	(0.55)	-	(0.55)
Closing balance at the end of the year	2,277.97	2,077.71	3.42	4,359.10

Summary of material accounting policy information

2-4

The accompanying notes form an integral part of these Standalone Financial Statements

5-50

As per our report of even date attached

For Walker Chandniok & Co LLP
Chartered Accountants

Firm Registration Number 001076/N/500013

Shashi Tadwalkar
Partner
Membership No. 101797

Place Pune
Date 25/05/26



For and on behalf of the Board of Directors
Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)

CIN: U36999MP2016PLC068986

Alok Birla
Managing Director
DIN: 00232079

Place Indore
Date 25/05/26

Gautam Sharma
Director
DIN: 08776136

Place Pune
Date 25/05/26

Ravindra Sancheti
Chief Financial Officer

Place Indore
Date 25/05/26

Itisha Sahu
Company Secretary
Membership No. A59200

Place Indore
Date 25/05/26

Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

1 General Information

Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited) ('the Company') (CIN: U36999MP2016PLC068986) is a public 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.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 14 January 2026 and consequently the name of the Company has changed to Swara Baby Products Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on 30 January 2026.

2 Material accounting policy information

(a) Statement of Compliance

These Standalone 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 relevant amendment rules issued thereafter.

The financial statements were authorised for issue by the Company's Board of Directors on 25th May 2026.

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 preparation

These Standalone Financial Statements of Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited) ('the Company') comprise the Standalone Balance Sheet as at as at 31 March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year ended 31st March 2026, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information (together hereinafter referred to as the "Standalone Financial Statements").

These Standalone Financial Statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India. The accounting policies followed in preparation of the Standalone Financial Statements are consistent with those followed in the most recent annual financial statements of the Company.

These Standalone Financial Statements were authorized by Board of Directors of the Company for issue on 25th May 2026.

2.01 Current versus non-current classification

The Company presents assets and liabilities in the Standalone statement of Assets and Liabilities based on current/ noncurrent classification.

An asset is treated as current when it is

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting year, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

Operating Cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

2.02 Foreign currency translation

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. All monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities if any that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. All exchange differences, except those relating to long-term monetary foreign currency items, are dealt with in the Standalone statement of Profit and Loss.

2.03 Revenue

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 recognise 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
- Recognise revenues when a performance obligation is satisfied.

Sale of products

Revenue from sale of products is recognised when the company transfers the control of the products to the customer. 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.



Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Sale of services

Revenue from services is recognized when the services is transferred as per the terms of the agreement with customer i.e. as and when services are rendered over time. In terms of the contract, excess of revenue over the billed at the year-end is carried in the Standalone Financial Statements as trade receivables where the amount is recoverable from the customer without any future performance obligation and the Company has unconditional right over such consideration (i.e. if only the passage of time is required before payment of such consideration is due). Cash received before the services are delivered is recognised as a contract liability.

Interest income

Interest income is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset, or
- the amortised cost of the financial liability.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.04 Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

2.05 Property, plant and equipment

Property, plant and equipment are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the management. Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Capital work-in-progress is stated at cost, including directly attributable expenses and borrowing costs incurred during the construction/development period, less accumulated impairment losses, if any. Upon completion and when the asset is ready for its intended use, the accumulated costs are transferred to the appropriate category of property, plant and equipment.

Based on technical assessment made by technical expert and management estimate, the Company have assessed the estimated useful lives of certain property, plant and equipment that are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Management reviews its estimate of the useful lives and residual values of depreciable assets at each reporting date, based on the expected utility of the assets.

Depreciation and amortisation are calculated on a straight-line basis method over the estimated useful lives of the assets as follows:

Depreciation on assets provided as follows:-

Asset Category	Estimated useful life
Leasehold improvement*	
Plant & Machinery	10 years
Furniture and Fixtures	10 years
Electrical Installation	10 years
Vehicle	8-10 years
Building	30 years
Office Equipment	5 years
Computers	3-6 years

*In the case of leasehold improvements, expected useful lives are determined as their useful life or over the term of the lease, if shorter.

De-recognition

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

2.06 Capital work in progress

Directly and indirectly attributable expenditure related to and incurred during implementation (net of incidental income) of capital projects to get the assets ready for intended use and for a qualifying asset is included under "Capital work-in-progress". The same is allocated to the respective items of property, plant and equipment on completion of construction (development of project) / erection of the capital project / property, plant and equipment. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

2.07 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following the initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Software and licenses are classified as intangible assets and amortised over period of 5 years.

Estimated useful lives of the intangible assets are as follows:

Subsequent measurement

All finite-lived intangible assets, including capitalised internally developed software, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date.



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2.08 Leases

The lease asset classes primarily consist of leases for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses. Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

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

2.09 Impairment of non-financial assets

For impairment assessment purposes, assets are Combined at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The date used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses are charged in the Standalone statement of Profit and Loss. Further, impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior period.

2.10 Government grants

Government grants are recognised where there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Grant relating to Assets (Capital Grants)

In case of grants relating to depreciable assets, the cost of the asset is shown at gross value and grant thereon is presented in the Balance Sheet as deferred income. The grant set up as deferred income is recognised in the Statement of Profit and Loss in period during which the underlying conditions are fulfilled.

Grant related to Income (Revenue Grants)

Revenue grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expense the related cost for which the grants are intended to compensate.

2.11 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and, except for trade receivables which do not contain a significant financing component, these are measured initially at:

- fair value, in case of financial instruments subsequently carried at fair value through Profit and Loss (FVTPL);
- fair value adjusted for transaction costs, in case of all other financial instruments

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when the underlying obligation specified in the contract is discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Different criteria to determine impairment are applied for each category of financial assets, which are described below.

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets, derivatives and equity instruments at FVTPL

(1) Financial assets at amortised cost

Classification and subsequent measurement of financial assets

Financial Assets

The financial assets is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Standalone Profit and Loss. When the financial asset is derecognised or impaired, the gain or loss is recognised in the Standalone statement of Profit and Loss.



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(2) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets at fair value through other comprehensive income (FVOCI). Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the asset give rise on specified dates to cash flows that represent solely payment of principal and interest.

(3) Financial assets at fair value through Profit and Loss (FVTPL)

Financial assets at fair value through profit or loss (FVTPL). Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

De- Recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a Company of similar financial assets) are derecognised from the Standalone statement of Assets and Liabilities when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses ("ECL") on financial assets measured at amortised cost in accordance with Ind AS 109 – Financial Instruments. Expected credit losses are measured using a forward-looking approach that considers historical credit loss experience, current conditions and reasonable and supportable forecasts of future economic conditions.

Trade receivables and contract assets

The Company recognises impairment loss on trade receivables and contract assets based on its internal provisioning policy and assessment of recoverability. Provision is created considering factors such as ageing of receivables, historical loss experience, customer creditworthiness and other relevant information.

Other financial assets

For other financial assets, the Company applies the general approach under Ind AS 109. The Company assesses at each reporting date whether the credit risk on a financial asset has increased significantly since initial recognition. If the credit risk has not increased significantly, the loss allowance is measured at an amount equal to 12-month expected credit losses. If the credit risk has increased significantly, the loss allowance is measured at an amount equal to lifetime expected credit losses.

(4) Financial Liability

The Company financial liabilities include borrowings, trade and other payables.

Financial liabilities are measured subsequently at amortised cost using the effective interest method except financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in Profit and Loss. For trade and other payables maturing within one year from the reporting date, the carrying amounts approximate fair value due to the short maturity of these instruments.

For trade and other payables maturing within one year from the Standalone statement of assets and liabilities date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial instrument which requires the Company to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, and where Company does not have an unconditional right to avoid such obligation, are classified as financial liability. Such classification is in substance of the contractual arrangement and as per the definitions of the financial liability. Such financial instruments are recognized as financial liability at the full amount, without taking into account the timing of the contingent event. This is as per the rules of contingent settlement provisions. The equity component for such financial instruments will be nil.

Initial recognition of such financial instrument as financial liability will be at fair value and subsequent changes in fair value is recognized in profit or loss (i.e. FVTPL).

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

De-Recognition of financial liability

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in Standalone statement of Profit and Loss.

Offsetting of financial assets and financial liabilities

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

2.12 Income taxes

Tax expense comprises current and deferred tax. Tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable on the taxable income for the year. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria is met. Current Income tax related to items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity as the case may be.



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Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and tax base i.e. amounts used for taxation purposes.

A deferred tax asset is recognised for unused tax losses, unabsorbed depreciation, deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A deferred tax liability is recognised in respect of taxable temporary differences.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

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

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2.14 Provisions and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligations as a whole.

Any reimbursement that the entities forming part of Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resource is remote.

Contingent liabilities are disclosed by way of note unless the possibility of outflow is remote. Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

2.15 Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, incentives etc. These 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 Standalone statement of Assets and Liabilities.

Post-employment benefits plans

The Company provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

The Company pays fixed contribution into independent entities in relation to several state plans and insurances for individual employees. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Defined benefit plans

Under the Companies defined benefit plans, the amount of pension benefit and gratuity that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside.

The liability recognised in the Standalone statement of assets and liabilities for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date.

Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Service cost of the Company defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in Profit and Loss. Gains and losses resulting from re-measurements of the net defined benefit liability are included in other comprehensive income.

Past service cost is recognised as an expense in the statement of profit or loss at the earlier of the following dates:

- when the plan amendment or curtailment occurs and
- when the Group recognises the related restructuring costs or termination benefits

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year and are treated as short term employee benefit. 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 available or encashed beyond 12 months from the end of the year 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. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields on Government securities. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Standalone statement of profit and loss in the period in which they arise. Past-service costs are recognised immediately in the Standalone statement of profit and loss. The Company presents the entire leave as a current liability in the Standalone statement of Assets and Liabilities, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Share-based payments

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.



2.16 Valuation of inventories

Inventory finished goods, work-in-progress, raw materials and components, stores and spares

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity and costs incurred in bringing the inventories to their present location and condition. The cost is calculated on weighted average cost method and it comprises all costs incurred in bringing the inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price in the ordinary course of business less any applicable cost of conversion from their existing state to a finished condition and directly attributable selling expenses. Obsolete, slow moving and defective inventories are identified at the time of physical verification and wherever necessary a provision is made.

2.17 Earnings per share and diluted earning per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after income tax effect of interest and other financing costs associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM') [Chairperson and Chief Financial Officer].

Identification of segments

In accordance with Ind AS 108 Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company CODM to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company other components. Results of the operating segments are reviewed regularly by the CODM [Managing Director, which has been identified as the CODM], to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Segment accounting policies

The Company is engaged in the business of manufacturing and dealing in hygiene products. Accordingly, the Company's activities/business is reviewed regularly from an overall business perspective, rather than reviewing its services as individual standalone components. Based on the dominant source and nature of risks and returns of the Company, management has identified its business segment as its primary reporting format.

3 Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of Standalone financial statement requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. 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 particular, the Company has identified the following areas where material judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the Standalone Financial Statements. Changes in estimates are accounted for prospectively.

Significant management judgements

Judgements In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Standalone Financial statement.

(a) Recognition of revenue

For some of the companies contracts with customers significant judgement is required to assess whether control of the related performance obligation(s) transfers to the customer over time or at a point in time in accordance with Ind AS 115.

(b) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

(c) Income tax and deferred tax assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets. The amount of the deferred income tax assets considered realisable could reduce if the estimates of the future taxable income are reduced. In assessing the recoverability of deferred tax assets, the respective entities relies on the same forecast assumptions used elsewhere in the Standalone Financial Statements. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

(d) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

(e) Classification of leases

The Company enters into leasing arrangements for various land and building. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.




Estimation uncertainty

(a) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

(b) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

(c) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(d) Employee benefits

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

(e) Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available.

(f) Inventory

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

(g) Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount.

4 (A) Amendment to Accounting Standards (Ind AS) issued but not yet effective

1. Changes in accounting policies and disclosures

a) New and amended standards

The Ministry of Corporate Affairs notified new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as issued from time to time. The Company applied for the first-time standards and amendments as applicable to the Company, which are effective for annual period beginning on or after April 01, 2025. The Company has not elected to early adopt any Indian Accounting Standard, interpretation or amendment that have been issued under the Companies (Indian Accounting Standards) Rules and are not yet effective.

Amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment does not have any impact on the Company's standalone financial statements.

Amendments to Ind AS 1 - Classification of liabilities with covenants

In August 2025, the MCA notified amendments to Ind AS 1 relating to the classification of liabilities as current or non-current. The amendments clarify the requirements for determining when an entity has a substantive right to defer settlement, that such right must exist at the reporting date, and that classification is unaffected by the likelihood of exercising that right. The amendments also clarify that terms of a convertible liability affect classification unless the embedded derivative is itself an equity instrument.

A new disclosure requirement has been introduced for non-current classification of loan liabilities when the right to defer settlement depends on compliance with covenants within the next twelve months. In cases of material covenant breaches existing at the reporting date, a lender's post-reporting-date waiver (before approval of the financial statements) is considered an adjusting event, and the liability need not be classified as current.

These amendments are effective for annual reporting periods beginning on or after April 1, 2025, and are to be applied retrospectively in accordance with Ind AS 8. The amendment has not had an impact on the classification of Company's liabilities.

Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendment does not have any impact on the Company's standalone financial statements.

Standards issued but are not yet effective

The amendments to the standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of approval of the Company's financial statements are disclosed below. The Company will adopt these amendments to the standards, when they become effective.

Amendments to Ind AS 1 and Ind AS 10 - Classification of liabilities and events after the reporting period

Ind AS 10 has been amended to remove the earlier requirement that a lender's waiver of a covenant breach, if obtained after the reporting date but before approval of the financial statements, be treated as an adjusting event (refer Note 2.2 a). For annual periods beginning on or after 1 April 2026, any covenant breach occurring on or before the reporting date whether material or immaterial will require classification of the related liability as current under Ind AS 1, unless the lender has granted, on or before the reporting date, a waiver covering at least 12 months after the reporting date. Such waivers will be considered adjusting events. The amendments are to be applied retrospectively in accordance with Ind AS 8.



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

5A Property, plant and equipment

Particulars	Computers	Buildings	Electrical Equipment & installations	Plant and machinery	Furniture & Fixtures	Office Equipment	Motor Vehicles	Total
Gross carrying value								
Balance as at 1 April 2024	12.54	270.02	50.57	1,029.30	40.55	10.84	4.38	1,418.20
Additions for the year	3.85	0.69	0.24	356.96	9.78	1.00	-	372.52
Disposals during the year				-				-
Balance as at 31 March 2025	16.39	270.71	50.81	1,386.26	50.33	11.84	4.38	1,790.72
Balance as at 01 April 2025	16.39	270.71	50.81	1,386.26	50.33	11.84	4.38	1,790.72
Additions for the year	5.04	601.74	39.10	74.37	1.85	1.96	-	724.06
Disposals during the year				-				-
Balance as at 31 March 2026	21.43	872.45	89.91	1,460.63	52.18	13.80	4.38	2,514.78
Accumulated Depreciation								
Balance as at 1 April 2024	8.72	29.07	16.57	310.48	10.02	5.34	1.51	381.71
Depreciation for the year	2.64	8.30	4.81	95.56	4.21	1.69	0.52	117.73
Disposals during the year								
Balance as at 31 March 2025	11.36	37.37	21.38	406.04	14.23	7.03	2.03	499.44
Balance as at 1 April 2025	11.36	37.37	21.38	406.04	14.23	7.03	2.03	499.44
Depreciation for the year	2.78	8.35	5.38	126.73	4.74	1.88	0.52	150.38
Disposals during the year								
Balance as at 31 March 2026	14.14	45.72	26.76	532.77	18.97	8.91	2.55	649.82
Carrying amounts (Net)								
Balance as at 31 March 2025	5.03	233.34	29.43	980.22	36.10	4.81	2.35	1,291.28
Balance as at 31 March 2026	7.29	826.73	63.15	927.86	33.21	4.89	1.83	1,864.96

Notes

- For charges created on property, plant and equipment refer note 20 and note 44.
- The Company has not revalued its Property, plant and equipment (including Right-of-use assets) or intangible assets or both.
- The Company does not have any immovable property whose title deeds are not held in the name of the Company except those held under lease arrangements for which lease agreements are duly executed in the favour of the Company.
- Detailed accounting policy for Property, plant and equipment and depreciation refer note 2.04



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5B 5B Capital work in progress (CWIP)

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance at the beginning of the year	6.28	-
Additions during the year	775.41	338.74
Capitalised during the year	(674.27)	(332.46)
Closing balance at the end of the year	107.42	6.28

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

As at 31 March 2026

Particulars	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	107.42	-	-	-	107.42
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2025

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	6.28	-	-	-	6.28
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.

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5C Right-of-use assets

The changes in the carrying value of ROU assets for the year ended 31 March, 2026 & 31 March, 2025 are as follows

Particulars	Leasehold land	Building	Total
Gross carrying value			
Balance as on 1 April 2024	32.31	-	32.31
Addition during the year	179.32	38.90	218.22
Disposals during the year	-	-	-
Balance as at 31 March 2025	211.63	38.90	250.53
As at 01 April 2025	211.63	38.90	250.53
Addition during the year	-	-	-
Disposals during the year	-	-	-
As at 31 March 2026	211.63	38.90	250.53
Accumulated Depreciation			
Balance as at 1 April 2024	2.75	-	2.75
Depreciation expenses for the year	1.74	2.94	4.68
Disposals during the year	-	-	-
Balance as at 31 March 2025	4.49	2.94	7.43
As at 01 April 2025	4.49	2.94	7.43
Depreciation expenses for the year	2.24	7.84	10.08
Disposals during the year	-	-	-
As at 31 March 2026	6.73	10.78	17.51
Carrying amounts (Net)			
Balance as at 31 March 2025	207.14	35.96	243.10
As at 31 March 2026	204.90	28.12	233.02

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Standalone Statement of Profit and Loss (refer note 30)

The break-up of current and non-current lease liabilities as at 31 March 2026 and 31 March 2025 is as follows:

Particulars	As at 31 Mar 2026	As at 31 Mar 2025
Current lease liabilities	9.58	9.18
Non-current lease liabilities	25.99	31.71
Total lease liabilities	35.57	40.89

The movement in lease liabilities during the year ended 31 March 2026 and 31 March 2025 is as follows:

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening balance at the beginning of the year	40.89	2.16
Additions during the year	-	42.09
Deletions during the year	-	-
Finance cost accrued during the year	3.87	1.97
Payment of lease liabilities	(9.19)	(5.33)
Closing balance at the end of the year	35.57	40.89

Amounts recognised in the Statement of profit and loss during the year ended 31 March 2026 and 31 March 2025:

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Interest expense on lease liabilities (Refer Note 29)	3.87	1.97
Expenses related to short-term leases or low value leases (included in other expenses) (refer note 31)	49.04	50.13
Depreciation expense of right-of-use assets (refer note 30)	10.08	-
Total	62.99	52.10

Amounts recognised in the Standalone Statement of cash flow during the year ended 31 March 2026 and 31 March 2025:

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Cashflow for leases	(9.18)	(3.36)

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	9.58	8.48
One to five years	28.98	33.92
More than five years	78.93	80.93

Note: The Company has entered into lease arrangements for two parcels of factory land having lease terms of 82 years and 99 years respectively, and one lease for its corporate office premises with a lease term of 5 years



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Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

6 Intangible assets

Particulars	Software & Licence	Total
Gross carrying value		
Balance as at 1 April 2024	-	-
Additions for the year	7.72	7.72
Disposals during the year	-	-
Balance as at 31 March 2025	7.72	7.72
As at 01 April 2025	7.72	7.72
Additions for the year	0.75	0.75
Disposals during the year	-	-
As at 31 March 2026	8.47	8.47
Accumulated Amortisation and Impairment		
Balance as at 1 April 2024	-	-
Amortisation Charge for the year	0.36	0.36
Disposals during the year	-	-
Balance as at 31 March 2025	0.36	0.36
Balance as at 1 April 2025	0.36	0.36
Amortisation Charge for the year	1.49	1.49
Disposals during the year	-	-
As at 31 March 2026	1.85	1.85
Carrying amounts (Net)		
Balance as at 31 March 2025	7.36	7.36
Balance as at 31 March 2026	6.62	6.62

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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

7 Non-current other financial assets

Particulars	As at 31 March 2026	As at March 31, 2025
Carried at amortised cost		
Unsecured, Considered good		
Security Deposits	4.83	6.06
Government grants receivables	53.58	100.66
Total	58.41	106.72

7A Non-current investments

Particulars	As at 31 March 2026	As at March 31, 2025
Investment in Equity Instrument		
Unquoted- carried at cost		
Investment in equity instrument of subsidiaries (fully paid up)*		
Swara Hygiene Private Limited 10,000 equity shares of face value of ₹ 10 each	0.47	0.10
Solis Hygiene Private Limited 70,92,200 equity shares of face value of ₹ 10 each	1,064.61	-
KA Enterprises (Hygiene) Private Limited 38,49,572 equity shares of face value of ₹ 10 each	577.56	-
Total	1,642.64	0.10

* Investments in subsidiaries also includes cost of ESOP contribution for options granted to employees of subsidiaries as per Company's ESOP plan (Refer Note 40)

8 Other non-current assets

Particulars	As at 31 March 2026	As at March 31, 2025
Unsecured, Considered good		
Capital advances	593.65	11.79
Balances with government authorities	313.18	196.95
Prepaid Expenses	1.05	0.41
Total	907.88	209.15

9 Inventories

Particulars	As at 31 March 2026	As at March 31, 2025
Raw material (*)	1,073.87	1,001.29
Work in progress	7.72	1.44
Finished goods (**)	101.83	111.76
Stock-in-trade	100.00	97.80
Store and spares parts	67.21	44.69
Total	1,350.63	1,256.98

* Above Inventories includes Raw materials-in-transit amounting to ₹ 31.35 million

** Above Inventories includes Finished goods-in-transit amounting to ₹ 12.79 million

10 Trade receivable

Particulars	As at 31 March 2026	As at March 31, 2025
Unsecured Trade Receivables		
-Considered good	643.71	460.55
Less - Allowance for expected credit loss	(3.52)	(1.76)
Total	640.19	458.79
Further classified as:		
Receivable from related parties (Refer note 35)	127.77	184.01
Receivable from others	512.42	274.78
Total	640.19	458.79

Trade receivables ageing schedule as at 31 March 2026

Particulars	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	278.10	280.80	45.68	6.41	27.14	2.06	640.19
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	3.52	-	3.52
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	-	-	-	-	-	-	-
Sub Total	278.10	280.80	45.68	6.41	30.66	2.06	643.71
Less - Allowance for expected credit loss	-	-	-	-	(3.52)	-	(3.52)
Total	278.10	280.80	45.68	6.41	27.14	2.06	640.19

Trade receivables ageing schedule as at 31 March 2025

Particulars	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	174.38	-	243.59	40.47	0.35	-	458.79
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Undisputed Trade receivables - Related Parties	-	-	-	-	-	-	-
Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	174.38	-	243.59	40.47	0.35	-	458.79



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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(b) Movements in allowance for expected credit loss is as below:

Particulars	As at 31 March 2026	As at March 31, 2025
Opening balance at the beginning of the year	1.76	-
Add: Allowance made / write offs during the year	1.76	1.76
Closing balance at the end of the year	3.52	1.76

(c) For charges created on trade receivables refer note 17 and note 20

(d) There is no significant financing component as the Company's credit terms do not exceed 60 days

(e) No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member

(f) There are no unbilled receivables, hence the same is not disclosed in ageing schedule

11 Cash and cash equivalents

Particulars	As at 31 March 2026	As at March 31, 2025
Balances with banks:		
In current accounts	5.08	0.03
Cash on hand	0.03	0.04
Total	5.11	0.07

Note: There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period

11A Bank balances other than Cash and cash equivalent

Particulars	As at 31 March 2026	As at March 31, 2025
Bank deposits with original maturity of more than three months but remaining maturity of less than twelve months	0.31	100.31
Total	0.31	100.31

12 Loan

Particulars	As at 31 March 2026	As at March 31, 2025
	Current	Current
Loan to related parties (Refer note 35)	917.72	1,278.33
Total	917.72	1,278.33
	Non-Current	Non-Current
Loan to related parties (Refer note 35)	144.91	-
Total	144.91	-

Name of the loanee	Current/Non Current	Rate of interest	Due date	Secured / Unsecured	As at 31 March 2026	As at March 31, 2025
Swara Hygiene Private Limited (Refer note 35)	Current	8.45%	Repayable	Unsecured	648.71	1,028.33
K A Enterprises (Hygiene) Private Limited (Refer note 35)	Non current	8.45%	5 Years	Unsecured	144.91	-
Solis Hygiene Private Limited (Refer note 35)	Current	8.45%	Repayable	Unsecured	269.01	250.00

13 Other financial assets

Particulars	As at 31 March 2026	As at March 31, 2025
Unsecured, Considered good		
Government grants receivables	50.20	42.48
Interest accrued on deposits	-	0.05
Security deposits	6.94	7.21
Total	57.14	49.74

14 Income tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets	3.20	-
Total	3.20	-

14A Other current assets

Particulars	As at 31 March 2026	As at March 31, 2025
Unsecured, Considered good		
Advance to Supplier	68.94	79.64
Prepaid expenses	9.21	10.45
Amount recoverable towards share issue expenses(*)	31.04	-
Total	109.19	90.09

*The Company has incurred share issue expenses in connection with proposed initial public offer of equity shares amounting to ₹ 31.04 million, recoverable from selling shareholders or adjustable against securities premium portion of the Initial Public Offer (IPO) proceeds



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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15 Share capital

Particulars	As at 31 March 2026	As at 31 March, 2025
Authorised		
29,00,00,000 Equity Shares of ₹ 2 each (31 March 2025: 1,60,00,000 Equity Shares of ₹ 10 each)	580.00	160.00
Nil (31 March 2025: 1,30,00,000 CCPS (Compulsorily Convertible Preference Shares) of ₹ 10 each)	-	130.00
	580.00	290.00
Issued, subscribed and paid up		
24,42,84,747 Equity Shares of ₹ 2 each (31 March 2025: 1,28,52,719 Equity Shares of ₹ 10 each)	488.57	128.53
Nil (31 March 2025: 1,28,48,221) 0.1% CCPS (Compulsorily Convertible Non-cumulative Preference Shares) of ₹ 10 each	-	128.48
Total	488.57	257.01

During year ended 31 March 2026, the authorised share capital was increased by ₹ 290 million i.e. 145 million equity shares of ₹ 2 each.

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period

(i) Equity Shares

Particulars	As at 31 March 2026		As at 31 March, 2025	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the year	1,28,52,719	128.53	1,28,52,719	128.53
Add: shares issued during the year	1,09,41,772	109.42	-	-
Add: Issue on Conversion of 0.1% Compulsorily Convertible Non-cumulative Preference Shares of ₹	1,28,48,221	128.48	-	-
Add: Sub-division of 1 share of face value ₹10/- each into 5 shares of face value ₹2/- each	14,65,70,848	-	-	-
Add: Bonus shares issued during the year	6,10,71,187	122.14	-	-
Closing balance at the end of the year	24,42,84,747	488.57	1,28,52,719	128.53

(ii)

Instrument entirely equity in nature (0.1% Compulsorily Convertible cumulative Preference Shares)

Particulars	As at 31 March 2026		As at 31 March, 2025	
	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the year	1,28,48,221	128.48	1,28,48,221	128.48
Add: shares issued during the year	-	-	-	-
Less: Conversion of Preference Shares into Equity Shares	(1,28,48,221)	(128.48)	-	-
Closing balance at the end of the year	-	-	1,28,48,221	128.48

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

The Company has only one class of equity shares having par value of ₹ 2 each. 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 had one class of Compulsorily Convertible Preference Shares (CCPS) with a par value of ₹ 10 each. Each CCPS carried one vote per share. Dividend, if any, declared was payable in Indian Rupees and was subject to approval of the shareholders at the Annual General Meeting. The dividends were cumulative and were payable in priority to any dividend on equity shares.

During the year, all the CCPS were converted into equity shares at a conversion ratio of 1:1 in accordance with the terms of issue. Consequently, there were no CCPS outstanding as at the reporting date.

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2026			As at 31 March, 2025	
	Number of shares	% of holding in the class	% of change during the period	Number of shares	% of holding in the class
Equity shares of ₹ 10 each fully paid					
Brambees Solutions Ltd	18,70,86,380	76.59%	1.99%	95,87,998	74.60%
Anadya Bon Merchani LLP	1,83,38,013	7.51%	-13.89%	27,50,702	21.40%

(e) Details of shares held by promoters at the end of the year

Name of the shareholder	As at 31 March 2026			As at 31 March, 2025	
	Number of shares	% of Total shares	% of change during the period	Number of shares	% of Total shares
Anadya Bon Merchani LLP	1,83,38,013	7.51%	-13.89%	27,50,702	21.40%
Brambees Solutions Ltd	18,70,86,380	76.59%	1.99%	95,87,998	74.60%
Mr. Udit Birla	1,17,29,375	4.80%	4.80%	-	-
Mrs. Sangita Birla	1,19,28,720	4.88%	4.88%	-	-
Alok Birla	34,26,793	1.40%	-2.60%	5,14,019	4.00%



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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(f) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Particular	As at 31 March 2026		As at 31 March 2025	
	Number	Amount	Number	Amount
Equity shares allotted as fully paid bonus shares	6,10,71,187	122.14	-	-
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	1,09,41,772	109.42	-	-
Equity shares allotted on conversion of Compulsorily Convertible Preference Shares (CCPS)	1,28,48,221	128.48	-	-
Equity shares bought back by the Company	-	-	-	-

Particular	As at 31 March 2024		As at 31 March 2023	
	Number	Amount	Number	Amount
Equity shares allotted as fully paid bonus shares	-	-	-	-
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	-	-	-	-
Equity shares allotted on conversion of Compulsorily Convertible Preference Shares (CCPS)	-	-	-	-
Equity shares bought back by the Company	-	-	-	-

Particular	As at 31 March 2022	
	Number	Amount
Equity shares allotted as fully paid bonus shares	-	-
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	-	-
Equity shares allotted on conversion of Compulsorily Convertible Preference Shares (CCPS)	-	-
Equity shares bought back by the Company	-	-

- (g) Promoters of the Company have been analysed and identified in accordance with applicable provision of the Companies Act 2013 vide resolution dated 20 November 2025
(h) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end
(i) There are no securities convertible into equity shares outstanding as on reporting date
(j) Pursuant to the resolution passed at board meeting and extraordinary general meeting both held on 14 January 2026, shareholders have approved a sub-division of the equity shares of the Company. All the existing issued, subscribed and paid-up equity shares of face value of ₹ 10 each have been sub-divided into two equity shares of ₹ 2/- each

16 Other equity

Particulars	As at 31 March 2026	As at 31 March, 2025
(A) Securities premium		
Opening balance at the beginning of the year	871.07	871.07
Add: Securities premium credited on account of issue of shares	1,531.85	-
Less: Securities premium utilised on issue of bonus shares	(122.14)	-
Less: Transaction cost on issue of shares	(2.81)	-
Closing balance at the end of the year	2,277.97	871.07
(B) Share Options Outstanding account		
Opening balance at the beginning of the year	-	-
Add: Share based Payment expense (Refer Note 28A)	3.42	-
Closing balance at the end of the year	3.42	-
(C) Surplus in the Standalone Statement of Profit and Loss		
Opening balance at the beginning of the year	1,791.48	1,362.98
Add: Net profit for the current year	286.78	428.84
Other comprehensive loss for the year	(0.55)	(0.34)
Closing balance at the end of the year	2,077.71	1,791.48
Total other equity (A + B + C)	4,359.10	2,662.55

Retained earnings

Retained earnings are used to record the restated profit/(loss) earned by the Company. The reserve is utilised in accordance with the provisions of the Act. It includes impact of remeasurement gain/(loss) net of taxes on defined benefit plans on account of change in actuarial assumption or experience adjustments within the plan.

Security Premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act 2013.

17 Non-current borrowings

Particulars	As at 31 March 2026	As at 31 March, 2025
Secured, at amortised cost		
Term loans from banks	1,150.18	248.25
Total	1,150.18	248.25
Less: Current maturity of long term borrowings (Refer note 20)	(170.33)	(102.57)
Total	979.85	145.68



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

18 Provisions

Particulars	As at 31 March 2026	As at 31 March, 2025
	Current	Current
Provision for gratuity (Refer note 34(B)(v))	2.28	1.29
Provision for compensation absences (Refer note 34(B))	0.40	0.20
Total	2.68	1.49
Provisions	Non-Current	Non-Current
Provision for gratuity (Refer note 34)	7.00	6.13
Provision for compensation absences	1.03	-
Total	8.03	6.13

19A Current tax Liability (net)

Particulars	As at 31 March 2026	As at 31 March, 2025
Income tax provision (net of tax asset)	-	7.63
Total	-	7.63

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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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19 Other non-current liabilities

Particulars	As at 31 March 2026	As at 31 March, 2025
Deferred government grant income	95.62	141.11
Total	95.62	141.11

20 Short-term borrowings

Particulars	As at 31 March 2026	As at 31 March, 2025
Secured, from bank		
Cash Credit Facility (Refer Note below)	396.88	472.90
Interest accrued but not due on loan	9.18	1.81
Current maturity of long term loans	170.33	102.57
Unsecured, Loans from related parties		
Loan from Brainbees Solutions Limited (Refer Note 35)	450.00	450.00
Total	1,026.39	1,027.28

i) Refer note 45 for details of quarterly return for borrowings secured against current asset

Cash Credit Facility

(i) The Company has taken Cash Credit Facility from HDFC bank amounting to Rs. 396.88 Million (Previous Year Balance is 472.90 Million) which are secured by way of exclusive charge on Current Assets (Present & Future) of the company, Building in name of company, Plant & Machinery (Present & future) of the company. Cash credit carry floating rate of interest from 7.32% to

Related Party

The Company has obtained unsecured loans from Brainbees Solutions Limited in one or more tranches, amounting to Rs. 450.00 million as at 31 March 2026, which are repayable on demand. The Company has agreed to utilise the loan facilities exclusively for its business and operations, and the loans carry interest at rate of 8.00% per annum, payable as mutually agreed between the

Particular	Start Date	Maturity Date	Nature of Security	Interest Rate	As at 31 March 2026			As at 31 March 2025		
					Non Current Liability	Current Liability	Total	Non Current Liability	Current Liability	Total
Term Loan (*)	13-Sep-24	13-Sep-29	1. Equitable Mortgage of	7.90% - 11.65%	59.62	23.84	83.46	83.46	23.84	107.30
Term Loan (*)	23-Sep-24	13-Sep-29	Factory Land & Building	7.90% - 11.65%	13.82	5.53	19.35	19.35	5.52	24.87
Term Loan (*)	24-Dec-24	13-Oct-29	at Pithampur	7.90% - 11.65%	26.91	10.76	37.67	37.67	10.76	48.43
Term Loan (*)	17-Apr-21	17-Apr-26	2. First Charge of Plant	7.90% - 11.65%	-	1.65	1.65	1.66	19.79	21.45
Term Loan (*)	23-Jun-21	17-Apr-26	& Machinery of the	7.90% - 11.65%	-	1.71	1.71	1.66	20.57	22.23
Term Loan (*)	1-Nov-21	17-Apr-26	Company & Including	7.90% - 11.65%	-	1.84	1.84	1.88	22.09	23.97
Term Loan (*)	30-Sep-25	31-Aug-30	Assets Both Present and	7.90% - 11.65%	875.00	125.00	1,000.00	-	-	-
Term Loan (*)	30-Mar-26	30-Mar-31	Future	8%	4.50	-	4.50	-	-	-
Total					979.85	170.33	1,150.18	145.68	102.57	248.25

(*) Terms of repayment: Monthly instalment in 5 years

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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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21 Trade payables

Particulars	As at 31 March 2026	As at 31 March, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer Note 41)	29.12	32.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	700.41	369.49
Total	729.53	402.32

Trade payable ageing schedule as at 31 March 2026

Particulars	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payable						
Total outstanding dues of micro and small enterprises	18.41	10.71	-	-	-	29.12
Total outstanding dues of creditors other than micro and small enterprises	463.13	235.83	1.34	0.11	-	700.41
Disputed trade payable						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	481.54	246.54	1.34	0.11	-	729.53

Trade payable ageing schedule as at 31 March 2025

Particulars	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
Undisputed trade payable						
Total outstanding dues of micro and small enterprises	25.69	7.14	-	-	-	32.83
Total outstanding dues of creditors other than micro and small enterprises	303.94	65.54	0.01	-	-	369.49
Disputed trade payable						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	329.63	72.68	0.01	-	-	402.32

22 Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March, 2025
Other financial liabilities at amortised cost		
Capital creditors	2.94	37.43
Accrued employee liability	26.95	19.68
Total	29.89	57.11

23 Other current liabilities

Particulars	As at 31 March 2026	As at 31 March, 2025
Statutory due payable	7.39	7.31
Revenue received in advance	131.64	184.70
Deferred government grant	45.49	48.11
Total	184.52	240.12

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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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24 Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products(*)	7,366.69	5,387.22
Sale of services		
Other services	32.88	36.15
Other operating revenue	18.48	27.99
Total	7,418.05	5,451.36
(*) Sale of products consist of: (net of returns, discounts, etc.)		
Diapers	3,756.38	3,909.02
Trading items	3,069.14	1,373.95
Others	541.17	104.25
Total	7,366.69	5,387.22

(a) Reconciliation of revenue from contract with customer

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Contract balances		
Contract assets		
Trade receivables	640.19	458.79
Contract liabilities		
Revenue received in advance	131.64	184.70
(b) Reconciliation of revenue as recognized in the Standalone Statement of Profit & Loss with the contracted price:		
Revenue as per contracted price	7,587.96	5,626.47
Less: Sales return	-	-
Less: Discount	169.91	175.11
Revenue as per Standalone Statement of Profit & Loss	7,418.05	5,451.36

b) Disaggregation of revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers

Type of goods/services

Sale of hygiene products	7,366.69	5,387.22
Other services	32.88	36.15
Other operating revenue	18.48	27.99
Total Revenue from operations	7,418.05	5,451.36

Geographical information

- Within India	7,264.37	5,341.67
- Outside India	153.68	109.69
Total Revenue from operations	7,418.05	5,451.36

Timing of revenue recognition

Goods transferred at a point in time	7,385.17	5,415.21
Services provided over the time	32.88	36.15
Total Revenue from operations	7,418.05	5,451.36

c) Performance obligations

Sales of goods: Performance obligation is satisfied when control of goods is transferred to the customer, generally on delivery of the goods

Sales of services: The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of services

d) The Company does not have any remaining performance obligation as contracts entered for sale of goods and services are for a shorter duration. There are no contracts for sale of goods and services wherein, performance obligation is unsatisfied to which transaction price has been allocated

25 Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income		
- on fixed deposits designated as amortized cost	-	0.05
- on unwinding of security deposits	1.16	0.79
- on loan given to related parties (Refer Note 35)	75.70	124.96
Other non-operating income		-
Gain on foreign currency transactions and translations (net)	2.21	9.80
Income from government grant	60.35	70.72
Miscellaneous income	5.84	0.50
Total	145.26	206.82

Government Grants and Incentives

-Government grants are recognised when there is a reasonable assurance that the Company will comply with the relevant conditions and the grant will be received

-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



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

26 Cost of raw materials consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory at the beginning of the year	1,001.29	684.10
Add Purchases(*)	3,457.98	3,347.20
Less Inventory at the end of the year	1,073.87	1,001.29
Material captively used in capital projects	-	10.37
Cost of raw materials consumed	3,385.40	3,019.64

(*) Includes packing material, Custom duty, Clearing Charges, Carriage Inward, etc incurred in order to bring the materials in its intended use

27 Changes in inventories of finished goods, Stock-in-trade and work-in-progress

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventories at the beginning of the year		
-Finished goods	111.76	95.90
-Work-in-progress	1.44	1.32
-Stock-in-trade	97.80	69.88
Total	211.00	167.10
Less: Inventories at the end of the year		
-Finished goods	101.83	111.76
-Work-in-progress	7.72	1.44
-Stock-in-trade	100.00	97.80
Total	209.55	211.00
Net increase	1.45	-43.90

28 Employee benefits expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages, bonus and other allowances	189.45	139.32
Contribution to provident and other funds	8.58	5.22
Staff welfare expenses	14.75	10.94
Total	212.78	155.48

28A Share based payment expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Share based payment expense (Refer Note 40)	2.15	-
Total	2.15	-

29 Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on borrowings	63.86	70.60
Interest expenses on lease liability (Refer Note 5C)	3.87	1.97
Others (commission on funding, Bank charges)	2.24	2.20
Total	69.97	74.77

30 Depreciation and amortization expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation on property, plant and equipment (Refer note 5A)	150.38	117.73
Amortization on Intangible assets (Refer note 6)	1.49	0.36
Depreciation on right to use assets (Refer note 5C)	10.08	4.68
Total	161.95	122.77

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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

31 Other expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Power and fuel	78.00	69.65
Consumption of stores and spares	24.76	22.77
Labour charges	72.72	71.78
Freight and forwarding charges	44.69	37.80
Repairs and maintenance	5.73	5.71
Rent	49.04	50.13
Rates and taxes	0.52	0.80
Vehicle running expenses	1.06	0.52
Travel and conveyance	38.59	29.88
Postage and courier	2.15	1.94
Insurance	10.13	6.83
Printing and stationery	1.05	0.92
Communication, broadband and internet expenses	1.04	0.93
Security expenses	13.63	9.61
Legal and professional charges	20.91	16.03
Payment to auditors(*)	2.10	2.20
Advertisement and business promotion	45.76	95.87
Commission	21.52	24.57
Expenditure towards Corporate Social Responsibility activities (refer note 42)	11.90	10.61
Miscellaneous expenses	98.78	69.09
Total	544.08	527.64

*Note Payment to auditors includes

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditor:		
Statutory audit	2.10	2.20
Total	2.10	2.20

32 Income Tax

(A) Deferred tax relates to the following:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Deferred tax assets		
Government Grant	9.40	-
On disallowance u/s 43B of the Income Tax act, 1961	4.10	1.92
Impact of Employee Share based payment expense	0.54	-
	14.04	1.92
Deferred tax liabilities		
Property, plant and equipment	123.51	110.90
Impact of Interest Subsidy	0.13	-
	123.64	110.90
Deferred tax income	(109.60)	(108.98)
Deferred tax liability	(109.60)	(108.98)

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

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Deferred tax asset	14.04	1.92
Deferred tax liabilities	(123.64)	(110.90)
Deferred tax assets/ (liabilities), Net	(109.60)	(108.98)

(C) Reconciliation of deferred liabilities (Net):

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance at the beginning of the year	(108.98)	(90.18)
Tax liability recognized in the Standalone Statement of Profit and Loss	(0.62)	(18.80)
Closing balance at the end of the year	(109.60)	(108.98)

(D) Deferred tax expense to be recognized in Standalone Statement of Profit or Loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Tax liability	(12.93)	(19.26)
Tax asset	12.12	0.46
Deferred tax liability to be recognized	(0.81)	(18.80)



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

(E) Income tax expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
- Current tax	86.15	135.46
- Deferred tax charge	0.81	18.91
Income tax expense reported in the Standalone Statement of Profit or Loss	86.96	154.37

(F) Reconciliation of tax charge

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before tax	373.74	583.21
Income tax expense at tax rates applicable @ 25.168%	94.06	146.78
Tax effects of		
- Item not deductible for tax	8.19	(2.67)
- Other income not liable to tax	(16.11)	19.03
- Others	0.82	(8.77)
Income tax expense	86.96	154.37

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33 Earnings per share

Basic earnings per share amounts are calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding as at the end of the year

Diluted earnings per share amounts are calculated by dividing the profit /loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of

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

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit attributable to equity shareholders	286.78	428.84
Weighted average number of shares outstanding during the year ^	19,07,25,023	17,13,39,600
Total weighted average number of shares as at period end	19,07,25,023	17,13,39,600
Basic earning per share (₹)	1.50	2.50
Weighted average number of equity shares for diluted EPS ^	19,07,25,023	17,13,39,600
Diluted earning per share (₹)	1.50	2.50

The impact of stock split and bonus shares has been considered retrospectively for the purpose of calculation of basic and diluted earnings per share for the current year

34 Employee benefits

(A) Defined Contribution Plans

The Company operates defined contribution retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Company: Provident Fund Plan and Employee Pension Scheme. The Company makes monthly contributions at prescribed rates towards Employee Provident Fund/ Employee Pension Scheme, a fund administered and managed by the Government of India.

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

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 28)	8.58	5.22

(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 below

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 Company'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.

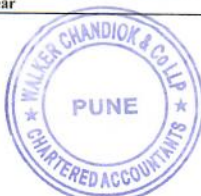
Particulars	As at 31 March 2026	As at 31 March 2025
a) Gratuity payable to employees (Refer note 18)	9.28	7.42
b) Compensated absences for employees (Refer note 18)	1.43	0.20

i) Actuarial assumptions

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Discount rate (per annum)	6.65%	6.50%
Rate of increase in salary	10.00%	10.00%
Expected average remaining working lives of employees (years)	3.42 Yrs	3.43 Yrs
Attrition rate	25.00%	25.00%

ii) Changes in the present value of defined benefit obligation

Particulars	Employee's gratuity fund	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Present value of obligation at the beginning of the year	7.42	4.89
Interest cost	0.50	0.35
Past service cost	-	-
Current service cost	2.63	1.74
Benefits paid	-	-
Re-measurement (or Actuarial) (gain) / loss arising from	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	(0.07)	0.20
- experience variance (i.e. Actual experiences assumptions)	0.80	0.24
Present value of obligation at the end of the year	11.28	7.42



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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iii) Changes in the present value of plan assets

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Present value of plan assets at the beginning of the year	-	-
Interest income on plan assets	-	-
Employer contribution to plan assets	2.00	-
Return on plan assets excluding interest income	-	-
Benefits paid	-	-
Present value of plan assets at the end of the year	2.00	-

iv) Expense recognized in the Standalone Statement of Profit and Loss

Particulars	Employee's gratuity fund	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Current service cost	2.63	1.74
Past service cost	-	-
Interest cost	0.50	0.35
Expected return on plan assets	-	-
Settlements	-	-
Curtailments	-	-
Total expenses recognized in the Standalone Statement of Profit and Loss	3.13	2.09

v) Expense recognized in the Other comprehensive Income:

Particulars	Employee's gratuity fund	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial (gain) / loss on obligations recognized	0.73	0.44
Total expenses recognized in the Other Comprehensive Income	0.73	0.44

vi) Assets and liabilities recognized in the Standalone Balance Sheet

Particulars	Employee's gratuity fund	
	As at 31 March 2026	As at 31 March 2025
Present value of unfunded obligation as at the end of the year	(11.28)	(7.42)
Present value of plan assets as at the end of the year	2.00	-
Net liability recognized in the Standalone Balance Sheet(*)	(9.28)	(7.42)

*Included in provision for employee benefits (Refer note 18)

vii) Amounts to be recognised in Standalone Balance Sheet

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Gratuity		
Non-current	7.00	6.13
Current	2.28	1.29
Total	9.28	7.42

viii) A quantitative sensitivity analysis for significant assumption as at 31 March 2026 and 31 March 2025 is as shown below:

Particulars	Employee's gratuity fund	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Impact on defined benefit obligation		
Discount rate		
1% increase	0.45	0.31
1% decrease	(0.49)	(0.33)
Rate of increase in salary		
1% increase	0.47	0.32
1% decrease	(0.44)	(0.30)
Attrition Rate		
1% increase	0.10	0.08
1% decrease	(0.10)	(0.08)

ix) Maturity profile of defined benefit obligation

Particulars	Employee's gratuity fund	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Year		
Apr 2026- Mar 2027	2.28	1.29
Apr 2027- Mar 2031	7.29	4.95
Apr 2031- Mar 2036	3.99	2.66
Apr 2036 onwards	1.91	1.30

x) Expected Contribution during the next annual reporting year

Particulars	As at 31 March 2026	As at 31 March 2025
The Company's best estimate of Contribution during the next year	-	-

(*) Since the scheme is managed on unfunded basis, the next year contribution is taken as nil



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

xi) **Maturity Profile of Defined Benefit Obligation**

Particulars	As at 31 March 2026	As at 31 March 2025
Weighted average duration (based on discounted cashflows)	4 years	4 years

35 **Related Party Disclosures:**

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

Parent Company

Brainbees Solutions Limited

Wholly owned subsidiaries

Swara Hygiene Private Limited

Solis Hygiene Private Limited (w e f 25 Dec 2025)

KA Enterprises (Hygiene) Private Limited (w e f 25 Dec 2025)

Swara Corp (w e f 08 March 2026)

Swara Baby Products Pvt. Ltd. -Employee Gratuity Trust

Fellow Subsidiaries

Intellibeas Solutions Private Limited

Firstery Management DWC - LLC

Shenzhen Starbees Services Ltd

Joybees Private Limited

Digital Age Retail Private Limited

Firmroots Private Limited

Globalbees Brands Private Limited

Firstery Retail DWC - LLC

Firstery Trading Company

Firstery General Trading LLC

Merhaki Foods and Nutrition Private Limited

Maximique 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

Anadya Baby Products

Rajneesh Jain

Kairos Hygiene Private Limited

Catering By S Kitchen LLP

KA Enterprises

Key Management Personnel (KMP)

Alok Birla

Supam Maheshwari

Gautam Sharma

Sangita Birla

Prashant Prakash Jadhav

Tushar Gunjalkar

Itisha Sahu

Ravindra Sancheti

Nature of relationship

Entities over which a director has significant influence

Relative of Director

Relative of Director has significant influence

Relative of Director has significant influence

Relative of Director has significant influence

Nature of relationship

Managing Director

Director

Director

Director

Director

Company Secretary (Upto 12 February 2026)

Company Secretary (w e f 13 February 2026)

Chief Financial Officer (w e f 24 May 2025)

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

Parent Company (Brainbees Solutions Limited)

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Sale of products	2,484.62	2,036.02
Interest expense	36.00	36.00
Refund liability	-	22.17



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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Subsidiary Company (Swara Hygiene Private Limited)

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Investment made in equity share (Refer Note 7A)	0.47	0.10
Sale of products	213.51	49.96
Purchases	1,321.60	-
Loan given	90.00	682.50
Repayment received	385.00	680.00
Interest income on loan given	54.13	102.90

Subsidiary Company (Solis Hygiene Private Limited) (w.e.f. 25 Dec 2025)

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Investment made in equity share (Refer Note 7A)	1,064.61	-
Sale of products	285.38	140.60
Sale of assets	0.12	-
Purchases	1,475.75	1,153.07
Advertisement & Business promotion expenses	101.06	-
Interest income on loan given	21.13	21.12

Subsidiary Company (KA Enterprises (Hygiene) Private Limited) (w.e.f. 25 Dec 2025)

Particulars	For the period ended 31 March 2026	For the year ended 31 Mar 2025
Investment made in equity share (Refer Note 7A)	577.56	-
Sale of products	0.25	-
Loan given	147.00	-
Repayment received	2.50	-
Interest income on loan given	0.45	-

Entity under common control

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
KA Enterprises (upto 25 Dec 2025):		
Sale of products	91.17	60.35
Purchases	0.69	0.03

Entity under Significant influence

Particulars	For the period ended 31 March 2026	For the year ended 31 Mar 2025
KA Enterprises (Hygiene) Private Limited (w.e.f. 25 Dec 2025):		
Sale of products	29.77	-
Purchases	0.01	-

III Disclosure in respect of all related party transactions:

Sale of products

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Brambees Solution Limited	2,484.62	2,036.02
KA Enterprises	91.17	60.35
KA Enterprises (Hygiene) Private Limited	30.01	-
Solis Hygiene Private Limited(w e f 25 Dec 2025)	285.38	140.60
Swara Hygiene Private Limited	213.51	49.96
Firstcry Trading Company	2.88	9.40
FirstCry Retail DWC LLC	43.06	51.59

Purchase

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
KA Enterprises	0.69	0.03
Solis Hygiene Private Limited(w e f 25 Dec 2025)	1,475.75	1,153.07
Kairos Hygiene Private Limited	110.10	60.47
Swara Hygiene Private Limited	1,321.60	-

Interest Income

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Swara Hygiene Private Limited	54.13	102.90
Solis Hygiene Private Limited(w e f 25 Dec 2025)	21.13	21.12
KA Enterprises (Hygiene) Private Limited	0.45	-



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Key Management Personnel (KMP)

Compensation of key management personnel

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Short-term employee benefits:		
Salaries including bonuses:		
Alok Burla	36.23	31.50
Tushar Gunjalkar (Upto 12 February 2026)	0.75	0.75
Itisha Sahu (w.e.f. 13 February 2026)	0.20	-
Ravindra Sancheti (w.e.f. 24 May 2025)	4.60	-
Staff welfare expenses	-	-
Director sitting fees	-	-
Company car allowance	-	-
Post-employment benefits:		
Defined benefit pension plans	-	-
Defined contribution pension plans	-	-
Termination benefits	-	-
Share based payments	0.29	-
Total remuneration	42.07	32.25

IV Amount due to/from related party as on 31 March 2026 and 31 March 2025:

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Advance received	121.66	161.17
Trade receivables	131.83	186.01
Trade payable	340.20	-
Loan taken	450.00	450.00
Loan Given	1,062.63	1,278.33
Interest Exp on loan	36.00	36.00

Subsidiary Company (Swara Hygiene Private Limited)

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Investment made in equity share (Refer Note 7A)	0.47	0.10
Trade receivables	-	70.85
Trade Payables	340.20	-
Loan given	648.71	1,028.33

Subsidiary Company (Solis Hygiene Private Limited) (w.e.f. 25 Dec 2025)

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Investment made in equity share (Refer Note 7A)	1,064.61	-
Trade Receivables	41.72	62.46
Loan given	269.01	250.00

Subsidiary Company (KA Enterprises (Hygiene) Private Limited) (w.e.f. 25 Dec 2025)

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Investment made in equity share (Refer Note 7A)	577.56	1.00
Trade receivables	90.11	-

Trade Payable

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Swara Hygiene Private Limited	340.20	-

Trade Receivable

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Swara Hygiene Private Limited	-	70.89
Solis Hygiene Private Limited(w.e.f. 25 Dec 2025)	41.72	62.46
KA Enterprises (Hygiene) Private Limited	90.11	-
KA Enterprises	-	49.58
FirstCry Retail DWC LLC	-	2.64
Firstery Trading Company	-	0.44

Advance from customer

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
FirstCry Retail DWC LLC	1.34	-
Firstery Trading Company	0.89	-
Brainbees Solution Limited	119.43	-



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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Loan Given (Including interest income)

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Solis Hygiene Private Limited (Refer Note 12)	269.01	250.00
KA Enterprises (Hygiene) Private Limited	144.91	-
Swara Hygiene Private Limited (Refer Note 12)	648.71	1,028.33

Loan Taken

Particulars	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Brainbees Solution Limited (Refer note 20)	450.00	450.00

Note: Unless otherwise stated, all related party transactions have been entered on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period/year-end are unsecured, for terms of the borrowings refer note 20 and settlement occurs in cash.

36 Segment reporting

The Company has only one segment which is Fast Manufacturing Consumer Goods (FMCG) and primarily operates in domestic market. The Managing Director of the Company has been identified as the Chief Operating Decision Maker. The Company's Managing Director, reviews the operating performance of the Company as a whole on a periodic basis. Therefore disclosure relating to segments is not applicable and accordingly not made.

The Company categorizes its revenue by geographical region, as summarized below, which as per management is most appropriate.

Revenue from operations

Particulars	the year ended 31 March 2026		For the year ended 31 Mar 2025	
	Amount	%	Amount	%
From India	7,264.37	98%	5,341.67	97.99%
From foreign countries	153.68	2%	109.69	2.01%
Total	7,418.05	100%	5,451.36	100.00%

There are no Non current assets (NCA) outside of India as at 31 March 2026 (31 March 2025: Nil).

Note: The Company has three customers whose revenues amounted representing more than 10% of the Company's total revenue for the year ended 31 March 2026.

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	For the year ended 31 March 2026	For the year ended 31 Mar 2025
Borrowings other than convertible preference shares	2,006.24	1,172.96
Less: Cash and cash equivalents	5.11	0.07
Less: Bank balances other than cash and cash equivalents above	0.31	100.31
Net debt	2,000.82	1,072.58
Equity share capital	488.57	257.01
Other equity	4,359.10	2,662.55
Total equity	4,847.67	2,919.56
Overall financing	(iii) = (i) + (ii) 6,848.49	3,992.14
Gearing ratio (%)	(ii)/(iii) 29%	27%

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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
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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 2026

	Notes	Amortized Cost	Financial assets/liabilities at fair value through profit or loss		Equity instruments designated upon initial recognition	Financial assets/liabilities through OCI	Mandatory	Total carrying value	Total fair value
			Designated upon initial recognition						
Financial assets:									
Other financial assets	7, 13	115.55	-	-	-	-	-	115.55	-
Investments	7A	1,642.64	-	-	-	-	-	1,642.64	-
Trade receivables	10	640.19	-	-	-	-	-	640.19	-
Cash and cash equivalents	11	5.11	-	-	-	-	-	5.11	-
Bank balances other than cash and cash equivalents	14	0.31	-	-	-	-	-	0.31	-
Loans	12	1,062.63	-	-	-	-	-	1,062.63	-
		3,466.43	-	-	-	-	-	3,466.43	-
Financial liabilities:									
Lease liabilities	5C	35.57	-	-	-	-	-	35.57	-
Borrowings	17, 20	2,006.24	-	-	-	-	-	2,006.24	-
Trade payables	21	729.53	-	-	-	-	-	729.53	-
Other financial liabilities	22	29.89	-	-	-	-	-	29.89	-
		2,801.23	-	-	-	-	-	2,801.23	-

The carrying value and fair value of financial instruments by categories as on 31 March 2025

	Note	Amortized Cost	Financial assets/liabilities at fair value through profit or loss		Equity instruments designated upon initial recognition	Financial assets/liabilities through OCI	Mandatory	Total carrying value	Total fair value
			Designated upon initial recognition						
Financial assets:									
Other financial assets	7, 13	156.46	-	-	-	-	-	156.46	-
Investments	7A	0.10	-	-	-	-	-	0.10	-
Trade receivables	10	458.79	-	-	-	-	-	458.79	-
Cash and cash equivalents	11	0.07	-	-	-	-	-	0.07	-
Bank balances other than cash and cash equivalents	14	100.31	-	-	-	-	-	100.31	-
Loans	12	1,278.33	-	-	-	-	-	1,278.33	-
		1,994.06	-	-	-	-	-	1,994.06	-
Financial liabilities:									
Lease liabilities	6	40.89	-	-	-	-	-	40.89	-
Borrowings	18, 21	1,172.96	-	-	-	-	-	1,172.96	-
Trade payables	22	402.12	-	-	-	-	-	402.12	-
Other financial liabilities	23	57.11	-	-	-	-	-	57.11	-
		1,673.28	-	-	-	-	-	1,673.28	-

Investment in equity instruments of subsidiaries as at 31 March 2026 amounting to ₹ 1,642.64 million carried at cost in accordance with Ind AS 27

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 2026



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39 Financial instruments - Risk management

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 unfavourable 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 2026

Particulars	U.S. dollars	INR	Total
Trade receivables	0.65	61.77	61.77
Advances from Customers	0.06	5.40	5.40
Capital advance	5.68	535.70	535.70
Trade payables	0.04	3.51	3.51
Capital creditors	0.03	2.41	2.41
Total	6.46	608.79	608.79

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 2025

Particulars	U.S. dollars	INR	Total
Trade receivables	0.05	4.52	4.52
Trade payables	0.83	70.66	70.66
Capital creditors	0.33	28.09	28.09
Total	1.21	103.27	103.27

Foreign currency sensitivity analysis

Particulars	Impact on profit before tax and equity			
	As at 31 March 2026		As at 31 March 2025	
	Rupee depreciate by 5%	Rupee appreciate by 5%	Rupee depreciate by 5%	Rupee appreciate by 5%
Against USD	(29.31)	29.31	4.71	(4.71)

The Company's exposure to foreign currency risk is limited as majority of the transactions are in its functional currency. As at the reporting dates, the Company had following foreign currency exposures which have not been hedged by any derivative financial instruments as they are not material.

Interest rate risk:

The Company's borrowings carries variable rate of interest and are measured at amortised cost. They are, therefore, subject to interest rate risk as defined in IND AS 107, since the carrying amount and the future cash flows will fluctuate due to change in market interest rates.

Interest rate sensitivity

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

Particulars	Type of currency	Increase/ decrease in basis points	Impact on profit before tax and equity	
			As at 31 March 2026	As at 31 March 2025
Effect on profit before tax- Decrease of profit	INR	(+)50	7.78	3.61
Effect on profit before tax- Increase of profit	INR	(-)50	(7.78)	(3.61)



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(ii) Credit risk:

Provision for expected credit losses

In respect to other financial assets, the Company follows a 12-months expected credit loss approach. The management does not foresee a material loss on account of credit risk due to the nature and credit worthiness of these financial assets. Further, the Company has not observed any material defaults in recovering such financial assets except trade receivables and hence the Company has not provided for credit impairment of these financial assets. The Company has provided for expected credit loss on trade receivables as follows.

Trade and other receivables

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
31 March 2026	643.71	-0.55%	(3.52)	640.19
31 March 2025	460.55	-0.38%	(1.76)	458.79

Expected credit loss for trade receivables under simplified approach

As at 31 March 2025, the Company has certain trade receivables that have not been settled by the contractual due date but are not considered to be impaired. The amounts as at 31 March 2026, analysed by the length of time past due, are:

31 March 2026

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Not due	278.10	-	-	278.10
Not more than 6 months	280.80	-	-	280.80
More than 6 months	84.81	-4.15%	(3.52)	81.29

31 March 2025

Particulars	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Not due	176.15	-	-	176.15
Not more than 6 months	-	-	-	-
More than 6 months	284.41	-0.62%	(1.76)	282.65

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies. All of the Company's loans at amortised cost are considered to have low credit risk, and the loss allowance, if any, is limited to 12 months' expected losses. Management considers instruments to be low credit risk when they have a low risk of default and the borrower has a strong capacity to meet its contractual cash flow obligations in the near term.

(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 Mar 2026 and 31 Mar 2025, the Company had a working capital as follows:

Particular	As at 31 March 2026	As at 31 March, 2025
Current assets	3,083.49	3,234.31
Current liabilities	1,982.59	1,745.13
Working capital	1,100.90	1,489.18

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2026, 31 March 2025.

As at March 31, 2026

Particulars	Carrying amount	Contractual cash flows			Total
		Less than 1 year	1- 3 years	More than 3 years	
Trade payables	729.53	729.53	-	-	729.53
Lease liabilities	35.57	9.58	20.48	87.43	117.49
Borrowing	2,006.24	1,026.39	979.85	-	2,006.24
Other financial liabilities	29.89	29.89	-	-	29.89

As at March 31, 2025

Particulars	Carrying amount	Contractual cash flows			Total
		Less than 1 year	1- 3 years	More than 3 years	
Trade payables	402.33	402.33	-	-	402.33
Lease liabilities	40.90	5.32	13.62	104.39	123.33
Borrowing	1,172.96	1,027.28	85.48	60.20	1,172.96
Other financial liabilities	57.11	57.11	-	-	57.11



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40 Share-based payments

Employee Stock Option Scheme, 2026

Under the Employee Stock Option Scheme, 2026 (ESOP), share options of the Company are granted to employees of the Company and eligible employees of subsidiary companies (group employees) as defined under Employee Stock Option Scheme, 2026 which is administered by Board, shall not represent more than 10% of fully diluted share capital of the Company at any given point (Ceiling limit). The ESOPs provide a right to its holders i.e., Group employees to purchase one (Swara baby Products Limited) share for each option at a pre-determined strike price on the expiry of the vesting period. The share options granted will not vest until performance condition is met i.e., service. The ESOP hence represents an option that provides a right but not an obligation to the group employees to exercise the option by paying the strike price at any time on completion of the vesting period, subject to an outer boundary on the exercise period.

The Company has granted ESOPs under the plan to its employees and employees of the subsidiaries (group employees) on an equity-settled basis. The fair value of the share options is estimated at the grant date using a Black Scholes pricing model, taking into account the terms and conditions upon which the share options were granted. Further, there are no cash settlement alternatives with respect to these options.

The vesting of options is subject to the employee's continued employment with the Swara group. The ESOPs shall vest in a graded manner over a period of 4 Years.

The expense recognised for employee services received for the Company during the year is shown in the following table:

Particular	As at 31 March 2026	As at 31 March, 2025
Share based payment expenses (Refer note below)	2.15	-
Total	2.15	-

There were no cancellations or modifications to the awards in year ending 31 March 2026.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particular	Number of shares	WAEP
Outstanding at 01 April 2025	-	-
Granted during the year	21,75,840.00	2.00
Forfeited during the year	-	-
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March 2026	21,75,840.00	2.00
Exercisable at 31 March 2026	-	-

The following principal assumptions were used in the valuation:

Grant date	13-02-2026
Vesting period ends	13-02-2030
Fair value per Option at grant date (in Rs.)	20.64 - 20.97
Exercise price at date of grant (in Rs.)	2
Risk-free interest rate (%)	5.65% - 6.31%
Time to Expiration (years)	1.25 - 4.25
Dividend yield (%)	0.00%
Expected volatility (%)	30.72% - 32.13%

41 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 31 March 2026	As at 31 March, 2025
a) Principal amount payable to suppliers as at year end (Refer note 21)	29.12	32.83
b) Interest due thereon as at year end	0.04	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	170.37	237.68
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	1.35	2.62
f) Interest accrued and remaining unpaid at the end of the period year	1.40	2.62
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	6.04	4.64



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42 Contingent Liabilities and commitments

i. Contingent Liabilities

Particulars	As at 31 March 2026	As at 31 March, 2025
Indirect tax matters*	10.62	10.62
Corporate Guarantee**	1,700.00	1,400.00
Total	1,710.62	1,410.62

*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.

Subsequent to the reporting date, on 2nd April 2026, the Company has received a favourable order from the appropriate authority, whereby the aforesaid demand has been set aside.

**The Company has issued a corporate guarantee in favour of banks on behalf of Swara Hygiene Products Limited for credit facilities aggregating to Rs. 1,700 Million (31 March 2025: Rs. 1,400 Million).

Provident fund contribution

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 Standalone 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 31 March 2026	As at 31 March, 2025
Property, plant and equipments (net of advances)	1,079.66	-
Total	1,079.66	-

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.979.24. In this respect the Company has given Bond of Rs.101.66 to the Commissioner of Customs.

Year of issue	Export obligation to be fulfilled till	Unfulfilled export obligation	
		As at 31 March 2026	As at 31 March, 2025
2021-2022	02-07-2027	350.00	474.33
2024-2025	18-08-2030	392.98	392.98

43 Corporate Social Responsibility

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

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) amount required to be spent by the company during the year,	11.80	10.60
(b) amount of expenditure incurred till date	11.90	10.60
For F Y 2025-26	11.90	
For F Y 2024-25	-	10.60
Paid		
(i) Construction/acquisition of asset	-	-
(ii) On purposes other than (i) above	11.90	10.60
Yet to be paid		
(i) Construction/acquisition of asset	-	-
(ii) On purposes other than (i) above	-	-
Total (b)	11.90	10.60
(c) shortfall (Excess) at the end of the year,	-0.10	-
(d) reason for shortfall,		
(e) total of previous years shortfall,	-	-
(f) nature of CSR activities,	Education, employment opportunities, health care, livelihood enhancement projects and empowering women	Education, employment opportunities, health care, livelihood enhancement projects and empowering women



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44 Ratio analysis & calculation

1 Current ratio (in times)

Particular	As at 31 March 2026	As at 31 March 2025
Current assets	3,083.49	3,234.31
Current liabilities	1,982.59	1,745.13
Ratio	1.56	1.85

Change from 31 March 2025

-16.08%

2 Debt-Equity ratio (in times)

Particular	As at 31 March 2026	As at 31 March 2025
Debt	2,041.81	1,213.85
Equity	4,847.67	2,919.56
Ratio	0.42	0.42

Change from 31 March 2025

1.31%

3 Debt service coverage ratio (in times)

Particular	As at 31 March 2026	As at 31 March 2025
Earnings available for debt service	518.70	626.37
Debt service	173.46	167.17
Ratio	2.99	3.75

Change from 31 March 2025

-20.19%

4 Return on equity (ROE) (in %)

Particular	As at 31 March 2026	As at 31 March 2025
Net Profit (After Tax)	286.78	428.84
Opening Shareholder Equity	2,919.56	2,491.06
Closing Shareholder Equity	4,847.67	2,919.56
Average Shareholder's Equity	3,883.61	2,705.31
Ratio	7.38%	15.85%

Change from 31 March 2025

-8.5%

5 Inventory turnover ratio (in times)

Particular	As at 31 March 2026	As at 31 March 2025
Sales		
Opening inventory	7,418.05	5,451.36
Closing inventory	1,256.98	895.42
Average inventory	1,350.63	1,256.98
Ratio	1,303.81	1,076.20
	5.69	5.07

Change from 31 March 2025

12.32%

6 Trade receivables turnover ratio (in times)

Particular	As at 31 March 2026	As at 31 March 2025
Credit sales		
Opening accounts receivables	7,418.05	5,451.36
Closing accounts receivables	521.15	496.56
Average accounts receivables	640.19	521.15
Ratio	580.67	508.86
	12.77	10.71

Change from 31 March 2025

19.25%

7 Trade payables turnover ratio (in times)

Particular	As at 31 March 2026	As at 31 March 2025
Net credit purchases		
Opening trade payables	6,269.77	4,565.76
Closing trade payables	402.33	437.12
Average trade payables	729.53	402.33
Ratio	565.93	419.72
	11.08	10.88

Change from 31 March 2025

1.85%



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8 Net capital turnover ratio (in times)

Particular	As at 31 March 2026	As at 31 March 2025
Net sales	7,418.05	5,451.36
Current assets	3,083.49	3,296.67
Current liabilities	1,982.59	1,807.49
Working capital	1,100.90	1,489.18
Ratio	6.74	3.66

Change from 31 March 2025

84.07%

Reason for more than 25% change

Increase in ratio is due to increase in sales in current year

9 Net profit ratio (in %)

Particular	As at 31 March 2026	As at 31 March 2025
Net profit (after tax)	286.78	428.84
Net sales	7,418.05	5,451.36
Ratio	3.87%	7.87%

Change from 31 March 2025

-4.00%

10 Return on capital employed (in %)

Particular	As at 31 March 2026	As at 31 March 2025
EBIT	443.71	657.98
Capital employed	6,963.51	4,201.50
Ratio	6.37%	15.66%

Change from 31 March 2025

-9.29%

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45 (a) 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 2026	As at 31 March 2025
Current			
Financial Assets			
Trade receivables	10	640.19	521.15
Non Financial Assets			
Inventories			
a) Raw material	9	1,073.87	1,001.29
b) Finished Goods	9	101.83	111.76
c) Traded Goods	9	100.00	97.80
d) WIP	9	7.72	1.44
e) Stores & Spares	9	67.21	44.69
Other current assets	14A	109.19	90.09
Total current assets pledged as security		2,100.01	1,868.22
Non Current			
Non Financial Assets			
Buildings	5	826.73	233.34
Plant & Machmeries	5	927.86	980.21
Leasehold Land and Building	6	233.02	243.10
Total non current assets pledged as security		1,987.61	1,456.65
Total assets pledged as security		4,087.62	3,324.87

(b) The details of quarterly returns or statements of current assets filed by the Company with bank or financial institution which are not in agreement with books of accounts are as follows:

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-26	Kotak & HDFC Bank	Finished Goods	201.83	201.83	-	-
Mar-26	Kotak & HDFC Bank	Raw material	1,073.87	1,073.87	-	-
Mar-26	Kotak & HDFC Bank	Trade receivables	640.19	640.19	-	-

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-25	Kotak & HDFC Bank	Finished Goods	236.36	236.36	-	-
Dec-25	Kotak & HDFC Bank	Raw material	1,122.08	1,122.08	-	-
Dec-25	Kotak & HDFC Bank	Trade receivables	839.97	839.97	-	-

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-25	HDFC Bank	Finished Goods	252.94	252.94	-	-
Sep-25	HDFC Bank	Raw material	1,081.34	1,081.34	-	-
Sep-25	HDFC Bank	Trade receivables	575.59	575.59	-	-

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
Jun-25	HDFC Bank	Finished Goods	224.61	224.61	-	-
Jun-25	HDFC Bank	Raw material	842.72	842.72	-	-
Jun-25	HDFC Bank	Trade receivables	521.33	521.33	-	-

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-25	HDFC Bank	Finished Goods	209.56	208.46	1.10	Goods sold but material in transit.
Mar-25	HDFC Bank	Raw material	1,001.29	900.89	100.40	Goods in transit.
Mar-25	HDFC Bank	Trade receivables	521.15	533.35	(12.20)	Deduction from receivables on account of goods in transit.



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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-24	HDFC Bank	Finished Goods	188.71	182.12	6.59	Goods sold but material in transit
Dec-24	HDFC Bank	Raw material	1,042.30	983.19	59.11	Goods in transit.
Dec-24	HDFC Bank	Trade receivables	510.75	510.75	-	-

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-24	HDFC Bank	Finished Goods	171.19	171.19	-	-
Sep-24	HDFC Bank	Raw material	739.88	739.88	-	-
Sep-24	HDFC Bank	Trade receivables	497.50	481.33	16.17	Deduction from receivables on account of goods in transit.

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-24	HDFC Bank	Finished Goods	226.02	226.02	-	-
Jun-24	HDFC Bank	Raw material	707.41	626.93	80.48	Goods in transit.
Jun-24	HDFC Bank	Trade receivables	326.35	326.35	-	-

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Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

46 Government grant

Madhya Pradesh Industrial Development Corporation ("MPIDC")

- 1 The Company had obtained sanction from the Madhya Pradesh Industrial Development Corporation in FY 2018-19 for establishment of the main investment unit amounting to ₹51.90 million. As at 31 March 2026, ₹51.67 million has been received. No amount has been recognized in the Standalone Statements of Profit and Loss during the period.
- 2 The Company had obtained sanction in FY 2019-20 for investment (first expansion) amounting to ₹82.56 million. As at 31 March 2026, ₹70.74 million has been received and ₹10.98 million recognized in the Standalone Statements of Profit and Loss during the period.
- 3 The Company had obtained sanction in FY 2022-23 for investment (second expansion) amounting to ₹246.50 million. As at 31 March 2026, ₹106.57 million has been received and ₹38.06 million recognized in the Standalone Statements of Profit and Loss during the period.
- 4 The Company had obtained sanction in FY 2023-24 for interest subsidy on term loan disbursed for TUFS approved plant & machinery amounting to ₹300 million.

Technology Upgradation Fund Scheme ("TUFS")

- 1 Under the Technology Upgradation Fund Scheme, Company got sanction in FY 2020-21 for Machine 2 amounting to ₹22.65 million, fully received in FY 2022-23. Recognition in the Standalone Statements of Profit and Loss during the period was ₹2.06 million at 31 March 2026.
- 2 Under the Technology Upgradation Fund Scheme, Company got sanction in FY 2023-24 for Machine 3 amounting to ₹73.63 million, fully received in FY 2023-24. Recognition in the Standalone Statements of Profit and Loss was ₹9.25 million in 31 March 2026.

47 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 period 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.
- 12 The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- 48 The Company is using SAP as their accounting software. The accounting software is operated by a third-party software service provider for maintaining its books of account which has a feature of recording audit trail facility and the same has been operated throughout the year for all relevant transactions recorded in the software at the application level.
The audit trail has been preserved at the application level by the Company as per the statutory requirements for record retention.



Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

49 Impact of Labour codes

On November 21, 2025, the Government of India notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Labour Codes"), which consolidate existing labour laws into a unified framework governing employee benefits.

The Company has evaluated the potential impact of the Labour Codes on its employee benefit obligations. The estimated incremental impact on gratuity and leave liabilities is immaterial. Considering that the impact is not material to the Standalone Financial Statements, no adjustment has been recognised in the Standalone Financial Statements for the year ended 31 March 2026.

The Company will continue to monitor further developments and recognise the impact, if any, when the provisions become effective.

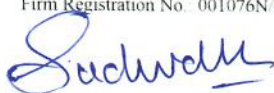
50 During the year ended 31 March 2026, the Company reclassified/regrouped certain balances as at 31 March 2025 for better disclosure, as follows, which are not considered material to these financial statements:

Particulars	As at 31 March, 2025 (Published)	Adjustment	As at 31 March, 2025 (Restated)
Trade Receivables	521.15	-62.36	458.79
Deferred Revenue	1.48	-1.48	-
Refund Liability	60.88	-60.88	-

Reclassification of Refund Liability & Deferred Revenue from Other current liabilities to Trade receivables.

As per our report of even date attached

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



Shashi Tadwalkar
Partner
Membership No. 101797

Place: Pune
Date: 25/5/26

For and on behalf of the Board of Directors
Swara Baby Products Limited (Formerly known as Swara Baby Products Private Limited)
CIN: U36999MP2016PLC068986


Alok Birla
Managing Director
DIN: 00232079

Place: Indore
Date: 25/05/26


Gautam Sharma
Director
DIN: 08776136

Place: Pune
Date: 25/05/26


Ravindra Sancheti
Chief Financial Officer

Place: Indore
Date: 25/05/26


Itisha Sahu
Company Secretary
Membership No: A59200

Place: Indore
Date: 25/05/26

