

# Walker Chandiok & Co LLP

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**Walker Chandiok & Co LLP**

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## Independent Auditor's Report

To the Members of Swara Baby Products Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

1. We have audited the accompanying financial statements of Swara Baby Products Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

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

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

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

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



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Chartered Accountants

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

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Walker Chandiok & Co LLP is registered with limited liability with identification number AAC-2085 and has its registered office at L-41, Connaught Circus, Outer Circle, New Delhi, 110001, India

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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 Financial Statements

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

### Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going





- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure 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 financial statements;
  - b) Except for the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books .
  - c) The financial statements dealt with by this report are in agreement with the books of account
  - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
  - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13 (h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion;
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us
    - i. the Company, as detailed in note 42 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;



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iv.

- a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (e) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (f) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2025.

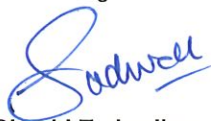
vi. As stated in Note 48 to the financial statements and based on our examination which included test checks, except for instance/ matter mentioned below, the Company, in respect of financial year commencing on or after 1 April 2024, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below. Furthermore, except for instance/ matter mentioned below the audit trail has been preserved by the Company as per the statutory requirements for record retention.

The audit trail pertaining to the period 01 April 2024 to 04 December 2024 have not been preserved by one of its Branch as per the statutory requirements for record retention.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



**Shashi Tadwalkar**

Partner

Membership No.: 101797

**UDIN: 25101797BMMAKS2480**

**Place:** Pune

**Date:** 24 May 2025



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## 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 Private Limited on the financial statements for the year ended 31 March 2025**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress 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 Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment including right-of-use assets) 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 and inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.
- (b) As disclosed in Note 45 to the financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods which were/were not subject to audit, except for the following:

(₹ million)

Name of the Bank / financial institution	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Information disclosed as per return	Information as per books of accounts	Difference
HDFC Bank	650	Inventory	March 2025	1,109.35	1,210.85	(101.50)
HDFC Bank	650	Trade Receivable	March 2025	533.35	521.15	12.20
HDFC Bank	650	Inventory	December 2024	1,165.31	1,231.01	(65.70)
HDFC Bank	650	Trade Receivable	September 2024	481.33	497.50	(16.17)
HDFC Bank	650	Inventory	June 2024	852.96	933.43	(80.48)



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- (iii) The Company has not made investments in companies, firms, limited liability partnerships during the year. Further, the Company has provided guarantee or security and granted 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 Subsidiary during the year as per details given below:

Particulars	Guarantee (₹ million)	Loans (₹ million)
Aggregate amount provided/granted during the year:		
- Subsidiaries	200.00	682.50
Balance outstanding as at balance sheet date:		
- Subsidiaries	200.00	682.50

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

(₹ million)	
Particulars	Related Parties
Aggregate of loans/advances in nature of loan	
- Repayable on demand	1,278.33
Total	1,278.33
Percentage of loans/advances in nature of loan to the total loans	100%

- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into a 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.





## Walker Chandiook & Co LLP

Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹ million)	Amount paid under Protest (₹ million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Custom Act, 1962	Custom Duty	10.62	0.81	FY 2023-24	Commissioner of customs, Indore	

- (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 and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(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.



## Walker Chandiok & Co LLP

- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the 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 project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

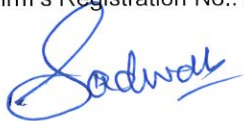




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(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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



**Shashi Tadwalkar**  
Partner  
Membership No.: 101797

**UDIN: 25101797BMMAKS2480**

**Place:** Pune  
**Date:** 24 May 2025

**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 Private Limited ('the Company') as at and for the year ended 31 March 2025, 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 control stated 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 ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements .

**Meaning of Internal Financial Controls with Reference to Financial Statements**

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





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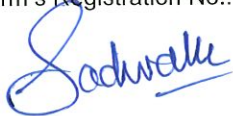
## Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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 2025, based on the 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: 25101797BMMAKS2480**

**Place:** Pune  
**Date:** 24 May 2025

**Swara Baby Products Private Limited**  
**Balance Sheet as at 31 March 2025**  
**(All amounts in Rupees millions, unless otherwise stated)**

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	1,291.28	1,036.50
Capital work-in-progress	5.2	6.28	-
Right-of-use assets	6	243.10	29.56
Intangible assets	5a	7.36	-
Financial assets			
(a) Investment	7a	0.10	0.10
(b) Others financial assets	7	106.72	147.41
Other non-current assets	8	209.15	159.33
<b>Total non-current assets</b>		<b>1,863.99</b>	<b>1,372.90</b>
<b>Current assets</b>			
Inventories	9	1,256.98	895.42
Financial assets			
(a) Trade receivables	10	521.15	496.56
(b) Cash and cash equivalents	11	0.07	0.05
(c) Bank balances other than (b) above	14	100.31	0.30
(d) Loans	12	1,278.33	1,183.22
(e) Other financial assets	13	49.74	81.47
Other current assets	15	90.09	65.14
<b>Total current assets</b>		<b>3,296.67</b>	<b>2,722.16</b>
<b>Total assets</b>		<b>5,160.66</b>	<b>4,095.06</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	16	128.53	128.53
Instrument entirely equity in nature	16	128.48	128.48
Other equity	17	2,662.55	2,234.05
<b>Total equity</b>		<b>2,919.56</b>	<b>2,491.06</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(a) Borrowings	18	145.68	67.65
(b) Lease liabilities	6	31.71	1.94
Provisions	19	6.13	4.39
Deferred tax liabilities (net)	33	108.98	90.18
Other non-current liabilities	20	141.11	189.22
<b>Total non-current liabilities</b>		<b>433.61</b>	<b>353.38</b>
<b>Current liabilities</b>			
Financial liabilities			
(a) Borrowings	21	1,027.28	550.40
(b) Lease liabilities	6	9.18	0.22
(c) Trade payables	22		
i) total outstanding dues of micro and small enterprises and		32.83	85.86
ii) total outstanding dues of creditors other than micro and small enterprises		369.49	351.26
(d) Other financial liabilities	23	57.11	18.73
Other current liabilities	24	302.48	216.12
Provisions	19	1.49	1.41
Current tax Liability (net)	19a	7.63	26.62
<b>Total current liabilities</b>		<b>1,807.49</b>	<b>1,250.62</b>
<b>Total equity &amp; liabilities</b>		<b>5,160.66</b>	<b>4,095.06</b>

Summary of material accounting policy information

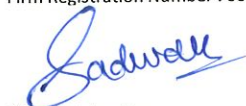
See accompanying notes forming integral part of financial statements

As per our report of even date attached

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration Number : 001076N/N500013



**Shashi Tadwalkar**

Partner

Membership No.: 101797

Place: Pune

Date: 24 May 2025

2-4

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

**Swara Baby Products Private Limited**


CIN: U36999MP2016PTC068986

  
**Gautam Sharma**  
 Director  
 DIN: 08776136

  
**Alok Birla**  
 Managing Director  
 DIN: 00232079

Place: Pune  
 Date: 24 May 2025



  
**Tushar Gunjalkar**  
 Company Secretary  
 Membership No: 52938

Place: Pune  
 Date: 24 May 2025




**Swara Baby Products Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2025**  
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	For the year ended 31 Mar 2025	For the year ended 31 March 2024
<b>Income</b>			
Revenue from operations	25	5,451.36	6,864.97
Other income	26	206.82	169.50
<b>Total income</b>		<b>5,658.18</b>	<b>7,034.47</b>
<b>Expenses</b>			
Cost of material consumed	27	3,019.64	3,507.67
Purchase of stock-in-trade	27a	1,218.57	1,721.00
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(43.90)	63.89
Employee benefits expense	29	155.48	141.51
Finance costs	30	74.77	50.01
Depreciation and amortisation expenses	31	122.77	116.04
Other expenses	32	527.64	638.83
<b>Total expenses</b>		<b>5,074.97</b>	<b>6,238.95</b>
<b>Profit before tax</b>		<b>583.21</b>	<b>795.52</b>
<b>Tax expense</b>			
Current tax	33	135.46	182.76
Short / (Excess) provision for tax relating to prior years		-	1.01
Deferred tax charge	33	18.91	25.02
<b>Total tax expense</b>		<b>154.37</b>	<b>208.79</b>
<b>Profit for the year</b>		<b>428.84</b>	<b>586.73</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement of post-employment benefit obligations		(0.45)	-
Income tax relating to items that will not be reclassified to statement of profit or loss		0.11	-
<b>Other comprehensive income for the year, net of tax</b>		<b>(0.34)</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>428.50</b>	<b>586.73</b>
<b>Earnings per share</b>			
Basic earning per share (INR)	34	16.67	23.15
Diluted earning per share (INR)	34	16.67	23.15

Summary of material accounting policy information 2-4  
See accompanying notes forming integral part of financial statements 5-49

As per our report of even date attached  
**For Walker Chandlok & Co LLP**  
Chartered Accountants  
Firm Registration Number : 001076N/N500013

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

  
**Shashi Tadwalkar**  
Partner  
Membership No.: 101797

Place: Pune  
Date: 24 May 2025

  
**Gautam Sharma**  
Director  
DIN: 08776136

  
**Alok Birla**  
Managing Director  
DIN: 00232079

  
**Tushar Gunjalkar**  
Company Secretary  
Membership No: 52938

Place: Pune Place: Pune Place: Pune  
Date: 24 May 2025 Date: 24 May 2025 Date: 24 May 2025

Swara Baby Products Private Limited  
Statement of cash flows for the year ended 31 March 2025  
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>Cash flow from operating activities</b>		
Profit before tax	583.21	795.52
<b>Adjustments for :</b>		
Depreciation and amortization expenses	122.77	116.04
Finance cost	74.77	50.01
Interest income	(125.79)	(69.01)
Deferred Income on government grant	(54.64)	(49.59)
Provision for doubtful debts	1.76	-
Interest on income subsidy	(4.90)	(14.64)
Net gain on foreign currency transactions and translations (unrealised)	(0.40)	(1.35)
Unwinding of discount on government grant	(16.08)	(19.47)
Liabilities/ Provisions written back to the extent no longer required	-	(0.31)
Loss on sale of fixed assets	-	0.07
<b>Operating profit before working capital changes</b>	<b>580.70</b>	<b>807.27</b>
<b>Changes in working capital</b>		
Decrease/(Increase) in inventories	(361.56)	33.44
(Increase)in trade receivables	(26.35)	(127.80)
Decrease/(Increase) in other current assets	(99.78)	110.08
(Increase)/Decrease in other financials assets	0.82	(8.87)
(Decrease)/Increase in Trade payables	(34.79)	(41.21)
(Decrease) in Other financial liabilities	2.50	(0.24)
Increase/(Decrease) in other current liabilities	92.85	96.50
Increase/(Decrease) in provision	1.37	1.75
<b>Cash Generated from operating activities</b>	<b>155.76</b>	<b>870.92</b>
Income tax paid	(154.45)	(176.21)
<b>Net cash flows generated from operating activities (A)</b>	<b>1.31</b>	<b>694.71</b>
<b>Cash flow from investing activities</b>		
Payment for property, plant and equipment and intangible assets	(500.33)	(64.30)
Proceeds from sale of property, plant and equipment	-	0.50
Proceeds from redemption of fixed deposits.	-	7.45
Investment in fixed deposits	(100.01)	-
Interest received	125.75	69.22
Loan given during the year	(775.11)	(918.21)
Loan repayment received during the year	680.00	294.00
<b>Net cash flow used in investing activities (B)</b>	<b>(569.70)</b>	<b>(611.34)</b>
<b>Cash flow from financing activities</b>		
Receipt of Government grant	88.70	115.22
Proceeds from short term borrowings (net)	448.90	(82.16)
Proceeds from long term borrowings	197.98	-
Payment of long term borrowings	(92.76)	(75.38)
Interest paid on borrowings	(69.08)	(58.40)
Receipts of Intercompany borrowing	-	12.60
Proceeds from issuance of shares	-	5.14
Payment for lease liabilities (refer note no.6)	(3.36)	(0.17)
Payment for Interest on lease liabilities	(1.97)	(0.22)
<b>Net cash flow used in financing activities (C)</b>	<b>568.41</b>	<b>(83.37)</b>
<b>Net increase/decrease in cash and cash equivalents (A+B+C)</b>	<b>0.02</b>	<b>0.00</b>
Cash and cash equivalents at the beginning of the year	0.05	0.05
<b>Cash and cash equivalents at the end of the year (Derived)</b>	<b>0.07</b>	<b>0.05</b>





Swara Baby Products Private Limited  
Statement of cash flows for the year ended 31 March 2025  
(All amounts in Rupees millions, unless otherwise stated)

Components of cash and cash equivalent as at the end of the year	31 March 2025	31 March 2024
Cash and cash equivalent comprise of:		
Cash in hand	0.04	0.02
Balances with banks:		-
Balances with bank in current accounts	0.03	0.03
<b>Total cash and cash equivalent</b>	<b>0.07</b>	<b>0.05</b>

Movement in financial liabilities		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance of lease liabilities	2.16	1.86
Movement		
Cash flows	(5.33)	(0.39)
Non cash changes	44.06	0.69
<b>Closing balance of lease liabilities</b>	<b>40.89</b>	<b>2.16</b>

Summary of material accounting policy information

2-4

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

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As per our report of even date attached

Walker Chandiok & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/NS00013

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

  
Shashi Tadwalkar  
Partner  
Membership No.: 101797

Place:  
Date: 24 May 2025

  
Gautam Sharma  
Director  
DIN: 08776136

Place:  
Date: 24 May 2025

  
Alok Birla  
Managing Director  
DIN: 00232079

Place:  
Date: 24 May 2025

  
Tushar Gunjalkar  
Company Secretary  
Membership No: 52938

Place:  
Date: 24 May 2025



Swara Baby Products Private Limited  
Statement of Changes in Equity for the year ended 31 March 2025  
(All amounts in Rupees millions, unless otherwise stated)

(A) Equity share capital (Refer Note 16)	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Particulars				
Equity shares of [Face value of Rs. 10] each issued, subscribed and fully paid				
Opening as on 01 April 2024	12.85	128.53	12.34	123.39
Add: shares issued during the year	-	-	0.51	5.14
Closing balance	12.85	128.53	12.85	128.53

(B) Instrument entirely equity in nature (Refer Note 16)	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Particulars				
Shares of [Face value of Rs. 10] each issued, subscribed and fully paid				
Opening as on 01 April 2024	12.85	128.48	12.85	128.48
Add: shares issued during the year	-	-	-	-
Closing balance	12.85	128.48	12.85	128.48

(C) Other equity (Refer Note 17)				
Particulars	Securities premium	Retained earnings	Total	
Balance as at 1 April 2024	871.07	1,362.98	2,234.05	
Profit for the year	-	428.84	428.84	
Total other comprehensive income for the year	-	(0.34)	(0.34)	
Balance as at 31 March 2025	871.07	1,791.48	2,662.55	

Particulars	Securities premium	Retained earnings	Total	
Balance as at 1 April 2023	871.07	776.25	1,647.32	
Profit for the year	-	586.73	586.73	
Total other comprehensive income for the year	-	-	-	
Balance as at 31 March 2024	871.07	1,362.98	2,234.05	

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

2-4  
5-49

As per our report of even date  
For Walker Chandiok & Co LLP  
Chartered Accountants  
Firm Registration Number : 001076N/N500013

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



*Sachdev*

Shashi Tadwalkar  
Partner  
Membership No.: 101797

Place: Pune  
Date: 24 May 2025

*Gautam Sharma*  
*Alok Birla*  
*Tushar Gunjalkar*

Gautam Sharma  
Director  
DIN: 08776136  
Alok Birla  
Managing Director  
DIN: 00232079  
Tushar Gunjalkar  
Company Secretary  
Membership No: 52938

Place: Pune  
Date: 24 May 2025  
Place: Pune  
Date: 24 May 2025  
Place: Pune  
Date: 24 May 2025



## 1 General Information

Swara Baby Products Pvt Ltd ('the Company') (CIN: U36999MP2016PTC068986) is a private limited company engaged in the business of manufacturing and dealing in baby care products mainly in diapers for kids. The Company has its registered office and production unit at Plot No. 381 to 388, Sec 3, Pithampur Industrial Area, Pithampur, District - Dhar, Indore - 454 775, Madhya Pradesh.

### 1.1 Basis of Preparation of Financial Statements

#### (a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements were authorised for issue by the Company's Board of Directors on 24 May 2025.

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

#### (b) Basis of measurement

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

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

#### Assets

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

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

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

#### Liabilities

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

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

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

#### Operating cycle

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

#### (c) Use of estimates

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

## 2 Summary of material accounting policy information

### 2.1 Property, plant and equipment

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

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

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

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



**Depreciation methods, estimated useful lives**

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

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

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

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

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

**2.2 Foreign Currency Transactions**

**(a) Functional and presentation currency**

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

**(b) Transactions and balances**

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

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

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

**2.3 Fair value measurement**

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

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

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

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

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

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





## 2.4 Revenue Recognition

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

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenues when a performance obligation is satisfied.

**Sale of goods**

**Sale of goods**  
Revenue towards satisfaction of performance obligation is measured at amount of consideration received or receivable net of returns and allowances, trade discounts and rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

Goods and Service Tax (GST) is not received by the Company in its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

### Rendering of services

**Rendering of services**

The Company also earns revenue from Job work Charges. Revenue from Job work charges is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

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

## Other Income

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

## 2.5 Taxes

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

- (a) Current income tax

Current income tax

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

- (b) Deferred tax

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

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

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

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

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





## 2.6 Leases

### The Company as a lessee

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

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

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

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

## 2.7 Inventories

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

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

Raw materials, packaging materials and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

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

## 2.8 Impairment of non-financial assets

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

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

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





## 2.9 Provisions and contingent liabilities

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

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

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

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

## 2.10 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

## 2.11 Financial instruments

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

### (a) Financial assets

#### (i) Initial recognition and measurement

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

#### (ii) Subsequent measurement

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

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

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

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.



**Equity instruments:** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

(iii) Impairment of financial assets

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

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

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

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

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

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

(iv) Derecognition of financial assets

A financial asset is derecognized only when

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

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

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

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

(ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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





Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Offsetting financial instruments

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

2.12 Convertible preference shares

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

2.13 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

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

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

(ii) Defined benefit plans

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

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

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

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

2.14 Government Grants

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

- There is reasonable assurance that they will be received,
  - The Company will comply with the conditions associated with the grant
- They are then recognized in profit or loss as other income on a systematic basis.

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

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





## 2.15 Earnings Per Share

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

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

## 2.16 Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

## 2.17 Segment Reporting

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

## 2.18 Rounding off amounts

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

## 3 Significant accounting judgments, estimates and assumptions

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

### 3.1 Use of Estimates and judgements

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

#### (a) Taxes

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

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

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

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

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

## 4

### Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company





**Swara Baby Products Private Limited**

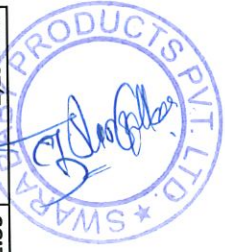
**Notes forming part of the Financial Statements for the year ended 31 March 2025**  
(All amounts in Rupees millions, unless otherwise stated)

**5 Property, plant and equipment**

Particulars	Computers	Buildings	Electrical Equipments & installations	Plant and machinery	Furniture & Fixtures	Office Equipment	Motor Vehicles	Total
<b>Gross Block</b>								
Balance as at 1 April 2023	11.57	265.12	48.38	1,014.98	35.94	9.56	2.74	1,388.29
Additions for the year	0.97	4.90	2.19	15.22	4.61	1.29	1.64	30.82
Disposals during the year	-	-	-	0.90	-	-	-	0.90
<b>Balance as at 31 March 2024</b>	<b>12.54</b>	<b>270.02</b>	<b>50.57</b>	<b>1,029.30</b>	<b>40.55</b>	<b>10.85</b>	<b>4.38</b>	<b>1,418.21</b>
Balance as at 1 April 2024	12.54	270.02	50.57	1,029.30	40.55	10.85	4.38	1,418.21
Additions for the year	3.85	0.69	0.24	356.95	9.78	1.00	-	372.51
Disposals during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2025</b>	<b>16.39</b>	<b>270.71</b>	<b>50.81</b>	<b>1,386.25</b>	<b>50.33</b>	<b>11.85</b>	<b>4.38</b>	<b>1,790.72</b>
<b>Accumulated Depreciation</b>								
Balance as at 1 April 2023	5.72	20.63	11.90	216.72	6.46	3.85	1.10	266.38
Depreciation for the year	3.00	8.44	4.67	94.09	3.56	1.49	0.41	115.66
Disposals during the year	-	-	-	0.33	-	-	-	0.33
<b>Balance as at 31 March 2024</b>	<b>8.72</b>	<b>29.07</b>	<b>16.57</b>	<b>310.48</b>	<b>10.02</b>	<b>5.34</b>	<b>1.51</b>	<b>381.71</b>
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	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2025</b>	<b>11.36</b>	<b>37.37</b>	<b>21.38</b>	<b>406.04</b>	<b>14.23</b>	<b>7.03</b>	<b>2.03</b>	<b>499.44</b>
<b>Carrying amounts (net)</b>								
Balance as at 31 March 2024	3.82	240.95	34.00	718.82	30.53	5.51	2.87	1,036.50
Balance as at 31 March 2025	5.03	233.34	29.43	980.21	36.10	4.82	2.35	1,291.28

**Notes**

i) For charges created on property, plant and equipment refer note 18 and note 21.



5.2 Capital work in progress

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at beginning of year	-	0.47
Additions	338.74	2.46
Capitalised during the year	332.46	2.93
Balance at end of year	6.28	-

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

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	-	-	-	-	-

As at 31 March 2024

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

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





Swara Baby Products Private Limited

Notes forming part of the Financial Statements for the year ended 31 March 2025

(All amounts in Rupees millions, unless otherwise stated)

5a Intangible assets

Particulars	Software	Total
Balance as at 1 April 2023	-	-
Additions for the year	-	-
Disposals during the year	-	-
<b>Balance as at 31 March 2024</b>	-	-
Balance as at 1 April 2024	-	-
Additions for the year	7.72	7.72
Disposals during the year	-	-
<b>Balance as at 31 March 2025</b>	7.72	7.72
<b>Accumulated Depreciation</b>		
Balance as at 1 April 2023	-	-
Depreciation for the year	-	-
Disposals during the year	-	-
<b>Balance as at 31 March 2024</b>	-	-
Balance as at 1 April 2024	-	-
Depreciation for the year	0.36	0.36
Disposals during the year	-	-
<b>Balance as at 31 March 2025</b>	0.36	0.36
<b>Carrying amounts (net)</b>		
<b>Balance as at 31 March 2024</b>	-	-
<b>Balance as at 31 March 2025</b>	7.36	7.36



6 Right-of-use assets

The changes in the carrying value of ROU assets for the year ended 31 March 2025 and year ended 31 March 2024 are as follows:

Particulars	Leasehold land	Total
<b>Gross block</b>		
Balance as at 1 April 2023	32.31	32.31
Addition	-	-
(Disposals)	-	-
<b>Balance as at 31 March 2024</b>	<b>32.31</b>	<b>32.31</b>
<b>Balance as at 1 April 2024</b>	<b>32.31</b>	<b>32.31</b>
Addition	218.22	218.22
(Disposals)	-	-
<b>Balance as at 31 March 2025</b>	<b>250.53</b>	<b>250.53</b>
<b>Accumulated Amortisation</b>		
Balance as at 1 April 2023	2.36	2.36
Amortisation expenses for the year	0.39	0.39
(Disposals)	-	-
<b>Balance as at 31 March 2024</b>	<b>2.75</b>	<b>2.75</b>
<b>Balance as at 1 April 2024</b>	<b>2.75</b>	<b>2.75</b>
Amortisation expenses for the year	4.68	4.68
(Disposals)	-	-
<b>Balance as at 31 March 2025</b>	<b>7.43</b>	<b>7.43</b>
<b>Carrying amounts (net)</b>		
<b>Balance as at 31 March 2024</b>	<b>29.56</b>	<b>29.56</b>
<b>Balance as at 31 March 2025</b>	<b>243.10</b>	<b>243.10</b>

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

The break-up of current and non-current lease liabilities as at 31 Mar 2025 and 31 March 2024 is as follows:

Particulars	As at 31 Mar 2025	As at 31 March 2024
Current lease liabilities	9.18	0.22
Non-current lease liabilities	31.71	1.94
<b>Total lease liabilities</b>	<b>40.89</b>	<b>2.16</b>

The movement in lease liabilities during the year ended 31 March 2025 and 31 March 2024 is as follows:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Opening Balance	2.16	1.86
Additions during the year	42.09	-
Interest Cost accrued during the year	1.97	0.22
Payments during the year	(5.33)	(0.22)
Adjustments in lease liability	-	0.30
<b>Closing Balance</b>	<b>40.89</b>	<b>2.16</b>

Amounts recognised in the Statement of profit and loss

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest expense on lease liabilities (Refer Note 30)	1.97	0.22
Expenses related to short-term leases or low value leases (included in other expenses)	50.13	34.75
	<b>52.10</b>	<b>34.97</b>





## 7 Non-current other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Carried at amortised cost		
Unsecured, Considered good		
Security Deposits	6.06	11.71
Government grants receivables	100.66	135.70
<b>Total</b>	<b>106.72</b>	<b>147.41</b>

## 7a Non-current investments

Particulars	As at 31 March 2025	As at 31 March 2024
Investment in equity instrument		
Unquoted- carried at cost		
Investment in equity instrument of subsidiaries (fully paid up)		
Swara Hygiene Private Limited 1,00,000 (31 March 2024 :1,00,000) equity shares of face value of 10 Rs. Per share	0.10	0.10
<b>Total</b>	<b>0.10</b>	<b>0.10</b>

## 8 Other non-current assets

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, Considered good		
Capital advances	11.79	36.80
Balances with government authorities	196.95	122.22
Prepaid Expenses	0.41	0.31
<b>Total</b>	<b>209.15</b>	<b>159.33</b>

## 9 Inventories

	As at 31 March 2025	As at 31 March 2024
Raw material *	1,001.29	684.10
Work in progress	1.44	1.32
Finished goods **	111.76	95.90
Stock in trade	97.80	69.88
Store and spares parts	44.69	44.22
<b>Total</b>	<b>1,256.98</b>	<b>895.42</b>

\* Above Inventories includes Raw materials-in-transit amounting to INR 100.40 million (March 31, 2024: INR NIL)

\*\* Above Inventories includes Finished goods-in-transit amounting to INR 1.09 million (March 31, 2024: INR 8.18 million)

## 10 Trade receivable

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured Trade Receivables		
-Considered good	522.91	496.56
Less-Allowance for bad and doubtful debts	(1.76)	-
	<b>521.15</b>	<b>496.56</b>
Further classified as:		
Receivable from related parties (refer note 36)	184.01	68.53
Receivable from others	337.14	428.03
	<b>521.15</b>	<b>496.56</b>



## (a) Trade receivables ageing schedule as at 31 March 2025

Particulars	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	324.01	2.74	10.04	0.35	-	337.14
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	1.76	-	-	1.76
Related Parties	170.37	13.64	-	-	-	184.01
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Sub Total</b>	<b>494.38</b>	<b>16.38</b>	<b>11.80</b>	<b>0.35</b>	<b>-</b>	<b>522.91</b>
<b>Less: allowances for credit losses</b>	<b>-</b>	<b>-</b>	<b>(1.76)</b>	<b>-</b>	<b>-</b>	<b>(1.76)</b>
<b>Total</b>	<b>494.38</b>	<b>16.38</b>	<b>10.04</b>	<b>0.35</b>	<b>-</b>	<b>521.15</b>

## Trade receivables ageing schedule as at 31 March 2024

Particulars	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	411.08	14.70	2.10	0.15	-	428.03
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Related Parties	68.53	-	-	-	-	68.53
Disputed Trade Receivables– considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>479.61</b>	<b>14.70</b>	<b>2.10</b>	<b>0.15</b>	<b>-</b>	<b>496.56</b>
<b>Less: allowances for credit losses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>479.61</b>	<b>14.70</b>	<b>2.10</b>	<b>0.15</b>	<b>-</b>	<b>496.56</b>

## (b) Movements in allowance for credit losses of receivables is as below:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	-	-
Add: Allowance made during the year	1.76	-
Less: Write off during the year	-	-
<b>Closing balance</b>	<b>1.76</b>	<b>-</b>

(c) For charges created on trade receivables refer note 18 and note 21.

## 11 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash in hand	0.04	0.02
Balances with banks:	-	-
In current accounts	0.03	0.03
<b>Total</b>	<b>0.07</b>	<b>0.05</b>





## 14 Bank balances other than Cash and cash equivalent

Particulars	As at 31 March 2025	As at 31 March 2024
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	100.31	0.30
<b>Total</b>	<b>100.31</b>	<b>0.30</b>

## 12 Loan

Particulars	As at 31 March 2025	As at 31 March 2024
Loan to key managerial personnel and related parties	1,278.33	1,183.22
<b>Total</b>	<b>1,278.33</b>	<b>1,183.22</b>

Name of the loanee	Rate of interest	Due date	Secured / Unsecured	As at 31 March 2025	As at 31 March 2024
Swara Hygiene Private Limited	8.45% (31 March 2024 - 8.25%)	Repayable on demand	Unsecured	1,028.33	933.22
Solis Hygiene Private Limited		Repayable on demand	Unsecured	250.00	250.00

## Loans &amp; advances to Directors/KMP/Related Parties as at 31 March 2025

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	1,278.33	100%

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

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	1,183.22	100.00%

## 13 Current Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, Considered good		
Government grants receivables	42.48	79.09
Interest accrued on deposits	0.05	-
Security deposits	7.21	2.38
<b>Total</b>	<b>49.74</b>	<b>81.47</b>

## 15 Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, Considered good		
Advance recoverable in kind	79.64	52.30
Balances with government authorities	-	9.32
Prepaid expenses	10.45	3.52
<b>Total</b>	<b>90.09</b>	<b>65.14</b>



16 Share capital

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Authorised</b>		
1,60,00,000 (31 March 2021:1,60,00,000) Equity Shares of Rs. 10 each	160.00	160.00
1,30,00,000 (31 March 2021 :1,30,00,000 CCPS (Compulsorily Convertible Preference Shares) of Rs. 10 each	130.00	130.00
	<b>290.00</b>	<b>290.00</b>
<b>Issued, subscribed and paid up</b>		
1,28,52,719 (31 March 2021: 1,23,38,700) Equity Shares of Rs. 10 each v	128.53	128.53
1,28,48,221 (31 March 2021: 1,28,48,221) 0.1% CCPS (Compulsorily Convertible Non-cumulative Preference Shares) of Rs. 10 each	128.48	128.48
<b>Total</b>	<b>257.01</b>	<b>257.01</b>

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

(i) Equity Share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	12.85	128.53	12.34	123.39
Add: shares issued during the year	-	-	0.51	5.14
Outstanding at the end of the year	<b>12.85</b>	<b>128.53</b>	<b>12.85</b>	<b>128.53</b>

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

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	12.85	128.48	12.85	128.48
Add: shares issued during the year	-	-	-	-
Outstanding at the end of the year	<b>12.85</b>	<b>128.48</b>	<b>12.85</b>	<b>128.48</b>

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

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

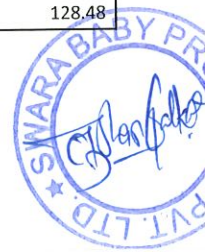
(c) Rights, preferences and restrictions attached to preference shares

The Company has only one class of Compulsorily Convertible Preference Shares (CCPS) having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

The dividends would be cumulative and would be paid prior to payment of any dividend with respect to Equity Shares. The holders of CCPS shall have the right to convert all or any portion of the CCPS held by them at any time at conversion ratio of 1:1 into Equity Shares, prior to expiry of 19 years from the allotment of shares.

(d) Shares held by holding company

Name of Shareholder	Numbers	Amount
<b>Equity Share Capital</b>		
<b>As at 31 March 2025</b>		
Equity Shares at par value of ₹ 10 each Brainbees Solutions Limited	9.59	95.88
<b>As at 31 March 2024</b>		
Equity Shares at par value of ₹ 10 each Brainbees Solutions Limited	9.26	92.57
<b>Preference share capital</b>		
<b>As at 31 March 2025</b>		
Equity Shares at par value of ₹ 10 each Brainbees Solutions Limited	12.85	128.48
<b>As at 31 March 2024</b>		
Equity Shares at par value of ₹ 10 each Brainbees Solutions Limited	12.85	128.48





(e) Details of shareholders holding more than 5% of the shares

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% of holding in the	Number of shares	% of holding in
Equity shares of INR 10 each fully paid				
Anadya Bon Merchari LLP	2.75	21.40%	3.08	23.98%
Brainbees Solutions Ltd.	9.59	74.60%	9.26	72.02%

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

Name of the shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% of Total shares	Number of shares	% of Total shares
Anadya Bon Merchari LLP	2.75	21.40%	3.08	23.98%

(g) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(h) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

17 Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
(A) Securities premium (SP)		
Opening balance	871.07	871.07
Add : Securities premium credited on issue of shares		
Closing balance	871.07	871.07
(B) Surplus in the Statement of Profit and Loss		
Opening balance	1,362.98	776.25
Add: Net profit for the current year	428.84	586.73
Other comprehensive income	-0.34	-
Closing balance	1,791.48	1,362.98
Total other equity (A + B)	2,662.55	2,234.05

18 Non-current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Term loan		
From Bank		
Secured bank loan	248.25	143.03
	248.25	143.03
Less: Current maturity of long term loans (Refer note 21)	(102.57)	(75.38)
Total non current borrowings	145.68	67.65

19 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
	Current	Current
Provision for employee benefits (Refer note 35)	1.29	0.50
Provision for gratuity	0.20	0.91
Provision for compensation absences		
Total Current Provision	1.49	1.41
Provisions	Non-Current	Non-Current
Provision for gratuity	6.13	4.39
Total Non Current Provision	6.13	4.39

19a Current tax Liability (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Income tax provision	7.63	26.62
Total	7.63	26.62



20 Other non-current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred government grant	141.11	189.22
<b>Total</b>	<b>141.11</b>	<b>189.22</b>

21 Short-term borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Secured, from bank, term loan</b>		
Cash Credit Facility	472.90	11.40
Current maturity of long term loans	102.57	75.38
Interest accrued but not due on loan	1.81	1.02
<b>Unsecured, Loans from related parties</b>		
Loan from Brainbees solutions limited	450.00	462.60
<b>Total</b>	<b>1,027.28</b>	<b>550.40</b>

**Cash Credit Facility**

(i) The Company has taken Cash Credit Facility from HDFC bank amounting to Rs. 472.90 Million (Previous Year Balance is 11.40 Million) which are secured by way of exclusive charge on Current Assets (Present & Future) of the company, Land and Building in name of company, Plant & Machinery (Present & future) of the company. Cash credit carry floating rate of interest from 8.10% to 8.67% (Interest rate PY is 8.80 PA Linked to 3 Month T-bill).

**From body corporates**

(i) The Company has taken loan from Brainbees solutions limited amounting to Rs. 450 Million (Previous Year Balance is 462.60 Million) which are Unsecured. Interest rate is from 8% PA, to be paid along with repayment of principal or otherwise as mutually agreed between Parties.





Swara Baby Products Private Limited  
Notes forming part of the Financial Statements for the year ended 31 March 2025  
(All amounts in Rupees millions, unless otherwise stated)

Term loan disclosure  
Note no. 18 continued

Particular	Start Date	Maturity Date	Terms of Repayment	Nature of Security	Interest Rate	As at 31 March 2025			As at 31 March 2024		
						Non Current Liability	Current Liability	Total	Non Current Liability	Current Liability	Total
Term Loan 007LN06242570001	13-Sep-24	13-Sep-29	Monthly Installment in 5 Years	1. Equitable Mortgage of Factory Land & Building at Pithampur 2. First Charge of Plant & Machinery of the Company & Including Assets Both Present and Future	8.42% - 8.70%	83.46	23.84	107.30	-	-	-
Term Loan 007LN06242670001	23-Sep-24	13-Sep-29	Monthly Installment in 5 Years		8.42% - 8.70%	19.35	5.52	24.87	-	-	-
Term Loan 007LN06243590003	24-Dec-24	13-Oct-29	Monthly Installment in 5 Years		8.42% - 8.70%	37.67	10.76	48.43	-	-	-
Term Loan 469LN06191780001	27-Jun-19	27-Sep-24	Monthly Installment in 5 Years		8.00%	-	-	-	-	8.95	8.95
Term Loan 469LN06191900001	9-Jul-19	27-Sep-24	Monthly Installment in 5 Years		8.00%	-	-	-	-	3.64	3.64
Term Loan 469LN06192460001	3-Sep-19	27-Sep-24	Monthly Installment in 5 Years		8.00%	-	-	-	-	0.34	0.34
Term Loan 007LN06211070002	17-Apr-21	17-Apr-26	Monthly Installment in 5 Years		7.81% - 8.43%	1.66	19.79	21.45	21.43	19.82	41.25
Term Loan 007LN06211740002	23-Jun-21	17-Apr-26	Monthly Installment in 5 Years		7.81% - 8.43%	1.66	20.57	22.23	22.25	20.51	42.76
Term Loan 007LN06213050001	1-Nov-21	17-Apr-26	Monthly Installment in 5 Years		8.48%	1.85	22.12	23.97	23.97	22.12	46.09
						145.65	102.60	248.25	67.65	75.38	143.03



22 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro and small enterprises	32.83	85.86
Total outstanding dues of creditors other than micro and small enterprises	369.49	351.26
<b>Total</b>	<b>402.32</b>	<b>437.12</b>

Trade payable ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
Total outstanding dues of micro and small enterprises	32.83	-	-	-	32.83
Total outstanding dues of creditors other than micro and small enterprises	369.48	0.01	-	-	369.49
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>402.31</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>402.32</b>

Trade payable ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
Total outstanding dues of micro and small enterprises	85.86	-	-	-	85.86
Total outstanding dues of creditors other than micro and small enterprises	350.71	0.55	-	-	351.26
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>436.57</b>	<b>0.55</b>	<b>-</b>	<b>-</b>	<b>437.12</b>

23 Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Other financial liabilities at amortised cost</b>		
Capital creditors	37.43	1.55
Accrued employee liability	19.68	17.18
<b>Total</b>	<b>57.11</b>	<b>18.73</b>

24 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory due payable	7.31	7.93
Advance from customer	184.70	14.14
Deferred government grant	48.11	54.64
Deferred Revenue	1.48	9.34
Refund liability	60.88	130.07
<b>Total</b>	<b>302.48</b>	<b>216.12</b>





25 Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products*	5,387.22	6,806.96
Sale of services		
Other services	36.15	25.29
Other operating revenue	27.99	32.72
<b>Revenue from operations</b>	<b>5,451.36</b>	<b>6,864.97</b>
<b>* Sale of products consist of:</b> (net of returns, discounts, etc.)		
Diapers ^	3,909.02	4,701.57
Trading items	1,373.95	1,977.20
Others	104.25	128.19
	<b>5,387.22</b>	<b>6,806.96</b>

Reconciliation of revenue from contract with customer

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>(a) Contract balances</b>		
Contract assets		
Trade receivables	521.15	496.56
Contract liabilities		
Advance from customer	184.70	14.14
<b>(b) Reconciliation of revenue as recognized in the Statement of Profit &amp; Loss with the contracted price</b>		
Revenue as per contracted price	5,626.47	7,029.52
Less: Sales return	-	-
Less: Discount	175.11	164.55
<b>Revenue as per Statement of Profit &amp; Loss</b>	<b>5,451.36</b>	<b>6,864.97</b>

26 Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income		
- on fixed deposits designated as amortized cost	0.05	0.51
- Security deposits	0.79	0.49
- on loan given to related parties	124.96	68.01
Unwinding of discount on government grant	16.08	19.47
Income on Interest Subsidy	-	14.64
Net gain on foreign currency transactions and translations	9.80	15.35
Income from government grant	54.64	49.59
Liabilities/ Provisions written back to the extent no longer required	-	0.31
Miscellaneous income	0.50	1.13
<b>Total</b>	<b>206.82</b>	<b>169.50</b>

27 Cost of material consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year	684.10	650.75
Add: Purchases*	3,347.20	3,541.02
Less: Inventory at the end of the year	1,001.29	684.10
Material captively used in capital projects	10.37	-
<b>Cost of raw material consumed</b>	<b>3,019.64</b>	<b>3,507.67</b>

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

27a

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Purchase of traded goods	1,218.57	1,721.00
<b>Total</b>	<b>1,218.57</b>	<b>1,721.00</b>

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



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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventories at the beginning of the year		
-Finished goods	95.90	207.84
-Work-in-progress	1.32	4.33
-Stock in trade	69.88	18.82
<b>Total</b>	<b>167.10</b>	<b>230.99</b>
Less: Inventories at the end of the year		
-Finished goods	111.76	95.90
-Work-in-progress	1.44	1.32
-Stock in trade	97.80	69.88
<b>Total</b>	<b>211.00</b>	<b>167.10</b>
<b>Net (increase) / decrease</b>	<b>-43.90</b>	<b>63.89</b>

29 Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages, bonus and other allowances	139.32	130.44
Contribution to provident and other funds	5.22	3.98
Staff welfare expenses	10.94	7.09
<b>Total</b>	<b>155.48</b>	<b>141.51</b>

30 Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest on borrowing	70.60	47.61
Others (commission on funding, Bank charges)	2.20	2.18
Interest expenses on lease liability	1.97	0.22
<b>Total</b>	<b>74.77</b>	<b>50.01</b>

31 Depreciation and amortization expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment (Refer note 5)	117.73	115.66
Amortization on intangible assets (Refer note 5 (a))	0.36	-
Amortization on right to use assets (Refer note 6)	4.68	0.38
<b>Total</b>	<b>122.77</b>	<b>116.04</b>

32 Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Power and fuel	69.65	77.03
Consumption of stores & spares	22.77	33.74
Labour charges	71.78	66.94
Freight & forwarding charges	37.80	64.09
Repairs and maintenance - others	5.71	6.86
Rent	50.13	34.75
Rates and taxes	0.80	2.44
Vehicle running expenses	0.52	0.75
Travel and conveyance	29.88	24.78
Postage and courier	1.94	1.66
Insurance	6.83	7.21
Printing & stationery	0.92	1.06
Communication, broadband and internet expenses	0.93	0.78
Security expenses	9.61	7.38
Legal and professional charges	16.03	16.90
Payment to auditors*	2.20	1.10
Advertisement & business promotion	95.87	237.77
Commission	24.57	3.81
Expenditure towards Corporate Social Responsibility activities (refer note 43)	10.61	6.78
Miscellaneous expenses	69.09	43.00
<b>Total</b>	<b>527.64</b>	<b>638.83</b>





\*Note : Payment to auditors includes

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>As auditor:</b>		
Statutory audit	2.10	1.00
<b>In other capacity:</b>		
Tax audit	0.10	0.10
<b>Total</b>	<b>2.20</b>	<b>1.10</b>

### 33 Income Tax

(A) Deferred tax relates to the following:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Deferred tax assets</b>		
On disallowance u/s 43B	1.92	1.46
	<b>1.92</b>	<b>1.46</b>
<b>Deferred tax liabilities</b>		
On excess depreciation claimed in Income-tax act, 1961	110.90	91.64
	<b>110.90</b>	<b>91.64</b>
<b>Deferred tax liability</b>	<b>(108.98)</b>	<b>(90.18)</b>

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Deferred tax asset	1.92	1.46
Deferred tax liabilities	(110.90)	(91.64)
Deferred tax assets/ (liabilities), net	<b>(108.98)</b>	<b>(90.18)</b>

(C) Reconciliation of deferred liabilities (net):

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance as of 1 April	(90.18)	(65.16)
Tax liability recognized in Statement of Profit and Loss	(18.80)	(25.02)
Closing balance as at 31 March	<b>(108.98)</b>	<b>(90.18)</b>

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Tax liability	(19.26)	(26.04)
Tax asset	0.46	1.02
Deferred tax liability to be recognized	<b>(18.80)</b>	<b>(25.02)</b>

(E) Income tax expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
- Current tax taxes	135.46	182.76
- Deferred tax charge	18.91	25.02
- Tax adjustment of earlier years	-	1.01
Income tax expense reported in the statement of profit or loss	<b>154.37</b>	<b>208.79</b>

(F) Reconciliation of tax charge

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	583.21	795.52
Income tax expense at tax rates applicable	146.78	200.22
Tax effects of:		
- Item not deductible for tax	(2.67)	(1.71)
- Other income not liable to tax	19.03	6.53
- Tax adjustment of earlier years	-	1.01
- Others	(8.77)	2.74
Income tax expense	<b>154.37</b>	<b>208.79</b>



### 34 Earnings per share

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

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit attributable to equity shareholders	428.50	586.73
Profit attributable to equity shareholders after preference dividend	428.50	586.73
Profit attributable to equity shareholders adjusted for the effect of dilution	428.50	586.73
Weighted average number of equity shares for basic EPS	25.70	25.34
Basic earning per share (INR)	16.67	23.15
Weighted average number of equity shares for diluted EPS	25.70	25.34
Diluted earning per share (INR)	16.67	23.15

### 35 Employee benefits

#### (A) Defined Contribution Plans

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	5.22	3.98

#### (B) Defined benefit plans

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

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

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

Description of actual risk as mentioned above

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

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

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

Particulars	As at 31 March 2025	As at 31 March 2023
a) Gratuity payable to employees	7.42	4.89
b) Compensated absences for employees	0.20	0.91

#### i) Actuarial assumptions

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Discount rate (per annum)	6.50%	7.15%
Rate of increase in salary	10.00%	10.00%
Expected average remaining working lives of employees (years)	3.43 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 2025	For the year ended 31 March 2024
Present value of obligation at the beginning of the year	4.89	3.41
Interest cost	0.35	0.25
Past service cost	-	-
Current service cost	1.74	1.64
Curtailements	-	-
Settlements	-	-
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	0.45	(0.41)
Present value of obligation at the end of the year	7.43	4.89

iii) Expense recognized in the Statement of Profit and Loss and other comprehensive income

Particulars	Employee's gratuity fund	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	1.74	1.64
Past service cost	-	-
Interest cost	0.35	0.25
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	0.45	-0.41
Settlements	-	-
Curtailements	-	-
Total expenses recognized in the Statement Profit and Loss	2.54	1.48

iv) Assets and liabilities recognized in the Balance Sheet

Particulars	Employee's gratuity fund	
	As at 31 March 2025	As at 31 March 2024
Present value of unfunded obligation as at the end of the year	7.43	4.89
Unrecognized actuarial (gains)/losses	-	-
Unfunded net (asset) / liability recognized in Balance Sheet*	7.43	4.89

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

Amounts to be recognised in Balance Sheet

Particulars	As at 31 March 2025	As at 31 March 2024
Gratuity		
Non-current	6.13	4.39
Current	1.29	0.50
	7.42	4.89

v) A quantitative sensitivity analysis for significant assumption as at 31 March 2025, 31 March 2024 is as shown below:

Particulars	Employee's gratuity fund	
	As at 31 March 2025	As at 31 March 2024
Impact on defined benefit obligation		
Discount rate		
1% increase	0.31	0.22
1% decrease	0.33	0.24
Rate of increase in salary		
1% increase	0.32	0.23
1% decrease	0.30	0.22
Attrition Rate		
1% increase	0.08	0.08
1% decrease	0.08	0.08

vi) Maturity profile of defined benefit obligation

Particulars	Employee's gratuity fund	
	As at 31 March 2025	As at 31 March 2024
Year		
Apr 2024- Mar 2025	1.29	0.50
Apr 2025- Mar 2029	4.95	3.54
Apr 2029- Mar 2034	2.66	2.10
Apr 2034 onwards	1.30	1.03



**36 Related Party Disclosures:**

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

**Parent Company**

Brainbees Solutions Limited

**Wholly owned subsidiaries**

Swara Hygiene Private Limited

**Fellow Subsidiaries**

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

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

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

**Nature of relationship**

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





**Swara Baby Products Private Limited**  
**Notes forming part of the Financial Statements for the year ended 31 March 2025**  
**(All amounts in Rupees millions, unless otherwise stated)**

**Key Management Personnel (KMP)**

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

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

**Parent Company (Brainbees Solutions Limited)**

Particulars	For the year ended 31 Mar 2025	For the year ended 31 March 2024
Sale of products	2,036.02	2,028.86
Interest expense	36.00	32.75
Refund liability	22.17	88.42

**Subsidiary Company (Swara Hygiene Private Limited)**

Particulars	For the year ended 31 Mar 2025	For the year ended 31 March 2024
Sale of products	49.96	217.06
Purchases	-	572.40
Loan given	682.50	842.35
Repayment received	680.00	-
Interest income on loan given	102.90	45.25

**Entity under common control**

Particulars	For the year ended 31 Mar 2025	For the year ended 31 March 2024
Sale of products	265.64	158.98
Business Support Services	-	1.50
Purchases	1,213.57	1,084.54
Loan given	-	50.00
Interest income on loan given	21.13	19.38

**III Disclosure in respect of all related party transactions:**

**Sale of products**

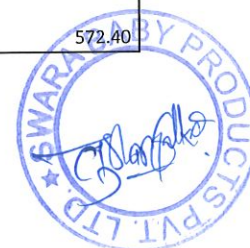
Particulars	For the year ended 31 Mar 2025	For the year ended 31 March 2024
Brainbee Solution Limited	2,036.02	2,028.86
KA Enterprises	60.35	36.16
Solis Hygiene Private Limited	140.60	113.03
Swara Hygiene Private Limited	49.96	217.06
Firstcry Trading Company	9.40	-
FirstCry Retail DWC LLC	51.59	9.78

**Business Support Services**

Particulars	For the year ended 31 Mar 2025	For the year ended 31 March 2024
Anadya Baby Products LLP	-	1.50

**Purchase**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
KA Enterprises	0.03	10.34
Solis Hygiene Private Limited	1,153.07	1,074.20
Kairso Hygiene Private Limited	60.47	-
Swara Hygiene Private Limited	-	572.40



**Loan given**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Swara Hygiene Private Limited	682.50	842.35
Solis Hygiene Private Limited	-	50.00

**Interest Income**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Swara Hygiene Private Limited	102.90	45.25
Solis Hygiene Private Limited	21.12	19.38
Alok Birla	-	0.31

**Key Management Personnel (KMP)**

**Compensation of key management personnel**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Alok Birla	32.20	28.80
Tushar Gunjalkar	0.74	0.62

**Interest on Loan**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Alok Birla	-	0.31

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

**Parent Company (Brainbees Solutions Limited)**

Particulars	As at 31 March 2025	As at 31 March 2024
Advance received	161.17	-
Trade receivables	-	0.93
Loan	450.00	450.00
Interest on loan	-	12.59
Refund liability	22.17	88.42

**Subsidiary Company (Swara Hygiene Private Limited)**

Particulars	As at 31 March 2025	As at 31 March 2024
Investment	0.10	0.10
Trade receivables	70.85	61.67
Advance	-	38.26
Loan	1,028.33	933.22





**Trade Payable**

Particulars	As at 31 March 2025	As at 31 March 2024
Solis Hygiene Private Limited	-	2.21

**Trade Receivable**

Particulars	As at 31 March 2025	As at 31 March 2024
KA Enterprises	49.58	5.92
Solis Hygiene Private Limited	62.46	-
Swara Hygiene Private Limited	70.89	61.67
FirstCry Retail DWC LLC	2.64	-
Firstcry Trading Company	0.44	-

**Loan Given**

Particulars	As at 31 March 2025	As at 31 March 2024
Solis Hygiene Private Limited	250.00	250.00
Swara Hygiene Private Limited	1,028.33	933.22

**Loan Taken**

Particulars	As at 31 March 2025	As at 31 March 2024
Brainbee Solution Limited	450.00	450.00

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

**37 Segment reporting**

The Company's operations predominantly relate to manufacturing and sale of diapers. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

The Company categorizes its revenue by geographical region, as summarized below, which as per management is most appropriate:  
Revenue from operations

	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Amount (INR million)	%	Amount (INR million)	%
From India	5,341.67	97.99%	6,849.80	99.78%
From foreign countries	109.69	2.01%	15.17	0.22%
	<b>5,451.36</b>	<b>100.00%</b>	<b>6,864.97</b>	<b>100.00%</b>

Note: The Company has three customers (31 March 2024 : two customers) which accounts for more than 10% of the Company's total revenue for the year ended March 31, 2025.

**38 Capital management**

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

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

Particulars	As at 31 March 2025	As at 31 March 2024
Equity	2,919.56	2,491.06
Total equity (i)	2,919.56	2,491.06
Borrowings other than convertible preference shares	1,172.96	618.05
Less: Cash and cash equivalents	0.07	0.05
Total debt (ii)	1,172.89	618.00
Overall financing (iii) = (i) + (ii)	4,092.45	3,109.06
Gearing ratio (ii) / (iii)	0.29	0.20



39 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 2025

	Note	Amortized Cost	Financial assets/ liabilities at fair value through profit or loss			Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory		Equity instruments designated upon initial recognition	Mandatory		
Financial assets:									
Other financial assets	7, 13	156.46	-	-	-	-	-	156.46	-
Trade receivables	10	521.15	-	-	-	-	-	521.15	-
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	-
		2,056.32	-	-	-	-	-	2,056.32	-
Financial liabilities:									
Lease liabilities	6	40.89	-	-	-	-	-	40.89	-
Borrowings	18,21	1,172.96	-	-	-	-	-	1,172.96	-
Trade payables	22	402.32	-	-	-	-	-	402.32	-
Other financial liabilities	23	57.11	-	-	-	-	-	57.11	-
		1,673.28	-	-	-	-	-	1,673.28	-

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

	Note	Amortized Cost	Financial assets/ liabilities at fair value through profit or loss			Financial assets/ liabilities at fair value through OCI		Total carrying value	Total fair value
			Designated upon initial recognition	Mandatory		Equity instruments designated upon initial recognition	Mandatory		
Financial assets:									
Other financial assets	7, 13	228.88	-	-	-	-	-	228.88	-
Trade receivables	10	496.56	-	-	-	-	-	496.56	-
Cash and cash equivalents	11	0.05	-	-	-	-	-	0.05	-
Bank balances other than cash and cash equivalents	14	0.30	-	-	-	-	-	0.30	-
Loans	12	1,183.22	-	-	-	-	-	1,183.22	-
		1,909.01	-	-	-	-	-	1,909.01	-
Financial liabilities:									
Lease liabilities	6	2.16	-	-	-	-	-	2.16	-
Borrowings	18,21	618.05	-	-	-	-	-	618.05	-
Trade payables	22	437.12	-	-	-	-	-	437.12	-
Other financial liabilities	23	18.73	-	-	-	-	-	18.73	-
		1,076.06	-	-	-	-	-	1,076.06	-





#### 40 Financial instruments - Risk management

##### Fair value hierarchy:

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

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company does not have assets and liabilities which are measured at fair value on a recurring basis as of 31 March 2025, 31 March 2024.

##### Financial risk management framework

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

##### Financial risk factors:

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

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

##### (i) Market risk factors:

##### Foreign exchange risk:

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

The following table analyzes the Company's foreign currency risk exposure as a result of financial instruments designated in major foreign currencies as at 31 March 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
<b>Total</b>	<b>1.21</b>	<b>103.27</b>	<b>103.27</b>

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

Particulars	U.S. dollars	INR	Total
Trade payables	2.26	188.25	188.25
Capital creditors	0.12	9.66	9.66
<b>Total</b>	<b>2.38</b>	<b>197.91</b>	<b>197.91</b>

##### Foreign currency sensitivity analysis

The impact of 5% depreciation / appreciation in the exchange rate between the Indian Rupee and U.S. Dollar on Profit before tax of the Company, given in below table.

Particulars	As at 31 March 2025		As at 31 March 2024	
	Rupee depreciate by 5%	Rupee appreciate by 5%	Rupee depreciate by 5%	Rupee appreciate by 5%
Against USD	(4.71)	4.71	(9.90)	9.90



**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	As at 31 March 2025	As at 31 March 2024
Effect on profit before tax- Decrease of profit	INR	(+)50	(3.61)	(0.77)
Effect on profit before tax- Increase of profit	INR	(-)50	3.61	0.77

**(ii) Credit risk:**

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

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

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

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

Expected credit loss assessment for trade receivables and security deposits as at 31 March 2025 and 31 March 2024

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

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

**(iii) Liquidity risk:**

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

As on 31 March 2025, the Company had a working capital as follows

Particular	As at 31 March 2025	As at 31 March 2024
Current assets	3,296.67	2,722.16
Current liabilities	1,807.49	1,250.62
<b>Working capital</b>	<b>1,489.18</b>	<b>1,471.54</b>

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2025 & 31 March 2024.

**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	21.96	40.90
Borrowing	1,172.96	1,027.28	85.48	60.20	1,172.96
Other financial liabilities	57.11	57.11	-	-	57.11

**As at March 31, 2024**

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





#### 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 2025	As at 31 March 2024
a) Principal amount payable to suppliers as at year end	32.83	85.86
b) Interest due thereon as at year end	NIL	NIL
c) Interest amount for delayed payments to suppliers pursuant to provisions of MSMED Act actually paid during the year, irrespective of the year to which interest relates	NIL	NIL
d) Amount of delayed payments actually made to suppliers during the year	237.68	161.56
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	2.62	1.38
f) Interest accrued and remaining unpaid at the end of the year	2.62	1.38
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	4.64	2.02

The Management is in continuous process of obtaining confirmations from its vendors regarding their registrations under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Under the MSMED Act, 2006 which came into force with effect from 02 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of information and records available with the Company, the following disclosures are made for the amounts due to Micro, Small and Medium Enterprises. Further, in view of the management, the impact of interest, if any, that may be payable in accordance with the provision of the Act are not expected to be material and hence not accounted in books. The Company has not received any claim for interest from any supplier under the said Act.

#### 42 Contingent Liabilities and commitments

##### i. Contingent Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Indirect tax matters	10.62	10.62
<b>Total</b>	<b>10.62</b>	<b>10.62</b>

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

The Company has filed appeal in Appellate Tribunal.

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

##### ii. a) Commitments

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

Particulars	As at 31 March 2025	As at 31 March 2024
Tangible assets (Net of advances)	-	331.86
<b>Total</b>	<b>-</b>	<b>331.86</b>



**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 (March 31, 2024 : Rs. 571.75). In this respect the Company has given Bond of Rs.101.66 (March 31, 2023 :Rs. 101.66) to the Commissioner of Customs.

Year of issue	Export obligation to be fulfilled till F.Y	Unfulfilled export obligation	
		As at 31 March 2025	As at 31 March 2024
		Rs. Lakhs	Rs. Lakhs
2021-2022	2027-2028	474.33	556.39
2024-2025	2030-2021	392.98	-

**43 Corporate Social Responsibility**

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

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) amount required to be spent by the company during the year,	10.60	6.71
(b) amount of expenditure incurred till date	10.60	6.78
For F.Y: 2024-25	10.60	-
For F.Y: 2023-24	-	6.78
<b>Paid</b>		
(i) Construction/acquisition of asset	-	-
(ii) On purposes other than (i) above	10.60	6.78
<b>Yet to be paid</b>		
(i) Construction/acquisition of asset	-	-
(ii) On purposes other than (i) above	-	-
<b>Total (b)</b>	10.60	6.78
(c) shortfall at the end of the year,	-	-
(d) reason for shortfall,		
(e) total of previous years shortfall,	-	-
(f) Movement in provision	-	-
(g) 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





44 Ratio analysis & calculation

1 Current ratio

Particular	As at 31 March 2025	As at 31 March 2024
Current assets	3,296.67	2,722.16
Current liabilities	1,807.49	1,250.62
Ratio	1.82	2.18

Change from 31 March 2024 -16%

2 Debt- Equity ratio

Particular	As at 31 March 2025	As at 31 March 2024
Debt	1,172.96	618.05
Equity	2,919.56	2,491.06
Ratio	40%	25%

Change from 31 March 2024 62%

Reason for more than 25% change Company has taken new borrowings from HDFC Bank for expansion, Therefore Debt - Equity ratio increased.

3 Debt service coverage ratio

Particular	As at 31 March 2025	As at 31 March 2024
Earnings available for debt service	626.38	752.78
Debt service	167.17	134.89
Ratio	3.75	5.58

Change from 31 March 2024 -33%

Reason for more than 25% change Company has taken new borrowings from HDFC Bank for expansion, Therefore Debt Service coverage ratio decreased.

Particulars	As at 31 March 2025	As at 31 March 2024
Profit for the year*	428.84	586.73
Add: Depreciation and amortisation expense	122.77	116.04
Add: Finance costs	74.77	50.01
Earning available for debt service	626.38	752.78
Finance cost	69.08	58.40
Lease payment	5.33	0.39
Principal repayment	92.76	75.38
Total interest and Principal repayment	167.17	134.17
Ratio	3.75	5.61

4 Return on equity (ROE)

Particular	As at 31 March 2025	As at 31 March 2024
Net Profit (After Tax)	428.84	586.73
Op. Shareholder Equity	2,491.06	1,899.19
Cl. Shareholder Equity	2,919.56	2,491.06
Avg Shareholder's Equity	2,705.31	2,195.13
Ratio	16%	27%

Change from 31 March 2024 -41%

Reason for more than 25% change The decrease in ROE is on account of decrease in Net profit in the current year.

5 Inventory turnover ratio

Particular	As at 31 March 2025	As at 31 March 2024
Sales	5,451.36	6,864.97
Opening inventory	895.42	928.86
Closing inventory	1,256.98	895.42
Average inventory	1,076.20	912.14
Ratio	5.07	7.53

Change from 31 March 2024 -33%

Reason for more than 25% change The decrease in Inventory turnover ratio is on account of decrease in sales in the current year.



Swara Baby Products Private Limited  
Notes forming part of the Financial Statements for the year ended 31 March 2025  
(All amounts in Rupees millions, unless otherwise stated)

6 Trade receivables turnover ratio

Particular	As at 31 March 2025	As at 31 March 2024
Credit sales	5,451.36	6,864.97
Opening accounts receivables	496.56	368.76
Closing accounts receivables	521.15	496.56
Average accounts receivables	508.86	432.66
Ratio	10.71	15.87

Change from 31 March 2024 -32%

Reason for more than 25% change

The decrease in trade receivables turnover ratio is on account of decrease in sales in the current year.

7 Trade payables turnover ratio

Particular	As at 31 March 2025	As at 31 March 2024
Net credit purchases	4,565.76	5,262.02
Opening trade payables	437.12	478.02
Closing trade payables	402.33	437.12
Average trade payables	419.72	457.57
Ratio	10.88	11.50

Change from 31 March 2024 -5%

8 Net capital turnover ratio

Particular	As at 31 March 2025	As at 31 March 2024
Net sales	5,451.36	6,864.97
Current assets	3,296.67	2,722.16
Current liabilities	1,807.49	1,250.62
Working capital	1,489.18	1,471.54
Ratio	3.66	4.67

Change from 31 March 2024 -22%

9 Net profit ratio

Particular	As at 31 March 2025	As at 31 March 2024
Net profit (after tax)	428.84	586.73
Net sales	5,451.36	6,864.97
Ratio	0.08	0.09

Change from 31 March 2024 -8%

10 Return on capital employed

Particular	As at 31 March 2025	As at 31 March 2024
EBIT	657.98	845.53
Capital employed	4,201.50	3,199.29
Ratio	0.16	0.26

Change from 31 March 2024 -41%

Reason for more than 25% change

Sales in the current year has decreased due to shift our volume in our subsidy company ; Net profit decreased.

Particulars	As at 31 March 2025	As at 31 March 2024
Profit before tax	583.21	795.52
Add: Finance costs	74.77	50.01
Adjusted EBIT	657.98	845.53
Total equity	2,919.56	2,491.06
Deferred tax liability	108.98	90.18
Non-current borrowings	145.68	67.65
Current borrowings	1,027.28	550.40
Total debt	1,172.96	618.05
Adjusted EBIT	657.98	845.53
Capital Employed	4,201.50	3,199.29
Ratio	0.16	0.26





45 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 2025	As at 31 March 2024
<b>Current</b>			
<b>Financial Assets</b>			
Trade receivables	10	521.15	496.56
<b>Non Financial Assets</b>			
Inventories			
a) Raw material	9	1,001.29	684.10
b) Finished Goods	9	111.76	95.90
c) Traded Goods	9	97.80	69.88
d) WIP	9	1.44	1.32
e) Stores & Spares	9	44.69	44.22
<b>Total current assets pledged as security</b>		<b>1,778.13</b>	<b>1,391.98</b>
<b>Non Current</b>			
<b>Non Financial Assets</b>			
Buildings	5	233.34	240.95
Plant & Machineries	5	980.21	718.82
<b>Total non current assets pledged as security</b>		<b>1,213.55</b>	<b>959.77</b>
<b>Total assets pledged as security</b>		<b>2,991.68</b>	<b>2,351.75</b>

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.

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	-	-

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

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

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

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





**46 Government grant**

**MPIDC**

- 1 Company got sanction from Madhya Pradesh Industrial Development Corporation for establishment of main (Investment) unit in F.Y 2018-19 amount Rs. 51.90 million. Till F.Y 2024-25 amount Rs. 45.48 million has been received, in P&L amount Rs.7.20 million recognized during the year.
- 2 Company got sanction from Madhya Pradesh Industrial Development Corporation for Investment purpose (first expansion) in F.Y 2019-20 amount Rs. 82.56 million. Till F.Y 2024-25 amount Rs. 59.15 million has been received, in P&L amount Rs. 11.90 million recognized during the year.
- 3 Company got sanction from Madhya Pradesh Industrial Development Corporation for Investment purpose (Second expansion) in F.Y 2022-23 amount Rs. 243.10 million. Till F.Y 2024-25 amount Rs. 105.60 million has been received, in P&L amount Rs. 40.30 million recognized during the year.
- 4 Company got sanction from Madhya Pradesh Industrial Development Corporation in FY 2023-24 for interest subsidy on term loan disbursed for TUFs approved P&M of INR 300 millions.

**TUFs**

- 1 Company got sanction under Technology Upgradation Fund Scheme for Machine 2 in F.Y 2020-21 amount Rs. 22.65 million full amount has been received F.Y 22-23, in P&L amount Rs. 2.05 million recognized during the year.
- 2 Company got sanction under Technology Upgradation Fund Scheme for Machine 3 amount Rs. 73.63 million full amount has been received F.Y 23-24, in P&L amount Rs. 9.25 million recognized during the year.

**47 Other statutory information:**

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) 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:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f) 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:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h) The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority.
- i) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- j) 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.
- k) 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.
- l) The Company has complied with the number of layers prescribed under the Companies Act, 2013.



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

We confirm that following are maintained during the year except for the retention log for one of the branch (Chhattisgarh) from 1 April 2024 to 4 December 2024:

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

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

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

As per our report of even date attached

Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013



Shashi Tadwalkar

Partner

Membership No.: 101797

Place: Pune

Date: 24 May 2025

For and on behalf of the Board of Directors

Swara Baby Products Private Limited

CIN: U36999MP2016PTC068986



Gautam Sharma  
Director

DIN: 08776136

Place: Pune

Date: 24 May 2025



Alok Birla  
Managing Director

DIN: 00232079

Place: Pune

Date: 24 May 2025



Tushar Gunjalkar

Company Secretary

Membership No: 52938

Place: Pune

Date: 24 May 2025