



PEOPLE | CARE | PROGRESS

ANNUAL REPORT

FINANCIAL YEAR
2025 – 26

WELLNESS
TODAY
FOR BRIGHTER
TOMORROWS
—

CARE
PEOPLE
COMMUNITIES
PROGRESS
—

BUILDING
A HEALTHIER
TOMORROW
—



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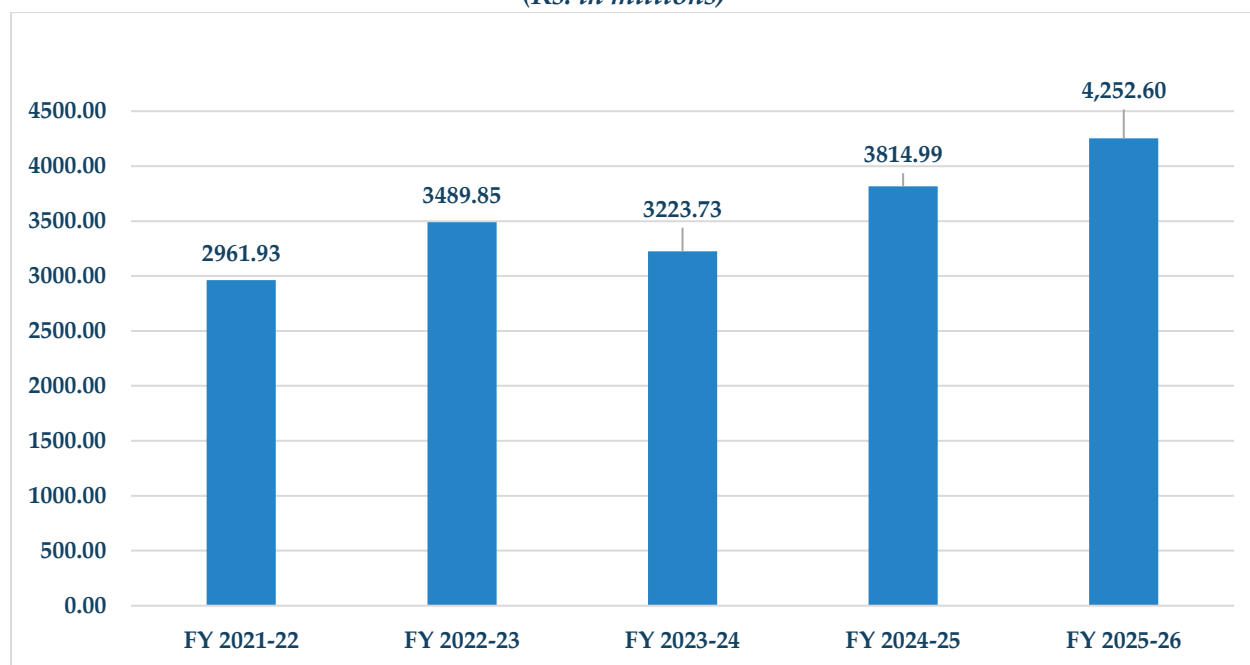


cs@velnik.com

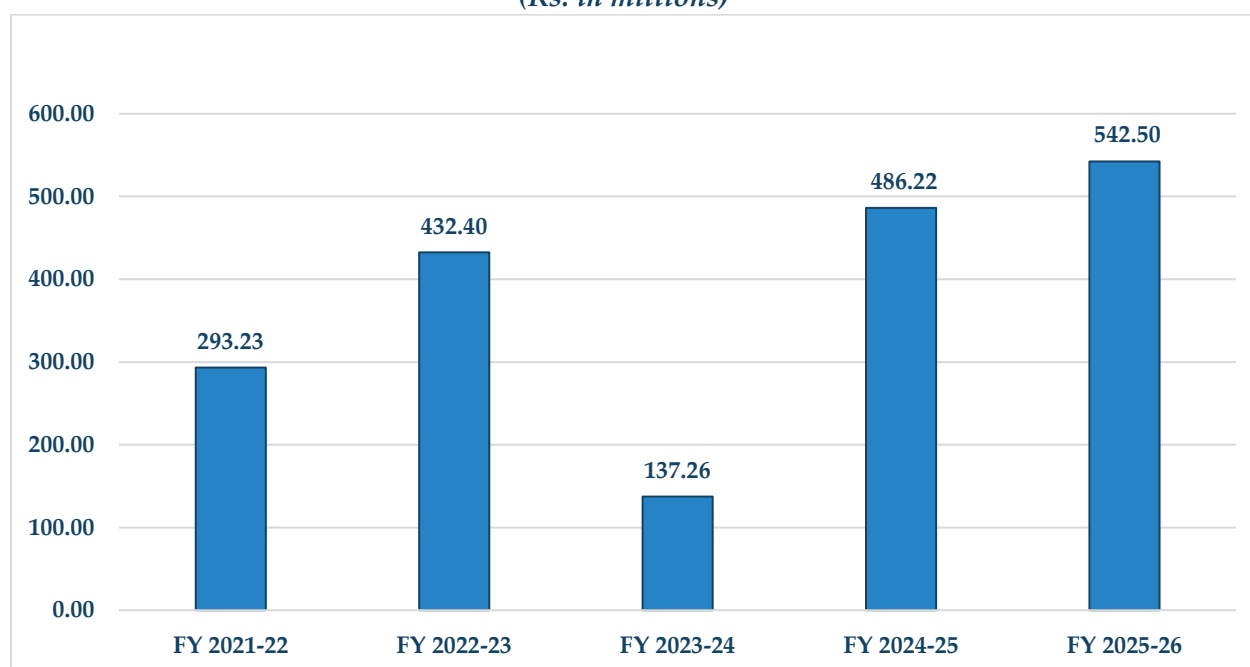
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FINANCIAL HIGHLIGHTS

Revenue from operations (Rs. in millions)



EBIDTA (Rs. in millions)



NOTICE TO MEMBERS

*Notice is hereby given that the **Nineth (09th) ANNUAL GENERAL MEETING** of the Members of **VELNIK INDIA LIMITED** will be held on Wednesday, 30th September, 2026 at 03:00 PM at the Marketing and communication office of the Company situated at **Khasra No. 516-517, Near Dutt Cold Storage, Nihalpur Mundi Road, Bijalpur, Indore-452012 (M.P.)** to discuss the following business:*

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2026 together with the report of board of Director's and Auditor's thereon;**
- 2. To appoint a director in place of Mr. Sukhdev Gehlot (DIN: 06456150), who retires by rotation and being eligible, offers himself for re-appointment;**

SPECIAL BUSINESS:

- 3. To Regularize the appointment of Mrs. Prachi Gupta (DIN: 11238675) as the Non-Executive Independent Director of the Company.**

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

"RESOLVED THAT in pursuance of applicable provisions of the Companies Act, 2013 ("the Act") and the rules made there under (including any statutory modification(s) or reenactment thereof for the time being in force), based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mrs. Prachi Gupta (DIN: 11238675), who was appointed as an Additional Non-Executive Independent Director of the Company with effect from 09th April, 2026 and whose term of office expires at the upcoming Annual General Meeting and who has offered herself for appointment as an Non-Executive Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, proposing her candidature for the office of the Independent Director, be and is hereby appointed as a Non-Executive Independent Director of the Company for a term of five consecutive years w.e.f. 09th April, 2026, not liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the applicable provisions, Mrs. Prachi Gupta (DIN: 11238675) be paid such sitting fees and/or any profit related commission as the board may approve from time to time, subject to the prescribed limits.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to do all such acts, things, deeds and to take all such steps as may be necessary to give effect to the foregoing resolution including filling of necessary forms with the concerned registrar."

4. To consider Ratification and Approval of Related Party Transactions with SMKDR Trading Private Limited.

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

“RESOLVED THAT pursuant to the provisions of Sections 188(1), 188(3) and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, and subject to such other approvals, consents and permissions as may be required, the consent of the Members of the Company be and is hereby accorded to ratify and approve the Related Party Transactions entered into/undertaken by the Company with SMKDR Trading Private Limited, a related party within the meaning of Section 2(76) of the Act, during the period commencing from 28th July 2026 and ending on 30th September 2026 (both days inclusive), for sale or supply of goods manufactured by the Company, for an aggregate amount not exceeding Rs. 400 million, on the terms and conditions as more particularly set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby further accorded for the Company to continue to enter into contracts, arrangements and/or transactions with SMKDR Trading Private Limited for the remaining period of the financial year 2026-27 and during the financial years 2027-28 and 2028-29, for sale or supply of goods manufactured by the Company, on such terms and conditions as may be mutually agreed between the Company and SMKDR Trading Private Limited, subject to an aggregate monetary limit not exceeding Rs. 2000 million in each financial year, subject to the applicable provisions of the Act and the Rules made thereunder.

RESOLVED FURTHER THAT for the financial year 2026-27, the aforesaid limit of Rs. 2000 million shall be inclusive of the transactions undertaken during the period from 28th July 2026 to 30th September 2026 and ratified pursuant to this Resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this resolution.”

*By Order of the Board of Directors
For Velnik India Limited*

*Date: 16th September, 2026
Place: Indore*

*Chirag Desla
Company Secretary
(Membership No. A68513)*

NOTES:

1. Explanatory statement in respect of Special Businesses as set out in the notice, is annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the marketing and communications office of the Company at least forty-eight (48) hours before the commencement of the Meeting. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. During the business hours of the Company, proxies are open for inspection at the marketing and communications office of the Company for the period beginning before 24 (twenty-four) hours from the commencement of the Meeting and ending with the conclusion of the Meeting provided that an advance notice of not less than 3 (three) days is given to the Company. Members/Proxies are requested to bring their duly filled attendance slip sent herewith at the meeting.
3. Proxy in prescribed Form No. MGT-11 is enclosed. Proxy shall not have a right to speak at the Meeting and shall not be entitled to vote except on a poll. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
4. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 (“the Act”) are requested to send to the Company a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Meeting. Proxy Form(s) and certified copy of Board resolution(s) authorizing representative(s) to attend and vote at the Meeting shall be sent to the Marketing and Communications office of the Company.
5. Pursuant to the provisions of Section 152 of the Companies Act, 2013 (“the Act”) and rules made thereunder and Article of Association of the Company, Mr. Sukhdev Gehlot (DIN: 06456150) retiring by rotation and being eligible offers himself for re-appointment. He is not related to any other Director of the Company except Mrs. Manju Devi Gehlot (DIN:07811873), Ms. Kusum Gehlot (DIN: 10326369) and Mr. Devendra Gehlot (DIN: 10764120).
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection at the Annual General Meeting.
7. The route map showing directions to reach the venue of the Nineth (09th) Annual General Meeting is annexed.
8. Attendance slip, proxy form MGT-11, and route map of the venue of the Meeting are annexed hereto.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
10. Relevant documents referred to in the Notice are open for inspection by the members at the Registered and Marketing and Communication Office of the Company on all working days

during business hours up to the date of the Meeting. The aforesaid documents will be also available for inspection by members at the Meeting.

11. Members/proxies attending the meeting are requested to bring their duly filled admission/attendance slips sent along with the notice of the annual general meeting at the meeting.
12. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 23rd September 2026. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to vote at the meeting.
13. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holding shares as on the cut-off date, will be entitled to vote at the meeting.

*By Order of the Board of Directors
For Velnik India Limited*

*Date: 16th September, 2026
Place: Indore*

*Chirag Desla
Company Secretary
(Membership No. A68513)*

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

The following sets out all material facts relating to items under Special Business mentioned in the accompanying Notice for convening the Annual General Meeting of the Company:

Item No. 3 Regularization of Mrs. Prachi Gupta (DIN: 11238675) Being Appointed as An Additional Non – Executive Independent Director of The Company.

Mrs. Prachi Gupta (DIN: 11238675), was appointed as an Additional Non – Executive Independent Director with effect from 09th April, 2026 by the Board in accordance Section 161 of the Companies Act, 2013 ("the Act").

As per Section 161 of the Act, Mrs. Prachi Gupta (DIN: 11238675), will hold the office up to the date of the upcoming AGM or the due date of holding AGM whichever is earlier. The Company has received the requisite notice under Section 160 of the Act proposing the candidature of Mrs. Prachi Gupta (DIN: 11238675), to be appointed as a Non-Executive Independent Director. Mrs. Prachi Gupta has also consented to the proposed appointment and declared herself qualified.

Mrs. Prachi Gupta (DIN: 11238675), possesses the requisite knowledge, experience and skill for the position of Independent Director. The Board on receipt of the said notice from a member and subject to approval of members, has accorded its consent, to appoint Mrs. Prachi Gupta as a Non-Executive Independent Director.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the Resolution at Item No. 03 of the Notice.

The Board recommends the Ordinary Resolution set out in Item No. 03 of the Notice for approval of the Members.

Item No. 4 Ratification and Approval of Related Party Transactions with SMKDR Trading Private Limited.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 read along with Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014, all the material related party transactions require approval of members by way of Ordinary Resolution.

The Company, in the ordinary conduct of its business, has appointed SMKDR Trading Private Limited as the Consignee Sales Agent (CSA) for the Madhya Pradesh and Other regions for which, it enters into transactions relating to sale/supply of goods manufactured by it for further supply to its distribution channel.

SMKDR Trading Private Limited is a related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013 by virtue being under the same control through common directorship.

During the financial year 2026-27, the Company entered into transactions with the Related Party in connection with sale/supply of goods manufactured by it for further supply to its distribution

channel in the ordinary course of business and at the arm's length price par with the Business terms for other CSAs in the region.

Based on the audited financial statements of the Company for the financial year ended 31st March 2026, the applicable threshold under Section 188 of the Companies Act, 2013 read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 was Rs. 425.26 million.

The aggregate value of transactions with the Related Party reached/exceeded the prescribed threshold on or around 28th July 2026. Transactions aggregating to approximately Rs. 257.77 million have thereafter been entered into with the Related Party up to 16th September, 2026 without obtaining prior approval of the Members.

Section 188(3) of the Companies Act, 2013 provides, inter alia, for ratification by the shareholders at a meeting within three months from the date of the relevant contract or arrangement where the requisite approval of the Members under Section 188(1) had not been obtained.

Accordingly, in order to regularize the transactions entered into after the prescribed threshold was reached/exceeded, the Audit Committee and Board of Directors at its meeting held on 16th September, 2026, subject to approval of the Members, approved and recommended ratification of the transactions undertaken with the Related Party during the period commencing from 28th July 2026 and ending on 30th September 2026 (both days inclusive), for an aggregate amount not exceeding Rs. 400 million.

Further, considering the continuing business requirements of the Company, it is expected that transactions with SMKDR Trading Private Limited will continue during the remainder of the FY 2026-27 and for the next two financial years i.e. FY 2027-28 and FY 2028-29. Accordingly, approval of the Members is also sought for entering into further transactions with the Related Party, provided that the aggregate value of all such transactions during FY 2026-27 and for the next two financial years i.e. FY 2027-28 and FY 2028-29, including the transactions being ratified under this Resolution, shall not exceed Rs. 2,000 million each year.

The relevant particulars as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are set out below:

Particulars	Details
Name of the Related Party	SMKDR Trading Private Limited
Name of Director/KMP who is related, if any	Mr. Sukhdev Gehlot
	Mrs. Manju Devi Gehlot
Nature of relationship	Company under the same control through common directorship.
Nature of transactions	Sale/supply of goods manufactured by the Company as a Consignee Sales Agent (CSA) for further supply to its distribution channel in the ordinary course of business and at the arm's length price par with the Business terms for other CSAs in the region.
Period of transactions entered into and proposed to be ratified	28 th July 2026 to 30 th September, 2026

Maximum Value of transactions proposed to be ratified	Rs. 400 million
Period for further transactions	Remainder of the FY 2026-27 and for the next two financial years i.e. FY 2027-28 and FY 2028-29
Maximum aggregate value for each financial year, including transactions being ratified	Rs. 2,000 million.
Material terms of the transactions	Transactions shall be undertaken on mutually agreed commercial terms having regard to prevailing market conditions, quality, availability, commercial requirements and other relevant factors at the arm's length price par with the Business terms for other CSAs in the region.
Any advance paid/received, if applicable	NIL

All entities/ persons that are directly/ indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material related party transactions is sought from the shareholders.

Accordingly, all related parties of the Company will not vote on this resolution.

Except Mr. Sukhdev Gehlot and his relatives, None of the Directors, Key Managerial Personnel of the Company, and their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Necessary disclosures required under Secretarial Standard on General Meetings with respect to Director's Appointment form part of this Notice as "**Annexure A**".

The Board recommends the Ordinary Resolution set out in Item No. 04 of the Notice for approval of unrelated shareholders.

*By Order of the Board of Directors
For Velnik India Limited*

*Date: 16th September, 2026
Place: Indore*

*Chirag Desla
Company Secretary
(Membership No. A68513)*

" ANNEXURE- A "

INFORMATION REQUIRED UNDER SECRETARIAL STANDARD- 2 ON GENERAL MEETINGS WITH RESPECT TO DIRECTOR'S APPOINTMENT AND RE-APPOINTMENT.

Name of Director	Mr. Sukhdev Gehlot	Mrs. Prachi Gupta
Designation	Director and CFO	Additional Independent Director
Director Identification Number	06456150	11238675
Age (in years)	46 Years	28 Years
Date of first appointment on the Board	11/08/2017	09/04/2026
Qualification	Intermediate	Member of ICSI Bachelor of Commerce
Experience	Mr. Sukhdev Gehlot is the Director & Chief Financial Officer of Velnik India Limited and possesses extensive experience in financial management and strategic planning. He plays a key role in financial decision-making, fund management, working capital planning, banking relationships and overall financial strategy of the Company. His strong understanding of business operations and financial controls has contributed significantly to the Company's growth, governance and long-term strategic objectives.	Mrs. Prachi Gupta is a Company Secretary by Profession having immerse knowledge and experience in dealing with matters relating to Company Law, Securities Law, Due Diligence, Listing and Capital Market Transaction and Strategic Planning and also serves as an Independent Director on the boards of Four companies, bringing expertise in corporate governance, regulatory compliance, and strategic decision-making.
Terms & Conditions of Appointment or re-appointment	Executive Director of the Company, liable to retire by rotation	Non-Executive Independent Director of the Company, not liable to retire by rotation
The Remuneration Last Drawn by Such Person	Rs. 21.6 million during the FY 2025-26	NIL
Details of remuneration Sought to be paid	Same as paid during the preceding financial year	The appointee will be paid the sitting fees for attending the meeting of board as approved by the board.
Shareholding in the Company as on the date of this Notice	1,55,97,309 Equity Shares of Rs. 10 Each	NIL

Relationship with other Directors & Key Managerial Personnel	Mrs. Manju Devi Gehlot – Wholetime Director - Wife Ms. Kusum Gehlot- Non-Executive Director- Daughter Mr. Devendra Gehlot- Non-Executive Director- Son	Not Applicable
The number of Meetings of the Board attended during the year (FY 2025-26)	13 of 13	Not Applicable
Directorships in other companies	• SMKDR Trading Private Limited • SMKDR Hotels and Resorts Private Limited • Velnik International Private Limited (Formerly known as SMKDR Infra Private Limited) • Shree Narayani Seva Foundation (Formerly Known as Velnik India Welfare Foundation) • Sukhdev Bhakti Foundation • Corelisse Beauty Private Limited (Formerly Known as Wellmass Pharma Private Limited)	• Q&T Foods Limited • Stellaris Specialities India Limited • Rampur Fertilizers Limited • Elitecon International Limited
Name of the entity in which the Director holds committee memberships & chairpersonship	Velnik India Limited (Member of Audit and CSR Committee)	• Velnik India Limited (Chairman of Audit and NRC Committee) • Q&T Foods Limited (Member of Nomination and Remuneration Committee and Chairperson of Audit Committee and Stakeholders Relationship Committee) • Stellaris Specialities India Limited (Member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee) • Rampur Fertilizer Limited (Member of Audit Committee,

		Nomination and Remuneration Committee and Stakeholders Relationship Committee) • Elitecon International Limited (Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee)
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Justification for appointment of Mrs. Prachi Gupta as the Non-Executive Independent Director

- The Board considers that Mrs. Prachi Gupta possesses the requisite qualifications, knowledge, experience and expertise in the areas of Company Law, Securities Law, corporate governance, regulatory compliance, due diligence, listing and capital market transactions and strategic planning. Being a qualified Company Secretary and having experience of serving as an Independent Director on the boards of other companies, she brings valuable professional insight and an independent perspective to the Board.

Her experience in chairing and serving on various Board Committees, including the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, further strengthens her understanding of corporate governance and Board processes.

The Board is of the view that her appointment as an Independent Director would enhance the overall effectiveness, governance and strategic decision-making of the Company.

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

NAME OF THE COMPANY	VELNIK INDIA LIMITED
REGISTERED OFFICE	KHASRA NOS. 287, 287/5, 305, 305/2, 306, 306/3, 307/1 TO 307/4, PALI-BEAWAR HIGHWAY, GRAM KHOKHRA, TEHSIL SOJAT, PALI, RAJASTHAN, INDIA, 306306.
Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No /Client ID	
DP ID	

I/We, being the member(s) of _____ shares of the above-named company. Hereby appoint

Name :	
Address:	
E-mail Id:	
Signature , or failing him	
Name :	
Address:	
E-mail Id:	
Signature , or failing him	
Name :	
Address:	
E-mail Id:	
Signature , or failing him	

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the _____ Annual General Meeting of the company, to be held on the ____ day of ____ at ____ a.m. / p.m. at _____ (place) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. _____

2. _____

3. _____

Signed this ____ day of ____ 2026

Affix Revenue
Stamps

Signature of Shareholder

ATTENDANCE SLIP

09TH ANNUAL GENERAL MEETING HELD ON WEDNESDAY, 30TH, SEPTEMBER 2026 AT 03:00 P.M.

Regd. Folio No._____/DP ID_____
Client ID/Ben. A/C_____
No. of shares held_____

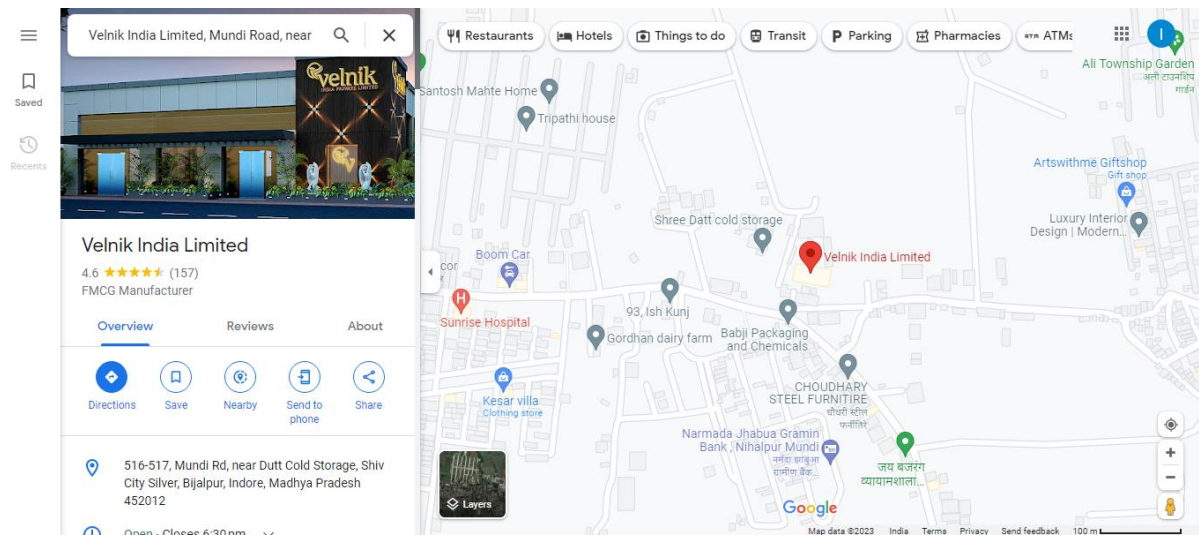
I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 09th Annual General Meeting of the Company on Wednesday, 30th, September 2026 at 03:00 P.M. at the Marketing and Communication Office of the Company situated at Khasra No. 516-517, Near Dutt Cold Storage, Niharpur Mundi Road, Bijalpur, Indore-452012 (M.P.).

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill out this attendance slip and hand it over at the entrance of the hall

ROUTE MAP



The Google Maps location of the aforesaid location can be access via below link or by scanning QR code:

QR Code -

Link -

<https://maps.app.goo.gl/19hpyo5Dqxp19fNz9>



DIRECTORS' REPORT

Dear Members,

Your director's have pleasure in presenting the 09th Annual Report on business and operations of your Company along with the Audited Statement of Accounts for the year ended 31st March, 2026.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS:

The Company's performance during the year ended 31st March, 2026 as compared to the previous financial year, is summarized below:

Particulars	For the financial year ended 31 st March, 2026	For the financial year ended 31 st March, 2025
<i>(Figures in Million)</i>		
Total Income	4,274.83	3,821.83
Less: Expenses	4,094.93	3,646.73
Profit/ (Loss) before tax	179.90	175.10
Less: Current Tax/Deferred Tax/Provision for tax	58.64	50.95
Exception Income	0	0
Exception expenditure	0	0
Profit after Tax	121.27	124.15

APPROPRIATION

Interim Dividend	-	-
Final Dividend	-	-
Tax on the distribution of dividend	-	-
Transfer to General Reserve	-	-
Balance carried to Balance sheet	121.27	124.15

b. COMPANY'S PERFORMANCE:

The Company is one of the leading manufacturers and suppliers of Hair care, Cosmetics and Personal care products, which operates with dominance in the Indian market with its key consumer products offered in different categories.

The Company continues to be engaged in the activities pertaining to manufacturing of various Cosmetic, Ayurvedic, Hygiene, Personal Care and Nutritional Products

such as Mehendi Cone, Mehendi Powder, Heena Hair Care, Crème Hair Color, Hair Colour Shampoo, Hair Removing Cream, Sanitary pads, Baby diapers, Pain relief Balms, Body Wash Gel, Face Scrubs, Shaving Foam and Gel etc.

During the year under review, your Company posted a Sales turnover of Rs. 4,252.60 million as compared to the total Sales turnover of Rs. 3,814.99 million in the previous year showing a growth of around 11.47% over the previous year.

During the year under review, the Company has earned a profit after tax of Rs. 121.27 million as compared to the profit after tax of Rs. 124.15 million in the previous year.

There was no change in nature of the business of the Company, during the year under review.

c. DIVIDEND:

In view of the planned business growth, Board of Directors deem it proper to preserve the resources of the Company for its activities and therefore, Board of Directors does not recommend any dividend for the financial year ended 31st March, 2026.

d. UNPAID DIVIDEND & IEPF:

The Company has not transferred any amount to the Investor Education & Protection Fund (IEPF) and no amount is lying in Unpaid Dividend a/c of the Company.

e. TRANSFER TO RESERVES:

The Company has transferred an amount of Rs. 121.27 million being the Profit earned during the financial year 2025-26 to General Reserve Account.

f. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

g. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

h. LOANS FROM DIRECTORS

During the financial year under review, the Company has borrowed the following

amount(s) from Directors and the respective director has given a declaration in writing to the Company to the effect that the amount is not being given out of funds acquired by him by borrowing or accepting loans or deposits from others. Accordingly, the following amount(s) are excluded from the definition of Deposit as per Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014: -

<i>Name of Director giving loan</i>	<i>Amount borrowed during the FY 2025-26 (Rs. in Millions)</i>
Mr. Sukhdev Gehlot	29.00
Mrs. Manju Devi Gehlot	1.50

i. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

The details of transactions/contracts/arrangements referred to in Section 188(1) of Companies Act, 2013 entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in Form AOC-2 and is attached as “*Annexure I*” and forms part of this Report.

For detailed related party transactions, refer Note No. 33 to the notes of Accounts which forms part of the financials of the Company.

j. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in “*Annexure II*” which forms part of this Report.

k. ANNUAL RETURN:

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of Companies Act, 2013, the Annual Return as on 31st March, 2026 is available on Company’s website on <https://velnik.com/Investor/AnnualReturn>.

l. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES:

The Company has not made any loans, guarantees and investments covered under Section 186 of the Act during the financial year under review.

m. DISCLOSURES UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company’s financial position, have occurred between the end

of the financial year of the Company and date of this report.

n. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL.

a) BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNELS (KMP's)

i. Resignation:

Mr. Avijeet Garg (DIN: 09499260) has resigned from the office of Independent Director of the Company w.e.f. 23rd January, 2026.

ii. Retirement by rotation

In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Sukhdev Gehlot, Director & CFO (DIN: 064561501) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment, your directors recommend his approval.

b) DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

During the year under review following persons were the Independent Directors of the Company and in the opinion of the Board, the Independent Directors possess the requisite integrity, expertise, experience and proficiency.

1. Mr. Rohit Khandelwal (DIN: 07038360)
2. Mr. Avijeet Garg (DIN: 09499260)

c) REMUNERATION/COMMISSION DRAWN FROM HOLDING/ SUBSIDIARY COMPANY:

The Company does not have any holding Company or subsidiary Companies during the year under review.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES.

a. BOARD OF DIRECTORS:

The Composition of Board of Directors is in conformity with the applicable provisions of the Companies Act, 2013, which is as tabled below:

Name of director	Designation	DIN
Mr. Sukhdev Gehlot	Director & CFO	06456150
Mrs. Manju Devi Gehlot	Wholetime Director	07811873
Mr. Rohit Khandelwal	Non-Executive Independent Director	07038360
Mr. Avijeet Garg	Non-Executive Independent Director	09499260
Ms. Kusum Gehlot	Non-Executive Director	10326369
Mr. Devendra Gehlot	Non-Executive Director	10764120

During the year under review, the board of directors met 13 times in accordance with the provisions of the Companies Act, 2013 and rules made thereunder, details of which are as follows:

Date of Board Meeting	Name of Director					
	Mr. Sukhdev Gehlot	Mrs. Manju Devi Gehlot	Mr. Rohit Khandelwal	*Mr. Avijeet Garg	Ms. Kusum Gehlot	Mr. Devendra Gehlot
16 th April, 2025	✓	✓	✓	✓	✓	✓
16 th May, 2025	✓	✓	✓	✓	✓	✓
06 th June, 2025	✓	✓	✓	✓	✓	✓
26 th June, 2025	✓	✓	✓	✓	✓	✓
24 th July, 2025	✓	✓	✓	✓	✓	✓
07 th August, 2025	✓	✓	✓	✓	✓	✓
08 th September, 2025	✓	✓	✓	✓	✓	✓
24 th	✓	✓	✓	✓	✓	✓

September, 2025						
09 th October, 2025	✓	✓	✓	✓	✓	✓
21 st November, 2025	✓	✓	✓	✓	✓	✓
23 rd December, 2025	✓	✓	✓	✓	✓	✓
23 rd January, 2026	✓	✓	✓	NA	✓	✓
03 rd March, 2026	✓	✓	✓	NA	✓	✓

* Mr. Avijeet Garg ceased to be Independent Director w.e.f 23rd January, 2026.

The Company has complied with the applicable Secretarial Standards in respect of all the above-board meetings.

b. KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of section 203 of the Act, the Key Managerial Personnels of the Company are Mrs. Manju Devi Gehlot – Wholetime Director, Mr. Sukhdev Gehlot- Chief Financial officer and Mr. Chirag Desla– Company Secretary.

c. AUDIT COMMITTEE:

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The current composition of Audit Committee is as below:

1. *Mrs. Prachi Gupta, Independent Director, Chairman
2. Mr. Rohit Khandelwal, Independent Director, Member, and
3. Mr. Sukhdev Gehlot, Director & CFO, Member

*Note: Mr. Avijeet Garg ceased to be the Chairman of the committee w.e.f. 23rd January, 2026.

The Audit Committee met 3 times during the financial year ended 31st March 2026, details of which are as follows:

Name of Director	Date of Meeting		
	16 th April, 2025	06 th June, 2025	24 th July, 2025

Mr. Avijeet Garg	✓	✓	✓
Mr. Rohit Khandelwal	✓	✓	✓
Mr. Sukhdev Gehlot	✓	✓	✓

During the year under review, the Board of Directors of the Company has accepted all the recommendations of the Committee.

d. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of Directors as constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act. The current composition of Audit Committee is as below:

1. *Mrs. Prachi Gupta, Independent Director, Chairman
2. Mr. Rohit Khandelwal, Independent Director, Member, and
3. Ms. Kusum Gehlot, Non- Executive Director, Member.

**Note: Mr. Avijeet Garg ceased to be the Chairman of the committee w.e.f. 23rd January, 2026.*

The Nomination & Remuneration Committee met 2 times during the financial year ended 31st March, 2026, details of which are as follows:

Name of Director	Date of Meeting	
	06 th June, 2025	23 rd January, 2026
Mr. Avijeet Garg	✓	NA
Mr. Rohit Khandelwal	✓	✓
Ms. Kusum Gehlot	✓	✓

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Your Company has adopted the policy which, inter alia, includes criteria for determining qualifications, positive attributes, and Independence of a director. The said policy is annexed herewith and marked as “*Annexure III*” and the said Policy is also available on the Company’s website and can be accessed at <https://velnik.com/Investor/Policies>.

e. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed “Vigil Mechanism Policy” for Directors and employees of the Company to provide a mechanism which ensures adequate

safeguards to employees and Directors from any victimization on the raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concerns/grievances to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

The Whistle Blower Policy is available on Company's website and can be accessed at <https://velnik.com/Investor/Policies>.

f. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision-making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

g. CORPORATE SOCIAL RESPONSIBILITY POLICY:

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as under:

1. Mr. Sukhdev Gehlot, Managing Director, Chairman;
2. Mrs. Manju Devi Gehlot, Executive Director, Member and
3. Mr. Rohit Khandelwal, Independent Director, Member,

The Board of Directors of the Company has approved CSR Policy based on the recommendation of the CSR Committee and the said policy is available on the Company's web-site and which can be accessed at <https://velnik.com/Investor/Policies>.

The CSR Committee met 1 time during the financial year ended 31st March 2026, details of which are as follows:

Name of Director	Date of Meeting
	24 th July, 2025
Mr. Sukhdev Gehlot	✓
Mrs. Manju Devi Gehlot	✓

Mr. Rohit Khandelwal	✓
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The Annual Report on CSR activities is annexed herewith and marked as “*Annexure IV*”

During the financial year 2025-26, the Company has spent excess amount on CSR than the prescribed 2% of net profits, as mentioned in Annexure IV. Hence, the Company has passed a Board resolution for claiming set-off of excess CSR spent in the next 3 financial years in accordance with CSR Rules.

h. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

The Board has carried out an annual performance evaluation of its own performance and of the directors individually, as well as the evaluation of all the committees i.e. Audit, Nomination and Remuneration, CSR and Finance Committee.

The Board adopted a formal evaluation mechanism for evaluating its performance and as well as that of its committees and individual directors, including the Chairman of the Board the exercise was carried out by feedback survey from each directors covering Board functioning such as composition of Board and its Committees, experience and competencies, governance issues etc. Separate Exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as attendance, contribution at the meeting etc.

4. AUDITORS AND REPORTS.

The matters related to Auditors and their Reports are as under:

a. STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. S.L. Chhajed & Co. LLP, Chartered Accountants have been appointed as the Statutory Auditors of the Company for a term of 5 Years to hold office till the conclusion of 10th Annual General Meeting of the Company and they continue to be the Statutory Auditors of the Company.

The observations/qualifications/disclaimers made by the Statutory Auditors in their report for the financial year ended 31st March 2026 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. SECRETARIAL AUDITOR:

Pursuant to the Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, M/s Yati Mittal and Associates, Company Secretaries having COP No: 25176

has been appointed to carry out Secretarial Audit and issue report thereon for the Financial Year 2025-26.

Secretarial Audit Report issued by M/s Yati Mittal and Associates, Practicing Company Secretaries in Form MR-3 for the Financial Year 2025-26 forms part of this report marked as "*Annexure V*".

The said report does not contain any observation, qualification, reservation or adverse remark, however, the Secretarial auditor has specified self- explanatory notes in their report.

c. MAINTENANCE OF COST RECORDS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

d. REPORTING OF FRAUDS BY STATUTORY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013:

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

5. OTHER DISCLOSURES.

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

No orders have been passed by any Regulator or Court or Tribunal that can have impact on the going concern status and the Company's operations in future.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2026, the Board of Directors hereby confirms that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2026 and of the profit of the Company for that year;
- c. proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of

- the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts of the Company have been prepared on a going concern basis;
- e. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

c. DISCLOSURE REGARDING INTERNAL COMPLAINTS COMMITTEE:

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the current constitution of the Committee is as under:

1. Mrs. Manju Devi Gehlot, Director - Presiding Officer
2. Mrs. Manju Rathore, Senior Executive R&D – Member
3. Mrs. Anjali Nagar, HR Executive – Member
4. Mr. Sudhir Kumar Jha, Assistant Manager - HR- Member
5. Mr. Ravindra Singh Champawat, Assistant Manager - HR - Member
6. Mr. Yogesh Naik, HR Executive – Member
7. Mrs. Rekha Ramje, External Independent Member of the Committee

During the financial year under review, the Company did not receive any complaint of sexual harassment and no cases were filed under the POSH Act.

d. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

e. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

f. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

g. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant

to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

h. DISCLOSURE OF PROCEEDINGS PENDING OR APPLICATION MADE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, no application was filed for corporate insolvency resolution process, by a financial or operational creditor or by the company itself under the IBC before the NCLT.

i. DISCLOSURE OF REASON FOR DIFFERENCE BETWEEN VALUATION DONE AT THE TIME OF TAKING LOAN FROM BANK AND AT THE TIME OF ONE TIME SETTLEMENT:

There was no instance of a onetime settlement with any Bank or Financial Institution.

6. ACKNOWLEDGEMENTS AND APPRECIATION:

Your directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

**FOR AND ON BEHALF OF THE BOARD
VELNIK INDIA LIMITED**

Date: 16th September, 2026
Place: Indore

Mr. Sukhdev Gehlot
Director & CFO
DIN: 06456150

Mrs. Manju Devi Gehlot
Whole time Director
DIN: 07811873

ANNEXURE I

FORM NO. AOC.2

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

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

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

2.Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party	Nature of relationshi p	Nature of contracts/ar rangement s/transaction	Duration of the contracts/ar rangement s/transaction s	Salient terms of the contracts or arrangeme nts or transaction s including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advance s, if any
Ethica Herbals (Prop. Sukhdev Gehlot)	Proprietors hip Concern of Director	Purchase of goods or materials	Recurring	As may be agreed between the parties; Rs. 620.73 million	16/04/2025	NIL

FOR AND ON BEHALF OF THE BOARD
VELNIK INDIA LIMITED

Date: 16th September, 2026
Place: Indore

Mr. Sukhdev Gehlot
Director & CFO
DIN: 06456150

Mrs. Manju Devi Gehlot
Whole time Director
DIN: 07811873

ANNEXURE II

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS AND OUTGO.

A. Conservation of energy-

- (i) *the steps taken or impact on conservation of energy-* The business operations of the company are energy intensive and as a responsible corporate entity company has consistently ensured to undertake steps which could result in conservation of energy.
- (ii) *the steps taken by the company for utilising alternate sources of energy;* - During the financial year 2025-26, The Company has installed Solar Power Plant to the tune of 2150 Kwp at various premises of the Company to meet the energy requirements and use the renewable sources of energy.
- (iii) *the capital investment on energy conservation equipment's;* - NIL

B. Technology absorption-

- (i) the efforts made towards technology absorption; - NIL
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; - NIL
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
- (a) the details of technology imported - NA
- (b) the year of import- NA
- (c) whether the technology been fully absorbed - NA
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and - NA
- (iv) the expenditure incurred on Research and Development

(Rs. In Millions)			
Sr. No.	Particulars	2025-26	2024-25
1.	(a) Capital Expenditure	0.202	No Material expenditure was undertaken during the year
2.	(b) Recurring Expenditure	0.483	1.090
3.	(c) Total	0.685	1.090
4.	(d) Total R&D expenditure as % of Total Turnover	0.018%	0.029%

C. Foreign exchange earnings and Outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

Particulars	FY 2025-26 (Rs. In Millions)	FY 2024-25 (Rs. In Millions)
Foreign exchange earnings:	6.61	18.60
Foreign exchange outgo:	149.75	115.99

**FOR AND ON BEHALF OF THE BOARD
VELNIK INDIA LIMITED**

Date: 16th September, 2026
Place: Indore

Mr. Sukhdev Gehlot
Director & CFO
DIN: 06456150

Mrs. Manju Devi Gehlot
Whole time Director
DIN: 07811873

Annexure III
NOMINATION AND REMUNERATION POLICY

INTRODUCTION

Pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of every Company covered under the aforesaid section shall constitute the Nomination and Remuneration Committee.

The Board of Directors of the Company (the Board) therefore, constituted the committee to be known as the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or nonexecutive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.

In terms of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee shall inter alia recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Accordingly, this Nomination and Remuneration Policy of the Company is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term valuecreation for shareholders.

DEFINITIONS

- a) **"Board"** means Board of Directors of the Company.
- b) **"Company"** means **"Velnik India Limited"**
- c) **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- d) **"Key Managerial Personnel" (KMP)** means (i) Chief Executive Officer or the Managing Director or the Manager, (ii) Company Secretary, (iii) Whole-time Director, (iv) Chief Financial Officer and (v) Such other officer as may be prescribed.
- e) **"Committee or Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- f) **"Policy or This Policy"** means, "Nomination and Remuneration Policy."
- g) **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- h) **"Senior Management"** means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

SCOPE

The Remuneration Policy applies to the Company's senior management, including its Key Managerial Person and Board of Directors.

OBJECTIVES

The Key Objectives of the policy and the Committee would be:

1. Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy;
2. To formulate criteria for determining qualifications, positive attributes and independence of a director;
3. To guide and recommend the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management
4. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
5. To Formulate criteria for evaluation of performance of Independent Directors, the Board as a whole and of each Director on Individual Basis.

GUIDING PRINCIPLES

The Policy ensures that:

1. The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person;
2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets.

ROLE AND POWERS OF THE COMMITTEE

1. **Recommend to the Board of Directors, appointment and removal of Directors, KMP and Senior Management:**
 - Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal
 - Ensure that the person(s) identified as aforesaid possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
 - The Committee shall not recommend appointment of and recommend retirement of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
 - At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves shall be restricted to such numbers as prescribed under the Act.

- Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

2. Review of term/tenure of Directors, KMP and Senior Management, with special reference to:

a. Managing Director/Whole-time Director:

The Committee shall ensure that the Company appoints or re-appoints any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time and no re-appointment is being made earlier than one year before the expiry of term.

b. Independent Director:

- ❖ An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- ❖ No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of a cooling off period of three years after ceasing to become an Independent Director consequent to expiry of 2nd term of his/her appointment. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

3. Facilitate retirement:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4. Recommend to the Board of Directors, the remuneration of Directors, KMP and Senior Management:

a. General:

- ❖ The remuneration / compensation / commission etc. to the Directors, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required;
- ❖ The remuneration and commission to be paid to the Directors shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act;
- ❖ Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs

approved by the Shareholders in the case of Managing Director/Whole-time Director;

- ❖ Where any insurance is taken by the Company on behalf of its Managing Director, Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

b. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management:

❖ ***Fixed pay:***

The Whole-time / Executive / Managing Director, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

❖ ***Minimum Remuneration:***

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time / Managing Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

❖ ***Provisions for excess remuneration:***

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

c. Remuneration to Non- Executive / Independent Director:

❖ ***Remuneration / Commission:***

The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

❖ ***Sitting Fees:***

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

❖ ***Commission:***

Commission may be paid within the monetary limit approved by shareholders,

subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

❖ **Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

MEMBERSHIP OF THE COMMITTEE

1. The Committee shall consist of a minimum 3 non-executive directors, out of which not less than one-half will be independent directors;
2. Minimum two (2) members shall constitute a quorum for the Committee meeting.
3. Membership of the Committee shall be disclosed in the Annual Report.
4. Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN OF THE COMMITTEE

1. Chairman of the Committee shall be an Independent Director;
2. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee;
3. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman;
4. Chairman of the Nomination and Remuneration Committee meeting should be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

COMPANY SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

VOTING

1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be entered in minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee May Delegate any of its powers to one or more of its members.

AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

AMENDMENTS IN THE LAW

Any subsequent amendment/modification in the listing agreement and/or other applicable laws in this regard shall automatically apply to this Policy.

"Annexure IV"

ANNUAL REPORT ON CSR ACTIVITIES

- Brief outline on CSR Policy of the Company:** For Velnik India Limited responsible business practices include being responsible for our business processes, products, engaging in responsible relations with employees, customers and the community. Hence the Corporate Social Responsibility for the Company goes beyond just adhering to statutory and legal compliances, and creates social and environmental value for our key stakeholders.

- Composition of CSR Committee:**

Sl. No.	Name of Director	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sukhdev Gehlot, Chairman	1	1
2	Mrs. Manju Devi Gehlot, Member	1	1
3	Mr. Rohit Khandelwal, Member	1	1

- Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company - The details of the web link is- CSR Projects - <https://velnik.com/Investor/CSR> and CSR Policy - https://velnik.com/PDF/CSR_Policy.pdf**
- Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable - Not Applicable.**
-

(a) Average net profit of the company as per sub-section (5) of section 135.	6,21,14,896
(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	12,42,298
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	0
(d) Amount required to be set-off for the financial year, if any.	57,438
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	11,84,860

-

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	12,75,000
(b) Amount spent in administrative overheads.	0

(c) Amount spent on Impact Assessment, if applicable.					0
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].					12,75,000
(e) CSR amount spent or unspent for the Financial Year:					
Amount Unspent (in Rs.)					
Total Amount Spent for the Financial Year. (In Rs.)	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
12,75,000	-	-	-	-	-
(f) Excess amount for set-off, if any:					
Sl. No.	Particular				Amount (in Rs.)
(1)	(2)				(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135				12,42,298
(ii)	Excess amount spent during the previous financial year which is set-off during the current financial year				(57,438)
(iii)	Total amount spent for the Financial Year				12,75,000
(iv)	Excess amount spent for the Financial Year [(iii)-(i+ii)]				90,141
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any				0
(vi)	Amount available for set off in succeeding Financial Years [(iv)-(v)]				90,141

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

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

FOR AND ON BEHALF OF THE BOARD
VELNIK INDIA LIMITED

Date: 16th September, 2026
Place: Indore

Mr. Sukhdev Gehlot
Director & CFO
DIN: 06456150

Mrs. Manju Devi Gehlot
Whole time Director
DIN: 07811873

"Annexure V"

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Velnik India Limited,

CIN: U24100RJ201PLC058778

Khasra Nos. 287, 287/5, 305, 305/2, 306, 306/3, 307/1 To 307/4,

Pali-Beawar Highway, Gram Khokhra, Tehsil Sojat, Pali,

Rajasthan, India, 306306.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Velnik India Limited** (hereinafter called "The Company") having CIN: U24100RJ201PLC058778. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 according to the applicable provisions of:

- I. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Not Applicable during the audit period**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; - **Not Applicable during the audit period**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable during the audit period**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not Applicable during the audit period**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable during the audit period**
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable during the audit period** and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable during the audit period**
- VI. I have relied on the representation made by the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis and its officers for system and mechanism framed by the Company for the compliances under the following applicable Act (if applicable), Law & Regulations to the Company:
- a. Workmen's compensation Act, 1923 and all other allied labour laws, as informed /confirmed to us.
 - b. Applicable Direct and Indirect Tax Laws.
 - c. Prevention of Money Laundering Act, 2002.

- d. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- e. Drugs and Cosmetics Act, 1940 and the Rules made thereunder.
- f. Food Safety and Standards Act, 2006 and the Rules and Regulations made thereunder.
- g. Legal Metrology Act, 2009 and the Rules made thereunder.
- h. The Bureau of Indian Standards (BIS) Act, 2016 and the Rules made thereunder, as applicable.

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

- i. Secretarial Standard with respect to the Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent mentioned below:

- a) Certain e-forms were filed with additional fees with Registrar of Companies.
- b) The re-designation of the POSH committee within the Company is in accordance with the required standards.

As per the information provided by the company, POSH Committee is re-constituted via Board Meeting 16th April, 2025, as per requirements and comprises of below persons:

S. No	Name	Designation	Position in Committee
1.	Mrs. Manju Devi Gehlot	Director	Presiding Officer
2.	Ms. Manju Rathore	Senior Executive R&D-Member	Member
3.	Mr. Ankit Tiwari	Asst. Manager – HR	Member
4.	Mr. Raj Kumar Bajiya	Senior Manager- HR	Member
5.	Mr. Pankaj Singh Rathore	Senior Manager – HR	Member
6.	Mrs. Rekha Ramje	External Independent Member of the Committee	Member

As per the information provided by the company, Velnik Internal Complaints Committee (VICC) is re-constituted via Board Meeting 23rd January, 2026, as per requirements and comprises of below persons:

S. No	Name	Designation	Position in Committee
1.	Mrs. Manju Devi Gehlot	Director	Presiding Officer

2.	Ms. Manju Rathore	Senior Executive R&D- Member	Member
3.	Mr. Ankit Tiwari	Asst. Manager – HR	Member
4.	Mr. Sudhir Kumar Jha	Asst Manager – HR	Member
5.	Mr. Ravinder Singh Champawat	Asst. Manager – HR	Member
6.	Mr. Manish Kumar	Hr Executive	Member
7.	Mrs. Rekha Ramje	External Independent Member of the Committee	Member

- c) The company has **satisfied 02 charges** during the audit period. The details are given as below:

Sr. No	Charge Id	Charge Holder Name	Date of Creation	Date of Satisfaction	Amount
1	100433702	HDFC Bank Limited	20/02/2021	05/04/2025	33,95,000
2	100414325	HDFC Bank Limited	30/12/2020	23/04/2025	50,00,000

I further report that:

The Management of the company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Key Managerial Personnels. The below mentioned changes in the composition of the Management of the company that took place during the period under review were carried out in compliance with the provisions of the Act.

- **Mr. Sukhdev Gehlot (DIN: 06456150)** tendered his resignation from the post of Managing Director of the company w.e.f. 06th June, 2025 and redesignated as the Executive Director of the company.
- **Ms. Manju Devi Gehlot (DIN: 07811873)** redesignated as the whole-time director of the company for a period of 5 years w.e.f 06th June, 2025 to 05th June, 2030.
- **Mr. Sukhdev Gehlot (PAN: AEQPG8635R)** appointed as the Chief Financial Officer of the company w.e.f 06th June, 2025.

As per declaration given by the company, adequate notices were generally given to all directors to schedule the Board Meetings and Committee Meetings. Agenda and detailed notes on agenda were generally sent at least seven days in advance except in respect of Board Meetings which were held on shorter notice, in compliance with Section 173(3) of the Companies Act, 2013 detailed notes on agenda were sent for meetings and a system exists for

seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously or by majority as recorded in the Minutes of the Board of Directors of the Company or committee of the Board, as the case may be. The dissenting members' views, if any, are captured and recorded as part of the minutes of the respective meetings.

Based on the information, representation, clarifications and reports provided by the Company, its Board of Directors, its designated officers, and authorized representatives during the conduct of audit, I further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period, there were:

a) Redemption / buy-back of securities; -

- The company redeemed 2,00,000 Non-Convertible Redeemable Cumulative Preference Shares ("NCRCPs/ Preference Shares") of Rs. 100 each issued to Saroj Tradecom Private Limited early of its redemption period, which are originally due to be redeemed on 19th July, 2025, out of the distributable profits of the Company. The capital along with redemption premium payable on such redemption is calculated till 27th June, 2025 and amount of Rs. 6,19,98,048/- (Rupees Six Crore Nineteen Lakh Ninety-Eight Thousand Forty-Eight Only) comprising of Nominal Value of Rs. 2,00,00,000/- (Two Crore Only) and Redemption Premium of Rs. 4,19,98,048/- (Rupees Four Crore Nineteen Lakh Ninety-Eight Thousand Forty-Eight Only) has been paid out of the distributable profits of the Company.
- The company redeemed 1,40,000 Non-convertible Redeemable Cumulative Preference Shares of Rs. 100/- each with premium payable to be calculated till 29th December, 2025 and an amount of Rs. 13,52,89,087/- (Rupees Thirteen Crores Fifty-Two Lakh Eighty-Nine Thousand and Eighty-Seven only) comprising of Nominal Value of Rs. 1,40,00,000/- (Rupees One Crore Forty Lakh only) and redemption premium of Rs 12,12,89,087/- (Rupees Twelve Crore Twelve Lakh Eighty-Nine Thousand and Eighty-Seven only) paid out of distributable profits of the company.

- The company redeemed 1,00,000 Non-Convertible Redeemable Preference Shares of Rs. 500/- each with premium payable to be calculated till 22nd March, 2026 and an amount of Rs. 7,92,06,934/- (Rupees Seven Crore Ninety-Two Lakh Six Thousand Nine Hundred Thirty-Four Only) comprising of Nominal Value of Rs. 5,00,00,000/- (Rupees Five Crore Only) and Redemption Premium of Rs. 2,92,06,934 (Rupees Two Crore Ninety-Two Lakh Six Thousand Nine Hundred Thirty-Four Only) paid out of distributable profits of the company.

b) Merger I amalgamation / reconstruction, etc.; - **No instance during audit period**

c) Foreign technical collaborations; - **No instance during audit period**

This information stands unmodified, unless otherwise indicated above.

For Yati Mittal & Associates
Company Secretaries

Yati Mittal

Proprietor

M. No. A60378

CP. No. 25176

Peer Review Certificate No. 7218/2025

UDIN: A060378H001506735

Date: 16th September, 2026

Place: New Delhi

**Note: This Report is to be read with our letter of even date which is annexed as Annexure A which forms an integral part of this report.*

ANNEXURE-A
TO SECRETARIAL AUDIT REPORT

To,
The Members,
Velnik India Limited
Khasra Nos. 287, 287/5, 305, 305/2, 306, 306/3, 307/1 To 307/4,
Pali-Beawar Highway, Gram Khokhra, Tehsil Sojat, Pali,
Rajasthan, India, 306306.

Subject: Secretarial Audit Report 2025-2026

Management's Responsibility:

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

I have not verified the correctness and appropriateness of financial records and books of account of the Company.

The relevant records have been examined through or received by electronic mode and physical records were not inspected. However, necessary confirmation for the authenticity of the records received has been provided by the Company.

For Yati Mittal & Associates
Company Secretaries

Yati Mittal
Proprietor
M. No. A60378
CP. No. 25176
Peer Review Certificate No. 7218/2025
UDIN: A060378H001506735

Date: 16th September, 2026
Place: New Delhi

INDEPENDENT AUDITORS REPORT

To,
The Members of
Velnik India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Velnik India Limited** which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flow for the year then ended, and notes to the financial statements including Material Accounting Policies and other explanatory information (hereinafter referred as “the Financial Statement”).

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 in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015 as amended (‘Ind As’) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and Profit, and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence on the Financial Statement obtained by us is sufficient and appropriate to provide a basis for our opinion on financial statements.

Information other than the financial statements and Auditor's report thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman’s statement, 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.

If, based on the work we have performed on the other information obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report on in this regard.

Responsibilities of Management and those charged with governance for financial statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities on Audit of the Financial Statements

Our objectives are to obtain reasonable assurance whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 the relevant internal financial controls relevant to audit in order to design adequate 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with Board of Directors 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.

We also provide Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the *Annexure-A*, a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March 2026, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to adequacy of Internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer our Report in *"Annexure-B"*.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- 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, in our opinion and to the best of information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would have impact on its financial position except as disclosed **under Note 32** of the Notes to accounts.
- j) The Company did not have any long-term contracts including derivative contracts, for which there are any material foreseeable losses.
- k) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- l) (i) Based on the representation received from the Management, other than those disclosed in the notes to the financial statements, no funds have been advanced/received or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding that the intermediary shall lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company/ funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) Based on the representation received from the Management, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on audit procedures we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

m) The Company has not declared/paid any dividend during the year hence reporting under clause Rule 11(f) of the Companies (Audit and Auditors) Rules, 2014, is not applicable.

n) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the Financial Year ended 31st March 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of audit trail feature being tampered with and, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For S.L. CHHAJED & CO. LLP

Chartered Accountants

Firm Registration No.: 000709C/ C400277

(Ruchita Baidmutha)

Partner

M.No. 406149

UDIN: 26406149MFOVVG9057

Date: 25th August 2026

Place: Bhopal

ANNEXURE- A TO THE INDEPENDENT AUDITORS' REPORT:

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" of our report of even date

1. a) A. The Company have maintained proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment.

B. The Company has maintained proper records showing full particulars of Intangible assets.

- b) According to the information and explanations given to us, physical verification of Property, Plant & Equipment is being conducted in a phased manner by the management under a program designed to cover all the property, plant and equipment including intangible assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and nature of its business and no material discrepancies were noticed on such verification to the extent verification was made during the year.

- c) According to the information and explanation given to us, the records examined by us, the title deeds of immovable properties as are held in the name of the Company.

- d) The Company has not revalued its Property, Plant & Equipment (including Right of Use assets) or intangible assets during the year.

- e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

- i. a) The Physical Verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification by the management is appropriate, no material discrepancies in aggregate for each class of inventory were noticed.

- b) The company has been sanctioned working capital limit in excess of five crore rupees during the reporting period, in aggregate, from the bank or financial institutions on the basis of security of current assets. The Quarterly returns or statements filed by the company with banks and financial institutions are not in agreements with books. The details of variance are as below:

(Rs.in Millions)

Quarter End	Name of the Bank	Particulars	Amount reported in the stock statement	Amount as per books of accounts	Amount of difference	Reason for material variances
30-06-2025	Axis Bank	Inventory	1,127.25	1,127.25	- 0.00	

		Trade Receivables	763.68	765.90	2.22	-	There is no material variance
		Trade Payables	512.41	514.89	2.48	-	There is no material variance
	HDFC Bank	Inventory	1,127.25	1,127.25	-		
		Trade Receivables	763.68	765.90	2.22	-	There is no material variance
		Trade Payables	512.41	514.89	2.48	-	There is no material variance
	PNB Bank	Inventory	1,127.25	1,127.25	-		
		Trade Receivables	763.68	765.90	2.22	-	There is no material variance
		Trade Payables	512.41	514.89	2.48	-	There is no material variance
	UBI	Inventory	1,127.25	1,127.25	-		
		Trade Receivables	763.68	765.90	2.22	-	There is no material variance
		Trade Payables	512.41	514.89	2.48	-	There is no material variance
	Axis Bank	Inventory	1,213.85	1,213.85	-		
		Trade Receivables	941.69	947.28	5.59	-	There is no material variance
		Trade Payables	546.06	539.05	7.01		There is no material variance

	HDFC Bank	Inventory	1,213.85	1,213.85	-	
		Trade Receivables	941.69	947.28	5.59	There is no material variance
		Trade Payables	546.06	539.05	7.01	There is no material variance
	PNB Bank	Inventory	1,213.85	1,213.85	-	
		Trade Receivables	941.69	947.28	5.59	There is no material variance
		Trade Payables	546.06	539.05	7.01	There is no material variance
	UBI	Inventory	1,213.85	1,213.85	-	
		Trade Receivables	941.69	947.28	5.59	There is no material variance
		Trade Payables	546.06	539.05	7.01	There is no material variance
	Axis Bank	Inventory	1,221.55	1,221.55	-	There is no material variance
		Trade Receivables	758.32	767.18	8.86	There is no material variance
		Trade Payables	601.29	600.80	0.49	There is no material variance
	HDFC Bank	Inventory	1,221.55	1,221.55	-	There is no material variance
		Trade Receivable	758.32	767.18	8.86	There is no

		s				material variance
		Trade Payables	601.29	600.80	0.49	There is no material variance
	PNB Bank	Inventory	1,221.55	1,221.55	-	There is no material variance
		Trade Receivable s	758.32	767.18	8.86	There is no material variance
		Trade Payables	601.29	600.80	0.49	There is no material variance
	UBI	Inventory	1,221.55	1,221.55	-	There is no material variance
		Trade Receivable s	758.32	767.18	8.86	There is no material variance
		Trade Payables	601.29	600.80	0.49	There is no material variance
	Axis Bank	Inventory	1,311.58	1,311.58	-	There is no material variance
		Trade Receivable s	733.08	723.03	10.05	There is no material variance
		Trade Payables	548.54	506.87	41.67	There is no material variance
31-03-2026	HDFC Bank	Inventory	1,311.58	1,311.58	-	There is no material variance
		Trade Receivable	733.08	723.03	10.05	There is no

		s				material variance
		Trade Payables	548.54	506.87	41.67	There is no material variance
	PNB Bank	Inventory	1,311.58	1,311.58	-	There is no material variance
		Trade Receivable s	733.08	723.03	10.05	There is no material variance
		Trade Payables	548.54	506.87	41.67	There is no material variance
	UBI	Inventory	1,311.58	1,311.58	-	There is no material variance
		Trade Receivable s	733.08	723.03	10.05	There is no material variance
		Trade Payables	548.54	506.87	41.67	There is no material variance

- ii. According to the documents and records produced before us the company has not made any investment or has not provided any loans or advances in the nature of loans, secured or unsecured, to the companies, firms, Limited Liability Partnerships or any other parties during the reporting period. Therefore, the reporting requirements under the paragraph (iii) (a-A, B), (iii) (b), (iii) (c), (iii) (d), (iii) (e) and (iii) (f) of Paragraph 3 of the Order are not applicable.
- iii. According to the documents and records produced before us company has not made any investment or has provided any loans or advances in the nature of loans, secured or unsecured, to the companies, firms, Limited Liability Partnerships or any other parties during the reporting period. Provisions of clause 3(iv) is not applicable.
- iv. Based on our examination of the Company's records and according to the information and explanations given to us, the company has not accepted any deposits from public (including deemed deposits) during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014. Further, no order has been passed by Company

Law Board or National Company Law Tribunal, or Reserve Bank of India or any court or any other tribunal. Hence reporting requirements of paragraph 3(v) of the Order are not applicable.

- v. The provisions of section 148(1) read with Companies (Cost Records and Audit) Rules 2014 prescribed by the Central Government of the Companies Act, 2013 are not applicable to the company. Hence, reporting requirements of paragraph 3(vi) of the Order are not applicable.
- vi. (a) According to information and explanations given to us and our examination of records the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax and any other statutory dues to the appropriate authorities and no undisputed amount is payables in respect of provident fund, income tax, goods and service tax, cess and other material statutory dues which were arrear as on 31st March, 2026 for more than six months from the date it became payable except :

(Rs. in Millions)

Name of the Statue	Nature of Dues	Period to which amount relates	Amount not deposited as at 31 st March 2026
Income tax Act 1961	Advance tax	April-September 2025	20.23
<u>Madhya Pradesh Professional Tax Act, 1995</u>	Professional tax	April - August 2025	0.46

(b) According to the information and explanations given to us, the particulars of Goods and Service Tax, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, which have not been deposited on account of dispute are as under:

(Rs. in Million)

Name of the Statue	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount not deposited as at 31/03/2026
Income Tax Act 1961	Income Tax	Assistant Commissioner of Income Tax DC CEN CIR2, JDH	AY 2022	317.94 (including Interest)

- vii. According to the records examined by us and the information and explanations given to us, there were no transactions found unrecorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- viii. a) According to the information and explanations and as verified from books of accounts, the company has not defaulted in repayment of loans or interest thereon to any lender.

- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or other lender.
 - c) In our opinion, and according to the information and explanations given to us, the company has applied terms loans for the purpose for which loans were obtained.
 - d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we are unable to conclude that no funds raised on short-term basis have been used for long-term purposes by the company.
 - e) According to the information and explanations given to us the Company does not have any Subsidiary, Associate or Joint Venture. The provision of the clause is not applicable.
- ix. a. There is no money raised by ways of an initial public offer or further public offer (including debt instruments) during the year. The provision of clause 3(x) (a) are not applicable.
- b. According to the information and explanations given to us and based on our examination of the records of the Company, no private placement during the year. Hence, clause 3(x)(b) are not applicable.
- x. a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud or by the company, noticed or reported during the year, nor we have been informed of such case by the management.
- b) To the best of our knowledge and information with us there is no instance of fraud reportable under sub-section (12) of section 143 of the Companies 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.
- c) As per information and explanation given by management there were no whistle blower complaints received by the company during the year.
- xi. In our opinion and according to the information and explanations given to us the company is not a Nidhi Company. Accordingly, reporting under paragraph 3(xii) (a-c) of the order is not applicable.
- xii. In our opinion and explanations given to us section 177 and 188 of Companies Act, 2013 with regard to transactions with related party have been complied with and all details as per Indian Accounting Standard have been disclosed in the Financial Statements.
- xiii. a) In our opinion and based on our examination, the company have an internal audit system commensurate with the size and nature of its business.

- b) The reports of the internal auditor for the period under audit was considered.
- xiv. According to information and explanations given to us the company has not entered into any non-cash transaction with the directors or person connected with him. Hence, the reporting requirement under paragraph 3(xv) of the order is not applicable to the company
- xv. a) In our opinion and information provided to us the company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.
- b) Company is not a NBFC, hence the reporting in this clause is not required.
- c) Company is not a CIC, hence the reporting in this clause is not required.
- d) This clause is not applicable to the company as it is not NBFC.
- xvi. Based on overall review of financial statements, Company has incurred Nil cash losses in the current financial year and in the immediately preceding financial year.
- xvii. There has no resignation of the statutory auditors during the year of audit, hence reporting under clause (xviii) of Para 3 of the order is not applicable.
- xviii. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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.
- xix. There is no unspent amount towards Corporate Social Responsibility for the year requiring transfer to fund specified under in Schedule VII to the Act in compliance with the second proviso to section 135(5) of the Act. Further Company does not have any ongoing project under section 135(6) of the Act accordingly reporting under clause 3(xx)(b) of the Order is not applicable.
- xx. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For S.L. Chhajed & Co. LLP
Chartered Accountants

Firm Registration No.: 000709C/ C400277

Ruchita Baidmutha

Partner

Membership No.:406149

UDIN: 26406149MFOVVG9057

Date: 25th August 2026

Place: Bhopal

ANNEXURE- B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements of our report of even date)

Report on the Internal Financial Control over Financial Reporting Under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013:

We have audited the internal financial control over financial reporting of Velnik India Limited (formerly known as Velnik India Private limited) as of 31st March 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

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

Auditors' Responsibility:

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting:

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting:

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

Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal finance controls system over financial reporting and such internal financial controls over financial reporting with reference to Financial Statements were operating effectively as at 31st March 2026, based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.L. Chhajer & Co. LLP

Chartered Accountants

Firm Registration No.: 000709C/ C400277

Ruchita Baidmutha

Partner

Membership No.: 406149

UDIN: 26406149MFOVVG9057

Date: 25th August 2026

Place: Bhopal

VELNIK INDIA LIMITED
CIN : U24100RJ2017PLC058778
Balance Sheet As At March 31st, 2026

(Amount in INR Million)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	4	1,232.68	1,176.23
(b) Capital work-in-progress	4	29.74	1.63
(c) Intangible assets	5	10.54	3.81
(d) Financial Assets			
i. Other Financial Assets	6	75.85	32.03
(e) Other non-current assets	11	20.30	15.29
Total Non Current Assets		1,369.11	1,228.99
Current Assets			
(a) Inventories	7	1,333.58	1,212.90
(b) Financial Assets			
i. Trade Receivable	8	766.83	597.74
ii. Cash and Bank Balance	9	9.52	5.57
iii. Bank Balances Other than (ii) above	10	-	-
iv. Other Financial Assets	6	-	-
(c) Other current assets	11	168.63	156.09
Total Current Assets		2,278.56	1,972.30
Total Assets		3,647.67	3,201.29
EQUITY & LIABILITIES			
Equity			
(a) Equity Share Capital	13	333.51	333.51
(b) Other Equity	14	530.92	411.65
Total Equity		864.43	745.16
Liabilities			
Non Current Liabilities			
(a) Financial Liability			
i. Borrowings	15	382.19	402.27
ii. Lease Liabilities	16	96.08	122.58
iii. Other financial liabilities	17	374.31	278.31
(b) Provision	20	15.63	10.93
(c) Deferred Tax Liability	12	45.86	42.33
Total Non Current Liabilities		914.07	856.42
Current Liabilities			
(a) Financial Liability			
i. Borrowings	15	997.88	924.13
ii. Lease Liabilities	16	33.97	31.00
iii. Trade Payable	18		
Total outstanding dues of micro enterprises and small enterprises		200.03	53.64
Total outstanding dues of creditors other than micro enterprises and small enterprise		451.47	470.04
iv. Other financial liabilities	17	62.75	66.11
(b) Other current liabilities	19	64.82	40.97
(c) Provision	20	8.78	5.77
(d) Current tax liabilities (net)	21	49.47	8.05
Total Current Liabilities		1,869.17	1,599.71
Total Liabilities		2,783.24	2,456.13
Total Equity and Liabilities		3,647.67	3,201.29

Material Accounting Policies and Notes forming integral part of the Financial Statements

As per our report of even date attached
For S.L. Chhajed & Co. LLP
Chartered Accountants
Firm Registration Number: 000709C/2400277

CA Ruchita Baidmutha
Partner
Membership No. 406149

Date: August 25th, 2026
Place: Bhopal



For and on behalf of the Board of Directors of
Velnik India Limited

Sukhdev Gehlot
Director & CFO
(DIN: 06456750)

Manju Devi Gehlot
Whole Time Director
(DIN : 07811873)



Chirag Desai
Company Secretary
MN No. A68513

Date: August 25th, 2026
Place: Indore

VELNIK INDIA LIMITED
CIN :U24100RJ2017PLC058778

Statement of Profit and Loss for the year ended on March 31st , 2026

(Amount in INR Million)

Particulars	Notes	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Income			
Revenue from Operation (net)	22	4,252.60	3,814.99
Other Income	23	22.23	6.84
Total Income (I)		4,274.83	3,821.83
Expenses			
Cost of materials consumed	24	2,049.46	1,715.67
Purchase of Traded Goods		261.65	196.85
Changes in inventories of finished goods and Stock-in-Trade	25	(19.20)	(16.59)
Employee benefits expense	26	671.35	578.31
Finance costs	27	233.95	198.27
Depreciation and amortization expense	28	128.65	112.85
Other expenses	29	769.07	861.36
Total Expenses (II)		4,094.93	3,646.73
Profit before exceptional items and tax (I-II)		179.90	175.10
Exceptional Items			
Profit before tax		179.90	175.10
Tax expense:	21		
Current tax		53.26	11.26
Earlier year Tax		1.18	-
Deferred tax		4.19	39.69
Total Tax expense		58.64	50.95
Profit for the Year from continuing operations		121.27	124.15
Profit from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit for the period		121.27	124.15
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit & loss			
Remeasurement of gains (losses) on defined benefit plans	32	(2.65)	(4.74)
Income tax relating to items that will not be reclassified to profit & loss		0.67	1.19
B. items that will be reclassified to Profit & Loss		-	-
Income tax relating to items that will be reclassified to profit&loss		-	-
Total Other Comprehensive Income for the Period		(1.98)	(3.55)
Total Comprehensive Income for the Period comprising profit and Other Comprehensive income		119.28	120.61
Earnings per equity share (for continuing operation)			
Basic & Diluted	30	3.64	3.72
Earnings per equity share (for discontinuing operation)			
Basic & Diluted		3.64	3.72
Earnings per equity share (for continuing operation and discontinuing operations)			
Basic & Diluted		3.64	3.72

Material Accounting Policies and Notes forming integral part of the Financial Statements

As per our report of even date attached
For S.L. Chhajed & Co. LLP
Chartered Accountants
Firm Registration Number: 000709C/C400277

CA Richita Baidmutha
Partner
Membership No. 406149



Date: August 25th, 2026
Place: Bhopal

For and on behalf of the Board of Directors of
Velnik India Limited

Sukhdev Gehlot
Director & CFO
(DIN: 06456180)



Manju Devi Gehlot
Whole Time Director
(DIN: 07811873)

Chirag Desai
Company Secretary
MN No. A68513

VELNIK INDIA LIMITED
CIN : U24100RJ2017PLC058778
Statement of Changes in Equity As At March 31st, 2026

A. Share Capital

(Amount in INR Million)

Particulars	Balance at the beginning of the period	Changes in share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in share capital during the year	Balance at the end of the period
March 31, 2026					
(a) Equity Share Capital					
Numbers	3,33,51,402	-	-	-	3,33,51,402
Amount (in Million)	333.51	-	-	-	333.51
(b) Preference Share Capital					
Numbers	4,40,000	-	-	(4,40,000.00)	-
Amount (in Million)	84.00	-	-	(84.00)	-
March 31, 2025					
(a) Equity Share Capital					
Numbers	3,33,51,402	-	-	-	3,33,51,402
Amount (in Million)	333.51	-	-	-	333.51
(b) Preference Share Capital					
Numbers	4,40,000	-	-	-	4,40,000
Amount (in Million)	84.00	-	-	-	84.00

During the year, Non Convertible Preference Shares 3,40,000 of Rs 100 each and 1,00,000 of Rs 500 were redeemed, and a corresponding amount was transferred to CRR. This reserve can be utilized only for issuing bonus shares or writing off preliminary expenses, as permitted under applicable law.

B. Other Equity

(1) Current reporting period

(Amount in INR Million)

Particulars	Security Premium	Retained Earnings	Capital redemption reserve	Other components of Other Comprehensive Income	Total
Balance at the beginning of the current reporting period	141.03	270.41	-	0.20	411.65
Additional during the period	-	-	84.00	-	84.00
Transfer during the period	-	(84.00)	-	-	(84.00)
Profit for the period	-	121.27	-	-	121.27
Other comprehensive income	-	-	-	(1.98)	(1.98)
Other adjustments	-	-	-	-	-
Total comprehensive income for the year	-	37.27	84.00	(1.98)	119.28
Balance at the end of the current reporting period	141.03	307.68	84.00	(1.78)	530.93

(2) Previous reporting period

(Amount in INR Million)

Particulars	Security Premium	Retained Earnings	Capital redemption reserve	Other components of Other Comprehensive Income	Total
Balance at the beginning of the previous reporting period	141.03	146.26	-	3.75	291.04
Profit for the period	-	124.15	-	-	124.15
Other comprehensive income	-	-	-	(3.55)	(3.55)
Other adjustments	-	-	-	-	-
Total comprehensive income for the year	-	124.15	-	(3.55)	120.61
Balance at the end of the previous reporting period	141.03	270.41	-	0.20	411.65

As per our report of even date attached
For S.L. Chhajed & Co. LLP
Chartered Accountants
Firm Registration Number: 008709C/C400277

CA Ruchita Baidmutha
Partner
Membership No. 406149



Date: August 25th, 2026
Place: Bhopal

For and on behalf of the Board of Directors of
Velnik India Limited

Sukhdev Gehlot
Director
(DIN: 06456150)



Date: August 25th, 2026
Place: Indore

Manju Devi Gehlot
Whole Time Director
(DIN : 07811873)

Chirag Desla
Company Secretary
MN No. A68513

VELNIK INDIA LIMITED
CIN : U24100RJ2017PLC058778
Statement of Cash Flow for The Year Ended, 31st March 2026

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(Loss) before income tax from:		
Continuing operations	179.90	175.10
Profit/ (Loss) before income tax	179.90	175.10
Adjustments for:		
Depreciation expense	128.65	112.85
Interest income	(0.72)	(1.21)
Fixed Assets - Written off	-	0.66
(Profit) / Loss on Sale of Fixed Assets	(0.12)	1.11
Finance costs	233.95	198.27
Provision against Expected Credit Loss	4.44	0.28
Foreign Exchange Fluctuation (Gain)/ Loss	(0.84)	(0.72)
Credit balance write back	(5.63)	(1.06)
Debit balance write off	0.03	11.93
Operating profit before working capital changes	359.76	322.11
Change in operating assets and liabilities:		
(Increase)/ Decrease in trade receivables	(172.69)	(63.55)
(Increase)/ Decrease in inventories	(120.68)	(293.43)
Increase/ (decrease) in trade payables	133.44	145.98
(Increase)/ Decrease in other current assets	(22.37)	25.33
(Increase)/ Decrease in other non current financial assets	(43.82)	1.13
(Increase)/ Decrease in other current financial assets	-	11.10
Increase/ (Decrease) in other non current assets	(5.01)	(1.66)
Increase/ (Decrease) in Current other financial liabilities	(3.36)	9.64
Increase/ (Decrease) in Non Current other financial liabilities	96.00	(22.11)
Increase/ (Decrease) in other current liabilities	(17.56)	12.07
Increase/ (Decrease) in provisions	5.06	3.16
Cash generated from operations	(150.98)	(172.35)
Less : Income tax paid (net of refund)	38.21	8.05
Net cash inflow from operating activities	426.88	332.91
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for property, plant and equipment	(182.89)	(159.91)
Proceeds from sale of fixed assets	1.40	4.95
Payments for Capital work in progress	(28.11)	36.16
Payments for purchase of investments	-	-
Interest received	0.72	1.21
Net cash (Used in)/generated from investing activities	(208.88)	(117.60)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Equity Share	-	-
Proceeds from Share Premium	-	-
Proceeds from borrowings	(50.76)	(113.47)
Net change in current borrowings	73.74	90.31
Interest and finance charges paid	(189.80)	(143.19)
Payment Towards Lease Obligation	(47.22)	(46.29)
Net cash inflow (outflow) from financing activities	(214.04)	(212.63)
Net increase (decrease) in cash and cash equivalents	3.94	2.68
Cash and Cash Equivalents at the beginning of the financial year	5.57	2.89
Cash and Cash Equivalents at end of the year	9.52	5.57
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Balances with banks	0.76	2.37
- Deposits with original maturity of less than three months	-	-
Cash on hand	8.76	3.20
Balances per statement of cash flows	9.52	5.57

Notes :

(1) Statement of cash flow has been prepared under the indirect method as set out in the Ind AS 7 - Statement of Cash flow.

(2) Previous year's figures have been regrouped/reclassified wherever applicable.

(3) Closing balance of Cash & Cash Equivalents includes exchange variation Profit of ` 0.84 Millions on March 31, 2026 (Previous year Profit ` 0.72).

Change in Liability arising from financing Activity, Please refer Note No. 15

As per our report of even date attached

For S.L. Chhajed & Co. LLP

Chartered Accountants

Firm Registration Number: 000709C/C/00227

CA Ruchita Baidmutha

Partner

Membership No. 406149

Date: August 25th, 2026

Place: Bhopal

For and on behalf of the Board of Directors of
Velnik India Limited

Sukhdev Gehlot
Director & CFO
(DIN: 06456150)

Manju Devi Gehlot
Whole Time Director
(DIN : 07811873)

Chirag Doshi
Company Secretary
MN No. A68513

Date: August 25th, 2026

Place: Indore

1 Corporate Information

Velnik India Limited (the "Company") is a company domiciled in India. The Company has been incorporated on August 11, 2017 under the provisions of the Companies Act, 2013. The Company's registered office is Khasra Nos. 287, 287/5, 305, 305/2, 306, 306/3, 307/1 to 307/4, Pali-Beawar Highway, Gram Khokhra, Tehsil Sojat, Rajasthan, India, 306306 and its Administrative and Marketing Office is situated at 516-517, Mundi Road, near Dutt Cold Storage, Bijalpur, Indore, Madhya Pradesh - 452012.

The Company is engaged in the business of manufacturing and supplies of Ready to use Mehendi Cone, Hair care, Cosmetics and Personal care products, Ayurvedic which operates with dominance in the Indian and International market with its key consumer products offered in different categories.

BASIS OF PREPARATION, MEASUREMENT, AND MATERIAL ACCOUNTING POLICIES

2 Material Accounting Policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under the provision of the Companies Act, 2013 (the 'Act') and subsequent amendments thereof as well as with the additional requirements applicable to financial statements as set forth in Companies Act, 2013 and amended thereof.

The Financial Statements are have been prepared on accrual and going concern basis. The accounting policies are applied using the date of transition to Ind AS. All the Assets and Liabilities have been classified as current and non current as per the Company's normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company had ascertained its operating cycle as 12 months for the purpose of current or non current classification of assets and liabilities.

2.1

a Basis of measurement

The Financial Statements are have been prepared under the historical cost convention unless otherwise indicated.

2.2 Summary of Material accounting policies

2.2.1 Property, plant and equipment:

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The Company follows cost model for subsequent measurement for all classes and items of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset 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. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognized in the Profit or Loss.

Spare parts, stand-by equipment and servicing equipment are recognized as property, plant and equipment if they meet the definition of property, plant and equipment.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation on Tangible Fixed Assets is provided on Straight Line Method on the basis of useful life of assets specified in Part C of Schedule II of the Companies Act, 2013.

Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the day of addition / deletion.

Gains and losses on disposals are determined by comparing the proceeds with the carrying method.
The residual values are not more than 5% of the original cost of the asset, wherever applicable.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there-in are considered as change in estimate and accounted prospectively.



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Notes to Financial Statements As At March 31, 2026

Depreciation and useful life

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Useful life is the period for which assets is intended to be used and the useful life for each class of depreciable assets are as under -

Assets	Years
Building	30
Plant and Machinery	15
Furniture & Fixtures and Electrical Installations	10
Vehicle	8 to 10
Computer	3
Office equipment's	5 to 10
Right of User Assets	As per terms of lease
Intangible Assets	5

Derecognition

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Upon First time adoption of Ind As, the company has elected to measure all its property, plant and equipment at previous GAAP carrying amount as its deemed cost on the date of transition to Ind As, i.e. 1st April, 2020.

2.2.2 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Upon first time adoption of Ind As, the Company has elected to measure its intangible assets at Previous GAAP carrying amount as its deemed cost on the date of transition to Ind As, i.e. 1st April, 2020.

Useful life and amortization

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and impairment losses. Amortization is recognized on a straight-line basis over the useful lives of the asset from the date of capitalization:

Derecognition

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount.

Impairment of Property, Plant and Equipment

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognized in statement of profit and loss.

2.2.3 Inventories:

Inventories are carried in the balance sheet as follows:

(i) Raw materials, components, stores and spares :

Raw materials, components, stores and spares are valued at lower of cost or net realisable value. Cost is determined on a FIFO basis and includes all applicable duties and taxes.



(ii) **Work-in-progress and Finished goods:**

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure. Fixed overheads are allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to the individual items in a group of inventories on the basis of First in first out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.2.4 Statement of Cash Flows:

Cash flows are reported using the "indirect method", whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(i) **Cash and cash equivalents:**

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

2.2.5 Foreign currency transactions:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.2.5 Revenue recognition:

(i) **Sale of goods**

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Export incentives are recognized as income as per the terms of the scheme in respect of the exports made and included as part of export turnover.

Revenue from sales is recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.

Accounting for Claims

(ii)

Claims are accounted as income in the period of receipt of arbitration award or acceptance by client or evidence of acceptance received.

(iii) **Interest income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding using the effective interest rate method.

(iv) **Dividend income**

Revenue is recognized when the company's right to receive the payment is established.

2.2.6 Leases

(i) **Company as a lessee:**

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.



The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(ii) Short-term leases and leases of low-value assets Company as a lessee:

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of less than 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(iii) Company as a lessor:

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.2.7 Employee Benefits

(i) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(ii) Post-Employment Benefits

The company operates the following post-employment

- (i) defined benefit plans and
- (ii) defined contribution plans

Defined benefit plans - Gratuity obligations

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.



Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans - Provident fund

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.2.8 Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets. Borrowing costs are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. All other borrowing costs are expensed as incurred. Borrowing costs consist of interest and other cost that an entity incurs in connection with the borrowing of funds. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.2.9 Earnings Per Share:

Basic earnings per share are 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. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue, share split; and reverse share split (consolidation of shares).

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

2.2.10 Taxes on Income:

Income tax expense comprises current and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from 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 reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI (Other Comprehensive Income) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



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Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

2.2.11 Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognized when the Company has a present obligation (legal or constructive) 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 a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events, unless the probability of outflow of resources is remote. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

2.2.12 Current and Non-current Classification:

The Company's presents assets and liabilities in the balance sheet are based on current/non-current classification.

An asset as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

All other liabilities are classified as non-current.

2.2.13 Fair Value Measurement:

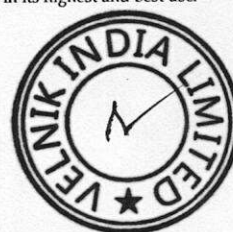
The Company measures financial instruments of certain investments at fair value, at each balance sheet date.

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. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised 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

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.2.14 Financial instruments

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.

(i) **Financial assets:**

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement

After initial recognition, financial assets (other than investments in subsidiaries and joint ventures) are measured either at:

- i) fair value (either through other comprehensive income or through profit or loss) or,
- ii) amortized cost

Measured at amortized cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any, the amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI) net of taxes.

Interest income measured using the EIR method and impairment losses, if any are recognized in Profit and Loss.



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Gains or Losses on De-recognition

In case of investment in equity instruments classified as the FVOCI, the gains or losses on de-recognition are re-classified to retained earnings.

In case of Investments in debt instruments classified as the FVOCI, the gains or losses on de-recognition are reclassified to statement of Profit and Loss.

Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Statement of Profit and Loss.

The Company measures all its investments in equity (other than investments in subsidiaries and joint ventures) and mutual funds at FVTPL.

Changes in the fair value of financial assets measured at fair value through profit or loss are recognized in Profit and Loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are recognized in Profit and Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortized cost, FVTPL and FVOCI and debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivable only, the Company applies the simplified approach permitted by Ind AS - 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of such receivables.

De-recognition:

A financial asset is de-recognized only when

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

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

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset.

Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

2.2.15 Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially



Subsequent measurement

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in Profit and Loss.

De-recognition.

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

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

2.2.16 Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, 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.

3.1 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual

3.2 Estimation of Defined benefit obligations/ plans

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

3.3 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period.



4. PROPERTY, PLANT AND EQUIPMENT

Refer point 2.2.1 of Corporate and Accounting Info for accounting policy on property, plant and equipment (PPE)

Particular	As at March 31, 2026	As at March 31, 2025
Gross block	1,746.19	1,563.78
Less: Accumulated depreciation	313.51	387.55
Net block	1,432.68	1,176.23

The Net block includes Rs. 112.84 Million (Previous Year 140.84) in respect of ROU Assets.

The company had opted for exemption under IndAS 101, and accordingly carrying value as on 31/03/2020 was considered as deemed cost on the IndAS transition date.

Particular	As at March 31, 2026	As at March 31, 2025
Construction work-in-progress-Civil	29.74	1.63
Total	29.74	1.63

* As of 31 March 2026 and 31 March 2025, there are no projects in progress which are delayed or which exceeds its estimated cost.

Particulars	Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Computer	Office Equipments	Electric Installations	Solar Power Plant	Capital Work in Progress	Total
GROSS CARRYING VALUE											
As at March 31, 2025	46.26	655.46	288.60	34.93	143.76	7.59	50.28	33.38	47.85	1.63	1,309.74
Additions	7.86	2.62	23.16	1.83	43.75	1.30	1.87	3.38	88.57	29.74	204.08
Disposals\ Adjustments during the year	-	-	2.14	-	2.14	-	-	-	-	1.63	3.77
As at March 31, 2026	54.12	658.08	309.62	36.76	187.51	8.89	52.15	36.76	136.42	29.74	1,510.05
ACCUMULATED DEPRECIATION/IMPAIRMENT											
As at March 31, 2025	-	59.02	77.94	11.02	72.63	5.64	26.75	9.19	10.53	-	272.72
Depreciation for the year	-	21.16	19.97	3.86	24.98	1.37	9.44	3.78	4.04	-	88.60
Deductions\ Adjustments during the year	-	-	0.86	-	-	-	-	-	-	-	0.86
As at March 31, 2026	-	80.18	97.05	14.88	97.61	7.01	36.19	12.97	14.57	-	360.46
Net Carrying value as at March 31, 2026	54.12	577.90	212.57	21.88	89.90	1.88	15.96	23.79	121.85	29.74	1,149.59
Net Carrying value as at March 31, 2025	46.26	596.44	210.66	23.91	71.13	1.95	23.53	24.19	37.32	1.63	1,037.02

Particulars	Land	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Computer	Office Equipments	Electric Installations	Solar Power Plant	Capital Work in Progress	Total
GROSS CARRYING VALUE											
As at March 31, 2024	27.57	546.26	279.19	29.94	151.02	6.67	44.93	24.03	47.41	37.79	1,194.81
Additions	18.69	109.20	9.41	4.99	1.37	0.92	5.35	9.35	0.44	73.04	232.95
Disposals\ Adjustments during the year	-	-	-	-	8.82	-	-	-	-	109.20	118.02
As at March 31, 2025	46.26	655.46	288.60	34.93	143.76	7.59	50.28	33.38	47.85	1.63	1,309.74
ACCUMULATED DEPRECIATION/IMPAIRMENT											
As at March 31, 2024	-	41.67	60.07	7.93	57.07	4.57	19.19	6.41	7.51	-	204.42
Depreciation for the year	-	17.36	17.87	3.09	17.66	1.07	7.56	2.78	3.02	-	70.41
Deductions\ Adjustments during the year	-	-	-	-	2.10	-	-	-	-	-	2.10
As at March 31, 2025	-	59.02	77.94	11.02	72.63	5.64	26.75	9.19	10.53	-	272.72
Net Carrying value as at March 31, 2025	46.26	596.43	210.66	23.91	71.13	1.95	23.53	24.20	37.32	1.63	1,037.02
Net Carrying value as at March 31, 2024	27.57	504.59	219.12	22.01	93.94	2.10	25.74	17.63	39.90	37.79	990.59

Notes:

Gross Block as at 31.03.2026 includes assets condemned and retired from active use Rs. Nil (Previous year Rs. Nil).

Net Block as at 31.03.2026 includes assets condemned and retired from active use Rs. Nil (Previous year Rs. Nil).

Refer to Note 38 for information on property, plant and equipment pledged as security by the company.

There is no asset for which provision for impairment is required to be made as per Ind AS - 36 Impairment of Assets.

Refer to Note 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

There are no projects that are temporarily suspended during the financial year.

The company has not revalued its fixed assets during the financial year 2025-26.



Ageing of CWIP

Amount in CWIP for a period ended 31st March 2026		(Amount in INR Million)			
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Projects in Progress		29.74	-	-	-
Projects Temporarily Suspended		-	-	-	-
	Total	29.74	-	-	29.74
Amount in CWIP for a period ended 31st March 2025		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Projects in Progress		1.63	-	-	-
Projects Temporarily Suspended		-	-	-	-
	Total	1.63	-	-	1.63

Capital work in progress mainly comprises factory building

RIGHT OF USE ASSETS

Particulars	Building	Leasehold Land	Vehicle	Plant and Machinery	Total
GROSS CARRYING VALUE					
As at March 31, 2025	111.09	0.94	1.99	141.64	255.66
Additions	-	-	-	10.21	10.21
Disposals\ Adjustments during the year	-	-	-	-	-
As at March 31, 2026	111.09	0.94	1.99	151.85	265.87
ACCUMULATED DEPRECIATION/IMPAIRMENT					
As at March 31, 2025	43.48	0.94	1.99	68.42	114.83
Depreciation for the year	8.40	-	-	29.81	38.21
Deductions\ Adjustments during the year	-	-	-	-	-
As at March 31, 2026	51.88	0.94	1.99	98.23	153.04
Net Carrying value as at March 31, 2026	59.21	(0.00)	(0.00)	53.62	112.83
Net Carrying value as at March 31, 2025	67.61	(0.00)	(0.00)	73.22	140.83
Particulars	Building	Leasehold Land	Vehicle	Plant and Machinery	Total
GROSS CARRYING VALUE					
As at March 31, 2024	111.24	0.94	1.99	141.64	255.81
Additions	-	-	-	-	-
Disposals\ Adjustments during the year	0.15	-	-	0.15	0.15
As at March 31, 2025	111.09	0.94	1.99	141.64	255.66
ACCUMULATED DEPRECIATION/IMPAIRMENT					
As at March 31, 2024	32.52	0.75	1.99	40.10	75.36
Depreciation for the year	10.97	0.19	-	28.31	39.47
Deductions\ Adjustments during the year	-	-	-	-	-
As at March 31, 2025	43.48	0.94	1.99	68.42	114.83
Net Carrying value as at March 31, 2025	67.60	(0.00)	(0.00)	73.23	140.84
Net Carrying value as at March 31, 2024	78.72	0.19	(0.00)	101.54	180.45

Effective April 1, 2019, the Company adopted Ind AS 116. Leases and applied the standard to all lease contracts using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.



5. INTANGIBLE ASSETS

Particular	(Amount in INR Million)	
	As at March 31, 2026	As at March 31, 2025
Gross block	33.84	25.27
Less: Accumulated depreciation	23.30	21.46
Net block (details refer to note below)	10.54	3.81

The company had opted for exemption under IndAS 101, and accordingly carrying value as on 31/03/2020 was considered as deemed cost on the IndAS transition date. There has no impairment loss during the year.

Particulars	(Amount in INR Million)	
	As at March 31, 2026	As at March 31, 2025
Intangible assets under development	-	-

Particulars	(Amount in INR Million)		
	Software	Brands or Trade Marks	Total
GROSS CARRYING VALUE			
As at March 31, 2025	1.77	23.50	25.27
Additions	8.57	-	8.57
Disposals\ Adjustments during the year	-	-	-
As at March 31, 2026	10.34	23.50	33.84
ACCUMULATED DEPRECIATION/IMPAIRMENT			
As at March 31, 2025	1.62	19.84	21.46
Depreciation for the year	0.72	1.12	1.84
Deductions\ Adjustments during the year	-	-	-
As at March 31, 2026	2.34	20.96	23.30
Net Carrying value as at March 31, 2026	8.00	2.54	10.54
Net Carrying value as at March 31, 2025	0.15	3.66	3.81

Particulars	(Amount in INR Million)		
	Software	Brands or Trade Marks	Total
GROSS CARRYING VALUE			
As at March 31, 2024	1.77	23.50	25.27
Additions	-	-	-
Disposals\ Adjustments during the year	-	-	-
ACCUMULATED DEPRECIATION/IMPAIRMENT	1.77	23.50	25.27
ACCUMULATED DEPRECIATION/IMPAIRMENT			
As at March 31, 2024	1.50	16.99	18.49
Depreciation for the year	0.12	2.85	2.97
Deductions\ Adjustments during the year	-	-	-
ACCUMULATED DEPRECIATION/IMPAIRMENT	1.62	19.84	21.46
Net Carrying value as at March 31, 2024	0.15	3.66	3.81
Net Carrying value as at March 31, 2024	0.27	6.51	6.79



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6. FINANCIAL ASSETS

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
OTHER FINANCIAL ASSETS		
Non Current		
Financial assets carried at amortised cost		
Bank Deposits with more than 12 months maturity	-	0.01
Other deposits with banks*	7.68	7.69
Pre Deposit against Demand	-	-
Security Deposits		
Unsecured, considered good		
Deposits with SEB's, port trust & Others	68.17	24.33
Total	75.85	32.03
Current		
Deposits with Others	-	-
Total	-	-

*Includes FDR Marked as lien with the banks/authorities as mentioned below:

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025	Tenure of lien	Rate of interest
Axis Bank (against Letter of credit)	0.95	0.89	Subject to renewal	6.70%
Axis Bank (against Letter of credit)	0.70	0.68	Subject to renewal	5.75%
Axis Bank (against Letter of credit)	0.95	0.91	Subject to renewal	5.75%
Axis Bank (against Letter of credit)	2.02	1.93	Subject to renewal	5.75%
Axis Bank (against Letter of credit)	-	0.29	Subject to renewal	7.10%
Axis Bank (against Letter of credit)	0.41	0.39	Subject to renewal	7.10%
HDFC Bank (As Margin money against CC Limit)	1.99	1.91	Subject to renewal	4.50%
BG to Pollution Control Board	0.06	0.05	Subject to renewal	6.50%
Axis Bank (against Letter of credit)	-	0.08	Subject to renewal	6.70%
Deposit to Mandi	0.58	0.54	Subject to renewal	6.75%
FDR-Sec. Krishi Upaj Mandi, Jaitaran (HDFC Annpurna	0.02	-	Subject to renewal	6.75%
Total	7.68	7.69		



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7. INVENTORIES

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials and components (Valued at lower of Cost and Net Realisable value)	1,127.32	1,048.73
Material in Transit	-	-
Work in Process (including items with sub- contractors)	-	-
Finished goods	183.37	163.54
Stores & spare parts	22.89	-
Trading Goods	0.00	0.63
Total	1,333.58	1,212.90

Inventories:

Inventories are carried in the balance sheet as follows:

(i) Raw materials, components, stores and spares :

Raw materials, components, stores and spares are valued at lower of cost or net realisable value. Cost is determined on a FIFO basis and includes all applicable duties and taxes.

(ii) Work-in-progress and Finished goods:

Cost of Work-in-progress and Finished Goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure. Fixed overheads are allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to the individual items in a group of inventories on the basis of First in first out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(iii) Trading Goods:

Trading Goods are valued at lower of cost or net realisable value. Cost is determined on a FIFO basis and includes all applicable duties and taxes.

8. TRADE RECEIVABLES

Refer point 14 of Note [2] for accounting policy on impairment of financial assets

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables considered good - Secured	278.31	#####
Trade Receivables considered good - Unsecured	488.52	319.42
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit impaired	7.16	2.73
	773.99	600.46
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	(7.16)	(2.74)
	(7.16)	(2.74)
Total	766.83	597.74

Debts due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member as at 31st March 2026 is 164.33 million (31st March 2025: Nil). For details refer to Note 33

8.1 Trade Receivables Ageing Schedule :

(Amount in INR Million)

As at March 31, 2026	Outstanding for following periods from due date of payment					Total
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables						
(a) considered good (Others)	655.08	86.15	11.94	11.18	2.48	766.83
(b) Which have significant increase in credit risk	-	-	-	-	-	-
(c) credit impaired	1.08	3.49	0.76	0.20	1.63	7.16
(ii) Disputed Trade receivables						
(a) considered good (Others)	-	-	-	-	-	-
(b) Which have significant increase in credit risk	-	-	-	-	-	-
(c) credit impaired	-	-	-	-	-	-
Sub Total	656.16	89.64	12.70	11.38	4.11	773.99
Less: Allowance for credit impaired / Expected credit loss	(1.08)	(3.49)	(0.76)	(0.20)	(1.63)	(7.16)
Total	655.08	86.15	11.94	11.18	2.48	766.83



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(Amount in INR Million)

As at March 31, 2025	Outstanding for following periods from due date of payment					Total
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables						
(a) considered good (Others)	586.61	4.46	3.15	0.16	3.36	597.74
(b) Which have significant increase in credit risk	-	-	-	-	-	-
(c) credit impaired	0.29	-	0.58	0.97	0.90	2.74
(ii) Disputed Trade receivables						
(a) considered good (Others)	-	-	-	-	-	-
(b) Which have significant increase in credit risk	-	-	-	-	-	-
(c) credit impaired	-	-	-	-	-	-
Sub Total	586.90	4.46	3.73	1.13	4.25	600.47
Less: Allowance for credit impaired / Expected credit loss	(0.29)	-	(0.58)	(0.97)	(0.90)	(2.74)
Total	586.61	4.46	3.15	0.16	3.36	597.74

9. CASH AND CASH EQUIVALENTS

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks on current accounts	0.76	2.37
- Deposits with original maturity of less than three months	-	-
Cash on hand	8.76	3.20
Total	9.52	5.57

There are no repatriation restriction with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

10. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
<i>Fixed deposits having maturity more than 3 months but not more than 12 months</i>		
Other deposits	-	-
	-	-



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11. OTHER ASSETS

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Non Current		
Capital Advances	-	6.07
Others		
Deposit with Income Tax	19.08	8.58
Prepaid Expenses	1.22	0.64
Total	20.30	15.29
Current		
Unsecured, considered good		
Advances other than Capital advances		
- Advances to Staff	0.08	1.81
- Advances to Supplier	45.08	13.37
- Advance to Suppliers - Related Party	51.21	-
Others		
- Prepaid expenses	13.81	10.41
- Others	2.01	-
- Balances with Statutory and Government Authorities	56.44	130.50
Total	168.63	156.09

12. INCOME TAX

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax		
Deferred tax relates to the following:		
Timing differences in the carrying amount of property, plant and equipment	57.44	50.15
Carry Forward	-	-
Provision for Doubtful Debt	(1.80)	(0.69)
Lease Obligation Net	(4.33)	(3.20)
Gratuity	(4.62)	(3.13)
Leave Encashment	(1.53)	(1.07)
Deferred Borrowing Cost	0.70	0.27
Prepaid Expenses	-	-
Net Deferred Tax (Assets) / Liabilities	45.86	42.33



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Movement in deferred tax liabilities (DTA)/DTL

(Amount in INR Million)

Particulars	Net balance as at 1 April	Recognized in Profit & Loss	Recognized in OCI	Recognized in Equity	Balance as at March 31, 2026		
					Net	Deferred Tax Assets	Deferred Tax Liabilities
Property Plant and equipment	50.15	(7.29)	-	-	57.44	-	57.44
Carryforward Losses	-	-	-	-	-	-	-
Provision for Doubtful Debt	(0.69)	1.12	-	-	(1.81)	(1.81)	-
Lease Obligation Net	(3.20)	1.13	-	-	(4.32)	(4.32)	-
Gratuity	(3.13)	0.81	0.67	-	(4.61)	(4.61)	-
Leave Encashment	(1.07)	0.45	-	-	(1.53)	(1.52)	-
Deferred Borrowing Cost	0.27	(0.42)	-	-	0.69	-	0.69
Prepaid Expenses	-	-	-	-	-	-	-
	42.33	(4.20)	0.67	-	45.86	(12.26)	58.13

Particulars	Net balance as at 1 April	Recognized in Profit & Loss	Recognized in OCI	Recognized in Equity	Balance as at March 31, 2025		
					Net	Deferred Tax Assets	Deferred Tax Liabilities
Property Plant and equipment	43.50	(6.65)	-	-	50.15	-	50.15
Carryforward Losses	(38.34)	(38.34)	-	-	-	-	-
Provision for Doubtful Debt	(0.61)	0.08	-	-	(0.69)	(0.69)	-
Lease Obligation Net	(0.90)	2.30	-	-	(3.20)	(3.20)	-
Gratuity	(1.31)	0.63	1.19	-	(3.13)	(3.13)	-
Leave Encashment	(0.91)	0.16	-	-	(1.07)	(1.07)	-
Deferred Borrowing Cost	0.40	0.13	-	-	0.27	-	0.27
Prepaid Expenses	2.01	2.01	-	-	-	-	-
	3.84	(39.68)	1.19	-	42.33	(8.08)	50.42

Unrecognised deferred tax assets

(Amount in INR Million)

	As at March 31, 2026	As at March 31, 2025
Unrecognised tax losses	-	-

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Major Components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are as follows:

i. Income tax recognised in profit or loss

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Current income tax charge	53.26	11.26
Deferred tax		
Relating to origination and reversal of temporary differences	4.19	39.69
Income tax expense recognised in profit or loss	57.45	50.95

ii. Income tax recognised in OCI

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Net loss/(gain) on premeasurements of defined benefit plans	0.67	1.19
Income tax expense recognised in OCI	0.67	1.19

iii. Income tax recognised in Equity

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Net loss/(gain) on premeasurements of defined benefit plans	-	-
Income tax expense recognised in Equity	-	-



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13. SHARE CAPITAL

Authorised Share Capital

(Amount in INR Million)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Authorised:				
4,15,00,000 Equity shares of INR 10 each (March 31, 2025)	4,15,00,000	415.00	4,15,00,000	415.00
3,50,000 Preference Shares of INR 100 each & 1,00,000 Preference Shares of INR 500 each (March 31, 2025, 3,50,000 Preference Shares of INR 100 each & 1,00,000 Preference Shares of INR 500 each)	4,50,000.00	85.00	4,50,000.00	85.00
Issued:				
Equity shares of INR 10 each (March 31, 2025 INR 10 each)	3,33,51,402	333.51	3,33,51,402	333.51
Non Convertible Redeemable Preference	-	-	4,40,000	84.00
Subscribed and Fully paid-up:				
Equity shares of INR 10 each (March 31, 2025 INR 10 each)	3,33,51,402	333.51	3,33,51,402	333.51
Non Convertible Redeemable Preference	-	-	4,40,000	84.00
	3,33,51,402	333.51	3,33,51,402	333.51

Terms/rights attached to equity shares

(a) The company has only one class of shares referred to as Equity shares having a face value of INR 10 each (March 31, 2025: INR 10 each). Each holder of equity shares is entitled to one vote per share. The company pays dividends in Indian rupees if declared by the board subject to the approval of the shareholders in the Annual General Meeting.

Terms/rights attached to preference shares

(b) During the year, the Company redeemed its redeemable preference shares in accordance with the terms of issue and the provisions of the Companies Act, 2013. Consequently, the paid-up preference share capital of the Company stands reduced to Nil as at the reporting date. However, there is no change in the authorised preference share capital of the Company.

(c) Reconciliation of the number of the Equity shares outstanding at the beginning and at the end of the year:

(Amount in INR Million)

Authorised Equity share capital	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	4,15,00,000	415.00	4,15,00,000	415.00
Add/(Less) : changes during the year	-	-	-	-
Balance at the end of the year	4,15,00,000	415.00	4,15,00,000	415.00

(Amount in INR Million)

Authorised Preference share capital	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	4,50,000	85	4,50,000	85
Add/(Less) : changes during the year	-	-	-	-
Balance at the end of the year	4,50,000	85.00	4,50,000	85.00

(Amount in INR Million)

Issued, Subscribed and Paid up Equity share capital	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	3,33,51,402	333.51	3,33,51,402	333.51
Add : Shares issued during the year	-	-	-	-
Less: shares bought back	-	-	-	-
Balance at the end of the year	3,33,51,402	333.51	3,33,51,402	333.51



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(Amount in INR Million)

Issued, Subscribed and Paid up Preference share capital	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	4,40,000	84.00	4,40,000	84.00
Add : Shares issued during the year	-	-	-	-
Less: shares redeemed	4,40,000	84.00	-	-
Balance at the end of the year	-	-	4,40,000	84.00

During the year, Non Convertible Preference Shares 3,40,000 of Rs 100 each and 1,00,000 of Rs 500 were redeemed, and a corresponding amount was transferred to CRR. This reserve can be utilized only for issuing bonus shares or writing off preliminary expenses, as permitted under applicable law.

(d) Issue of share -

Bonus Share - The Company allotted bonus share 3,32,40,600 total numbers on June 30th 2022 in the ratio of 300 : 1 i.e. Three hundred equity shares for one existing fully paid-up equity shares.

Consequently, the paid-up capital was increased from 1.02 Millions in FY 2021-22 to 333.51 Millions in FY 2022-23 by issue of equity shares and capitalization of reserves.

(e) Aggregate number of equity shares issued as bonus NIL during the FY 2025-26 (FY 2024-25 : NIL), shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

(f) 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.

(g) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Sukhdev Gehlot	1,55,97,309	46.77%	1,54,28,959	46.26%
Manju Devi Gehlot	1,52,97,389	45.87%	1,52,97,389	45.87%

(h) Promoters Shareholding in the Company is set out below:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number	% holding	Number	% holding
Equity shares of INR 10 each fully paid				
Sukhdev Gehlot	1,55,97,309	46.77%	1,54,28,959	46.26%
Manju Devi Gehlot	1,52,97,389	45.87%	1,52,97,389	45.87%

(i) Percentage change in Promoters Shareholding in the Company:

Shares held by promoters as on 31st March, 2026	Number of Shares	% of total Shares	% Change during the year
Promoter Name			
Sukhdev Gehlot	1,55,97,309	46.77%	0.50%
Manju Devi Gehlot	1,52,97,389	45.87%	0.00%



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14. OTHER EQUITY

i. Reserves and Surplus

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Securities Premium Reserve	141.03	141.03
Capital redemption Reserve	84.00	-
Retained Earnings	305.89	270.62
	530.92	411.65

Retained earnings: Retained earnings are profits that Company has earned till date, less transfer to general reserve, dividends (incl. dividend distribution tax) or other distributions to shareholders.

(a) Securities Premium Reserve

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	141.03	141.03
Add/ (Less): changes during the year	-	-
Closing balance	141.03	141.03

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This is not available for distribution of dividend but can be utilised for issuing bonus shares.

(b) Capital Redemption Reserve

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Add/ (Less): changes during the year	84.00	-
Closing balance	84.00	-

Capital Redemption Reserve is created as per the requirements of the Companies Act, 2013. During the year, Non Convertible Preference Shares 3,40,000 of Rs 100 each and 1,00,000 of Rs 500 were redeemed, and a corresponding amount was transferred to CRR. This reserve can be utilized only for issuing bonus shares or writing off preliminary expenses, as permitted under applicable law.

(c) Retained Earnings

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	270.62	150.01
Net Profit for the year	121.27	124.15
Transfer to Capital redemption reserve	(84.00)	-
Items of Other Comprehensive Income directly recognised in Retained Earnings		
* Remeasurement of gains (losses) on defined benefit plans	(2.65)	(4.74)
Income tax effect on remeasurements	0.67	1.19
Items of Equity directly recognised in Retained Earnings		
Other adjustments	-	-
Closing balance	305.89	270.62

* Re-measurement of net defined benefit plans: Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumption or experience adjustments within the plans, are recognised in 'Other comprehensive income' and these are subsequently not to be reclassified to the Statement of Profit and Loss.



15. BORROWINGS

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Non Current Borrowings		
Secured		
Term Loan from Bank	355.19	127.75
Unsecured		
Non Convertible Redeemable Preference Shares	-	245.82
From Related Parties (Please refer Note no. 33)	27.00	28.70
Total	382.19	402.27
Current Borrowings		
Secured		
(a) Cash Credit Facility with bank (secured by hypothecation of raw materials, components, work-in-progress, finished goods & stores)	749.86	812.84
Current Maturity of Non Current Borrowings		
(a) Term Loans	248.01	111.29
Total	997.88	924.13

The Company has availed loan under multiple banking arrangement which includes Four banks i.e. Punjab National Bank, Axis Bank, HDFC Bank & Union Bank of India. The credit facilities availed from PNB is Rs.150.00 million, Axis Bank Rs.245.00 million, from HDFC Bank Rs.210.0 million and from UBI Rs.350.00 million. The description of Security is disclosed in Notes 15.1.

Details of sanctioned limits

(Amount in INR Million)

Particulars	Sanctioned Limit	Utilization			
		As at March 31, 2026		As at March 31, 2025	
		Amount	%	Amount	%
Non Fund based limits					
Bank Guarantee	-	-	-	-	-
Letter of Credit	30.00	30.00	100%	30.00	100%
Fund based limits					
CC	955.00	749.86	79%	812.84	85%

Change in borrowing arising from financing activities

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Opening Balance	924.13	833.82
Cash Flow during the year	73.75	90.31
Unrealised Foreign Exchange Loss/ (Gain)	-	-
Closing Balance	997.88	924.13

(Amount in INR Million)

Loan from Directors	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Sukhdev Gehlot		
Opening balance	27.90	6.77
Add: Loan taken during the year	29.00	96.10
Less :Repayment during the year	32.20	74.97
Closing Balance	24.70	27.90
Manju Devi Gehlot		
Opening balance	0.80	-
Add: Loan taken during the year	1.50	3.00
Less :Repayment during the year	-	2.20
Closing Balance	2.30	0.80
Total	27.00	28.70



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15. Details of security and terms of repayment of secured term loan and working capital loan from banks
As at 31st March 2026

Name of lender	Type of Loan	Sanaction Amount	Outstanding	Number of Installments	Amount per Installments	Rate of Interest	Security
Other than Working capital Loans & Term Loans	Vehicle loan	3.56	0.42	48	48 instalments @ 94140 each	7.20%	
		0.79	0.26	60	60 instalments @ 16033 each	8.20%	
		0.79	0.26	60	60 instalments @ 16033 each	8.20%	
		0.79	0.26	60	60 instalments @ 16033 each	8.20%	
		0.79	0.26	60	60 instalments @ 16033 each	8.20%	
		0.79	0.26	60	60 instalments @ 16031 each	8.25%	
		0.79	0.26	60	60 instalments @ 16052 each	8.25%	
		0.79	0.26	60	60 instalments @ 16052 each	8.25%	
		0.79	0.26	60	60 instalments @ 16052 each	8.25%	
		2.25	0.85	60	60 instalments @ 45535 each	7.90%	
		1.80	0.68	60	60 instalments @ 36627 each	8.15%	
		0.79	0.33	60	60 instalments @ 16299 each	8.99%	
		0.79	0.33	60	60 instalments @ 16299 each	8.99%	
		0.79	0.33	60	60 instalments @ 16299 each	8.99%	
		0.61	0.26	60	60 instalments @ 12112 each	8.90%	
		0.79	0.33	60	60 instalments @ 16299 each	8.99%	
		1.28	0.06	60	60 instalments @ 30835 each	7.51%	
		0.98	0.07	48	48 instalments @ 23600 each	7.50%	
		0.98	0.07	48	48 instalments @ 23600 each	7.50%	
		1.40	0.10	48	48 instalments @ 33735 each	7.51%	
		5.27	0.38	48	48 instalments @ 127542 each	7.50%	
		0.99	0.07	48	48 instalments @ 23940 each	7.51%	
		1.54	0.19	48	48 instalments @ 37785 each	8.26%	
		1.54	0.19	48	48 instalments @ 37785 each	8.26%	
		1.75	1.06	60	60 instalments @ 36412 each	9.10%	
		3.15	1.54	60	60 instalments @ 65405 each	9.01%	
		3.15	1.54	60	60 instalments @ 65405 each	9.01%	
		1.86	1.31	84	83 instalments @ 30161 each and last installment of Rs 30156	9.35%	
		2.30	1.70	84	84 instalments @ 36772 each	8.80%	
		2.82	0.19	35	1 instalments @ 95639 each and 34 instalment of Rs 95625	11.80%	
		9.50	4.83	60	59 instalments @ 199312 each and last installment of Rs 199273	9.40%	
		0.65	0.55	48	48 instalments @ 16520 each	9.85%	
		0.66	0.58	60	60 instalments @ 13860 each	9.94%	
		0.65	0.55	48	48 instalments @ 16520 each	9.85%	
		15.00	12.41	60	60 instalments @ 306970 each	8.70%	
		1.23	1.05	48	48 instalments @ 30370 each	9.06%	
		1.30	1.13	48	48 instalments @ 31930 each	8.57%	
		1.30	1.13	48	48 instalments @ 31930 each	8.57%	
		0.75	0.65	48	48 instalments @ 18565 each	9.00%	
		0.75	0.65	48	48 instalments @ 18565 each	9.00%	
		4.34	3.80	48	48 instalments @ 1,07,060 each	8.52%	
		1.46	1.27	48	48 instalments @ 35875 each	8.52%	
		2.00	1.85	48	48 instalments @ 49180 each	8.51%	
		2.87	2.67	48	48 instalments @ 70730 each	8.51%	
		0.75	0.73	60	1 instalments @ 14541 each and 59 instalment of Rs 15442	8.65%	
		0.75	0.73	60	1 instalments @ 14541 each and 59 instalment of Rs 15442	8.65%	
		0.75	0.73	60	1 instalments @ 14541 each and 59 instalment of Rs 15442	8.65%	
		0.75	0.73	60	1 instalments @ 14541 each and 59 instalment of Rs 15442	8.65%	
		0.56	0.54	60	1 instalments @ 11821 each and 59 instalment of Rs 12599	12.50%	
HDFC	Cash Credit	210.00	159.37			7.95%	Primary Security :- First Pari Passu Charge on the entire current assets of the Company both present & future. Secondary Security :- Personal Guarantee of Mr. Sukhdev Gehlot & Mrs. Manjudevi Gehlot, Second Pari Passu Charge on the plant & machinery of the company. Pari Passu Charge on the Collateral / Commercial Property.
PNB		150.00	142.62			8.46%	
UBI		350.00	344.77			8.23%	
Axis		245.00	102.66			8.14%	



HDFC	Term Loan	50.00	8.33	60	Repayable in equal monthly installment of Rs.8,33,333/-	7.95%	Primary Security :- First Pari Passu Charge by way of hypothecation on the plant & machinery of the Company both present & future. Secondary Security :- Personal Guarantee of Mr.Sukhdev Gehlot & Mrs Manjudevi Gehlot, Second Pari Passu Charge on the entire current assets of the company. Pari Passu Charge on the Collateral / Commercial Property.
PNB		12.10	2.64	43	Repayable in 42 monthly installment of Rs.266667/- and 1 installment 239925/-	8.45%	
PNB		56.60	6.67	38	Repayable in 37 monthly installment of Rs.1398333/- and 1 installment 1080015/-	8.45%	
PNB		75.00	33.51	88	Repayable in 22 Quarterly installments of Rs 3409090/-	8.45%	
Axis		42.80	7.56	59	Repayable in 59 installments 1-17 instalment of RS 6,00,000/-, 18-49 Instalment of Rs 7,00,000/-, 50-58 Instalment of Rs 8,00,000/- and last 59th instalment is Rs 30,00,000/-	8.13%	
Axis		41.60	6.20	57	Repayable in 57 installments 1-15 instalment of RS 6,00,000/-, 16-47 Instalment of Rs 7,00,000/-, 47-56 Instalment of Rs 7,20,000/- and last 57th instalment is Rs 30,00,000/-	8.13%	
Bajaj Finance Limited		200.00	175.61	60	Repayable in 3 monthly installment of Rs.25,00,000/- AND 57 monthly installment of Rs. 3,377,193/-	10.50%	
State bank of India		71.30	70.99	122	Repayable in 121 monthly installment of Rs. 9,32,665/- and 1 monthly installment of Rs. 5,95,929/-	8.00%	
VIVRITI		200.00	200.00	21	Repayable in equal 21 monthly installment of Rs.95,23,810/-	10.75%	
UBI		108.30	41.07	49	Repayable in equal 49 monthly installment of Rs.2166647/-	7.85%	



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(Amount in INR Million)

15.2. Reconciliation of stock statement submitted to bank and books of accounts where borrowings have been availed based on security of current assets.

Quarter End	Name of the Bank	Particulars	Amount reported in the stock statement	Amount as per books of accounts	Amount of difference	Reason for material variances
30-06-2025	Axis Bank	Inventory	1,127.25	1,127.25	-0.00	
		Trade Receivables	763.68	765.90	-2.22	There is no material variance
		Trade Payables	512.41	514.89	-2.48	There is no material variance
	HDFC Bank	Inventory	1,127.25	1,127.25	-	
		Trade Receivables	763.68	765.90	-2.22	There is no material variance
		Trade Payables	512.41	514.89	-2.48	There is no material variance
	PNB Bank	Inventory	1,127.25	1,127.25	-	
		Trade Receivables	763.68	765.90	-2.22	There is no material variance
		Trade Payables	512.41	514.89	-2.48	There is no material variance
	UBI	Inventory	1,127.25	1,127.25	-	
		Trade Receivables	763.68	765.90	-2.22	There is no material variance
		Trade Payables	512.41	514.89	-2.48	There is no material variance
30-09-2025	Axis Bank	Inventory	1,213.85	1,213.85	-	
		Trade Receivables	941.69	947.28	-5.59	There is no material variance
		Trade Payables	546.06	539.05	7.01	There is no material variance
	HDFC Bank	Inventory	1,213.85	1,213.85	-	
		Trade Receivables	941.69	947.28	-5.59	There is no material variance
		Trade Payables	546.06	539.05	7.01	There is no material variance
	PNB Bank	Inventory	1,213.85	1,213.85	-	
		Trade Receivables	941.69	947.28	-5.59	There is no material variance
		Trade Payables	546.06	539.05	7.01	There is no material variance
	UBI	Inventory	1,213.85	1,213.85	-	
		Trade Receivables	941.69	947.28	-5.59	There is no material variance
		Trade Payables	546.06	539.05	7.01	There is no material variance
31-12-2025	Axis Bank	Inventory	1,221.55	1,221.55	-	
		Trade Receivables	758.32	767.18	-8.86	There is no material variance
		Trade Payables	601.29	600.80	0.49	There is no material variance
	HDFC Bank	Inventory	1,221.55	1,221.55	-	
		Trade Receivables	758.32	767.18	-8.86	There is no material variance
		Trade Payables	601.29	600.80	0.49	There is no material variance
	PNB Bank	Inventory	1,221.55	1,221.55	-	
		Trade Receivables	758.32	767.18	-8.86	There is no material variance
		Trade Payables	601.29	600.80	0.49	There is no material variance
	UBI	Inventory	1,221.55	1,221.55	-	
		Trade Receivables	758.32	767.18	-8.86	There is no material variance
		Trade Payables	601.29	600.80	0.49	There is no material variance
31-03-2026	Axis Bank	Inventory	1,311.58	1,311.58	-	
		Trade Receivables	733.08	723.03	10.05	There is no material variance
		Trade Payables	548.54	506.87	41.67	There is no material variance
	HDFC Bank	Inventory	1,311.58	1,311.58	-	
		Trade Receivables	733.08	723.03	10.05	There is no material variance
		Trade Payables	548.54	506.87	41.67	There is no material variance
	PNB Bank	Inventory	1,311.58	1,311.58	-	
		Trade Receivables	733.08	723.03	10.05	There is no material variance
		Trade Payables	548.54	506.87	41.67	There is no material variance
	UBI	Inventory	1,311.58	1,311.58	-	
		Trade Receivables	733.08	723.03	10.05	There is no material variance
		Trade Payables	548.54	506.87	41.67	There is no material variance



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15.3. Net debt reconciliation

An analysis of net debt of the Company and the movement in net debt for the year ended 31 March 2026 and 31 March 2025 is as follows:

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
(A) Cash and cash equivalents	9.52	5.57
(B) Non-current borrowings	382.19	402.27
(C) Current borrowings	997.88	924.13
(D) Interest payable	-	-
Net debt (E)=(B+C+D-A)	1,370.55	1,320.83

(Amount in INR Million)

Particulars	Other Assets	Liabilities from financial activities		Total
	Cash and cash equivalents	Current and Non Current borrowings	Interest payable	
Net debt as at 31 March 2025	5.57	1,326.40	-	1,320.83
Net increase in cash and cash equivalents	3.95			(3.95)
Proceeds from long-term borrowings		501.80		501.80
Repayment of long-term borrowings		(448.13)		(448.13)
Proceeds from short-term borrowings				-
Interest expense			179.43	179.43
Interest paid			(179.43)	(179.43)
Net debt as at 31 March 2026	9.52	1,380.07	-	1,370.55



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16. Leases

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Non Current Lease Liabilities	96.08	122.58
Current Lease Liabilities	33.97	31.00
Total	130.05	153.58

The company's significant leasing agreements are in respect of Rental Buildings and Plant & Machinery . Assets taken on lease are capitalised and disclosed separately as Right-of-use assets in the property, plant and equipment. The lease rentals are allocated between interest and principal value. The interest and maintenance charges are charged to Statement of Profit and Loss and principal amount is adjusted to lease obligations.

The company has applied the following available practical expedients :

(i) The short-term leases exemptions to leases with lease term less than 12 months

Lessor Name	Property Address	Property Identification	Start Date	End Date	Period Months
Sukhdev Gehlot	ASH-1, Takshila Parisar, Rajendra Nagar, Indore	Premises	01-01-2026	01-12-2026	11
Sukhdev Gehlot	Khasra No 516/1/Mean-2, 516/2, 517, 518, Bijalpur, Mumdi Road, Indore.	Land	01-11-2025	01-10-2026	11
Sukhdev Gehlot	S-1, Takshila Parisar, Indore	Premises	01-02-2025	31-12-2025	11
Manju Devi Gehlot	SH-5, Takshila Parisar, Indore	Premises	01-11-2025	01-10-2026	11
Rukmani w/o Hanuman Ram Gundi	House no. 1 & 2, Gram Thikrana, Sendra Road, Moti Nagar, Distt. - Beawar, Rajasthan	Premises	01-08-2025	30-06-2026	11
Suman Lata Bidawat	H.No. 38, Mangal Vihar Colony, Kalyanipur, Gali no. 3, Ajmer - 305001, Rajasthan	Premises	01-06-2025	30-04-2026	11
Asha Rajan	BDA MIG Flats, Block U, First Floor Apartment no. MF 21/8, Nandani Layout PO, Bangalore - 560096	Guest house	01-07-2025	31-05-2026	11
True Wow Hygiene Products Private Limited	C-3/A, UPSIDC Industrial Area, Site-1, Dahi Chawki, Opposite Hans DharamKanta, Kanpur, Unnao, Uttar Pradesh, 209801	Land	01-07-2025	31-05-2026	11
Mahendar, Kaluram, Kishan Lal	1(1) Sivagami Street, Choolaimedu, Chennai, India 600094	Land	01-08-2025	30-06-2026	11
Welltouch Hygiene Private Limited (Mr. Hardik Patoliya)	Plot No. 9, Valeshwar Industrial Estate, Village Lindiyat, Taluka Mangrol, Pipodara, Surat, Gujarat 394110	Premises	01-08-2025	30-06-2026	11



As a Lessee

(Amount in INR Million)

A Carrying value of right of use assets at each of the period end by class

Particulars	Leasehold Land	Plant and Machinery	Building	Vehicle	Total
Balance at 31 March 2025	-	73.23	67.61	(0.00)	140.84
Addition	-	10.21	-	-	10.21
Deletion	-	-	-	-	-
Depreciation charge for the year	-	29.82	8.40	-	38.22
Balance at 31 March 2026	-	53.62	59.21	(0.00)	112.83

(Amount in INR Million)

B Maturity analysis of lease liabilities

Maturity analysis – contractual undiscounted cash flows	As at March 31, 2026	As at March 31, 2025
Less than one year	44.44	43.96
One to five years	90.08	111.19
More than five years	35.34	49.71
Total undiscounted lease liabilities	169.86	204.88
Lease liabilities included in the statement of financial position		
Current	33.97	31.00
Non Current	96.08	122.58

(Amount in INR Million)

C Amounts recognised in profit or loss

Particulars	As at March 31, 2026	As at March 31, 2025
Interest on lease liabilities	13.47	15.98
Depreciation on ROU	38.21	39.47
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-	-

(Amount in INR Million)

D Amounts recognised in the statement of cash flows

Particulars	As at March 31, 2026	As at March 31, 2025
Total cash outflow for leases	47.22	46.29



17. OTHER FINANCIAL LIABILITIES

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Non Current		
Financial Liabilities at amortized cost		
Security Deposit from Dealers	374.31	278.31
Total	374.31	278.31
Current		
Financial Liabilities at amortized cost		
Outstanding Expenses Payable	9.40	8.25
Others		
Employee Dues	53.35	57.86
Total	62.75	66.11

18. TRADE PAYABLES

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Total outstanding dues of Micro Enterprises and Small Enterprises	200.03	53.64
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	451.47	470.04
Total	651.50	523.68

18.1 Trade Payables Ageing Schedule :

(Amount in INR Million)

As at March 31, 2026	Outstanding for following periods Particulars from due date of payment						Total
Particulars	Unbilled Dues	Not Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	200.03	-	-	-	200.03
(ii) Others	-	-	448.18	2.26	0.48	0.55	451.47
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	-	648.21	2.26	0.48	0.55	651.50

(Amount in INR Million)

As at March 31, 2025	Outstanding for following periods Particulars from due date of payment						Total
Particulars	Unbilled Dues	Not Dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	53.64	-	-	-	53.64
(ii) Others	-	-	463.39	2.06	0.62	3.97	470.04
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	-	-	517.04	2.06	0.62	3.97	523.68

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 has been made in the financial statements as at 31st March 2026 based on the information available with the Company.

During the year, there was no interest payable under the provisions of the MSMED Act, 2006. However, an amount of Rs. 7,91,323 pertaining to interest accrued in earlier years (FY 2022-23 and FY 2023-24) continues to remain unpaid as at 31st March 2026.

The auditors have relied upon the information provided by the management in this regard.

The details are provided in Note No. 37.



19. OTHER LIABILITIES

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Advances from customers	50.96	28.88
Statutory Liabilities	13.86	12.09
Total	64.82	40.97

20. PROVISIONS

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Contractual obligation		
Non Current		
Provision for employee benefits - Gratuity	12.04	8.45
Provision for employee benefits - Leave Encashment	3.59	2.48
Total	15.63	10.93
Current		
Provision for employee benefits - Gratuity	6.30	4.01
Provision for employee benefits - Leave Encashment	2.48	1.76
Total	8.78	5.77

21. CURRENT TAX LIABILITY(NET)

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax liability	8.05	-
Add: Current tax payable for the year	53.26	11.26
Add: Current tax payable for the earlier year	1.18	-
Less: Taxes paid	(13.02)	(3.21)
Closing Balance	49.47	8.05



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22. REVENUE FROM OPERATION

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Sale of Products		
Manufactured goods	3,887.03	3,589.68
Traded goods	365.57	225.31
Total	4,252.60	3,814.99



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23. OTHER INCOME

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest income on		
Bank fixed deposits	0.41	0.39
Deposit with Others	0.16	0.16
Other Non Operating Income		
Other Income	15.19	3.57
Drawback Received	-	0.43
Interest Received on Income Tax Refund	-	0.50
Foreign Exchange Gain	0.84	0.72
Creditors write back	5.63	1.06
Misc. Balance write back	-	0.01
	22.23	6.84

24. COST OF MATERIALS CONSUMED

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Stock as at beginning of the year	1,048.73	771.89
Add: Purchases	2,150.93	1,992.51
Less : Stock as at end of the year	(1,150.20)	(1,048.73)
Total	2,049.46	1,715.67

25. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE & WORK-IN-PROGRESS

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Inventories as at the beginning of the year		
Stock in Trade	0.63	0.09
Work in Process	-	-
Finished Goods	163.54	147.49
Less : Inventories as at the end of the year		
Stock in Trade	(0.00)	(0.63)
Work in Process	-	-
Finished Goods	(183.37)	(163.54)
Net decrease / (increase) in inventories	(19.20)	(16.59)

26. EMPLOYEE BENEFITS EXPENSE

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Salaries and Incentives	550.22	464.26
Contribution to PF, ESIC & others	37.19	33.97
Gratuity	4.02	3.09
Leave Encashment	2.57	2.62
Staff Welfare Expenses	46.65	44.37
Director Remuneration	30.70	30.00
	671.35	578.31



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27. FINANCE COST

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest cost:		
Banks / Financial Institutions	179.43	136.78
Interest on preference shares	30.67	39.11
On Lease obligation	13.47	15.98
Finance and Other Charges	10.21	6.38
Interest expense on Statutory Dues	0.17	0.02
	233.95	198.27

28. DEPRECIATION EXPENSE

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Depreciation on tangible assets	88.60	70.41
Depreciation on Intangible assets	1.84	2.97
Depreciation on ROU	38.21	39.47
	128.65	112.85



29. OTHER EXPENSES

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Production/ Factory Expenses -		
Commission Expenses	2.40	3.57
Custom Duty	-	23.49
Factory Expenses	12.24	12.77
Freight Expenses - Inward	14.65	16.10
Import Shipment Expenses	11.33	9.93
Labour & Job Work Expenses	129.66	121.77
Loading & Unloading Expenses	0.27	0.13
Mehandi Expenses (Misc.)	-	1.19
Power & Electricity Charges	35.66	28.41
Repair & Maintenance - Machinery	10.98	15.65
Selling and Distribution Expenses -		
Business Promotion Expenses	52.45	142.77
Freight Expenses - Outward	161.30	140.44
Royalty Expenses	71.19	67.22
Sales and Distribution Expenses	129.50	131.93
Samples Expenses		-
Administrative Expenses -		
Factory Security Charges	1.78	6.21
Insurance Expenses	10.09	7.53
Legal & Professional Expenses	8.91	16.13
Office Expenses	8.61	9.03
Postage & Courier	3.05	2.50
Printing & Stationary Expenses	1.13	1.92
Rates & Taxes	11.99	8.13
Rent Expenses	12.82	11.71
Repair & Maintenance - Building	7.30	6.18
Repair & Maintenance - Vehicle	13.77	10.84
Repair & Maintenance - Other	6.01	5.83
Software Expenses	4.96	4.70
Telephone and Internet Expenses	3.69	3.61
Vehicle Expenses	37.08	37.20
Other Expenses -		
Audit Fees	0.50	0.50
Balance write off	0.03	11.93
Impairment of trade receivables	4.44	0.28
Corporate social responsibility expenditure	1.28	-
Fixed Assets - Written off	-	0.66
Loss on Sales of Assets	-	1.11
Total	769.07	861.36



Notes to Financial Statements As At March 31, 2026

(a) Details of Payments to auditors

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
As auditor		
Audit Fee	0.47	0.44
Tax audit fee	0.03	0.06
Limited review fee	-	-

(b) Corporate social responsibility expenditure

As per section 135 of the Companies Act, 2013 read with rule made there under, the Company is required to spend, in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR policy. The details of CSR expense for the year are as under -

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
A. Amount required to be spent during the year	1.24	-
B. Amount available from previous year	(0.06)	(0.06)
C. Total (A+B)	1.18	(0.06)
D. Amount spent during the year on -		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above*	1.28	-
Total	1.28	0.00
Amount carried forward:		
Current	0.09	0.06
Non-current	-	-

*Nature of activities undertaken during the year -Eradication of Hunger

(c) Value of imports calculated on CIF Basis

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Raw materials and components	149.75	115.99
Stores and spares	-	-
Capital goods	-	-
Total	149.75	115.99

(d) Expenditure in foreign currency

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Travelling Expenses	-	0.17
Total	-	0.17



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(e) Earnings in foreign currency (Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
F.O.B value of exports	6.61	18.60
Total	6.61	18.60

30. EARNINGS PER SHARE

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
(a) Basic and Diluted earnings per share (In INR)		
Profit attributable to the equity holders of the company (A) (Amount in Million)	121.27	124.15
Basic and Diluted earnings per share attributable to the equity holders of the company (A/B) (In INR)	3.64	3.72
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares [Equity shares of INR 10 each (March 31, 2025 INR 10 each)] used as the denominator in calculating basic and diluted earnings per share (B)	3,33,51,402	3,33,51,402

Basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the Company by the weightage average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the Company by the weightage average number of equity shares considered for deriving basic earnings per equity share and also the weightage average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



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31. EMPLOYEE BENEFIT OBLIGATIONS

(Amount in INR Million)

Particulars	March 31, 2026		March 31, 2025	
	Current	Non Current	Current	Non Current
Provisions				
Gratuity	6.30	12.04	4.01	8.45
Leave Encashment	2.49	3.60	1.76	2.48
Employee Benefit Obligation	8.79	15.64	5.77	10.93
Plan Assets				
Gratuity	-	-	-	-
Leave Encashment	-	-	-	-
Employee Benefit Plan Assets	-	-	-	-

Post Employment obligations

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as follows

(Amount in INR Million)

Particulars	Present value of obligation	Fair value of plan assets	Net Obligation/ (Asset)
As at March 31, 2025	16.69	-	16.69
Current service cost	5.91	-	5.91
Past service cost	-	-	-
Interest expense/(income)	0.90	-	0.90
Net value of remeasurements on the obligation and plan assets	(0.23)	-	(0.23)
Total amount recognised in profit or loss	6.59	-	6.59
<i>Remeasurements</i>			
(Gain)/Loss from change in financial assumptions	2.65	-	2.65
Total amount recognised in other comprehensive income	2.65	-	2.65
Employer contributions	-	-	-
Benefit payments	-	-	-
Benefit payments	(1.51)	-	(1.51)
As at March 31, 2026	24.42	-	24.42

Defined contribution plans - Provident fund

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.



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A. The Company has following Schemes in the nature of Defined Benefits plans:

- i) Gratuity Scheme
- ii) Leave Encashment Scheme

Gratuity

As on 31st Mar 2026

Particulars	Opening	Current Service Cost	Interest Cost	Benefit Paid	Actuarial losses (gains)	Closing Balance	Current	Non Current
Gratuity Liability	1,24,59,057	33,32,589	6,84,745	(7,80,613)	26,50,102	1,83,45,880	63,02,709	1,20,43,171
Plan Asset	-	-	-	-	-	-	-	-
Net Liability	1,24,59,057	33,32,589	6,84,745	(7,80,613)	26,50,102	1,83,45,880	63,02,709	1,20,43,171
Profit and Loss	40,17,334							
OCI	26,50,102							
Gratuity Liability	(66,67,436)							

Risk Exposures Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such, company is exposed to various risks such as increase in salary, investment risk, discount rate, mortality, disability and withdrawals

Characteristics of Benefit :

The Key features are as under :

Plan Features	Refer Para 139(a) of Ind AS 19
Type of Plan	Post Employment Benefit
Employee's Contribution	0%
Employer's Contribution	100%
Salary definition	Last Drawn Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of Rs. 20,00,000/- was applied
Vesting conditions	5 years of continuous service (Not applicable in case of death/ disability)
Benefit on Retirement	15/26 x Salary x Duration of Service
Benefit of Resignation/ Withdrawal	Same as Retirement Benefit based on service up to exit
Benefit on Death	Same as Retirement Benefit but no vesting condition applies
Retirement age*	60 Year

*In case of employees with age above the retirement age mentioned in Plan features, the retirement is assumed to happen immediately and valuation is done accordingly.

Explanation of amounts in the Financial Statements

Funded status of the plan

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of unfunded obligations	1,83,45,880	1,24,59,057
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Net Defined Benefit Liability/ (Assets)	1,83,45,880	1,24,59,057

Funded status of the plan

Particulars	As at March 31, 2026	As at March 31, 2025
Service cost :		
Current service cost	33,32,589	27,72,992
Past service cost	-	-
Loss / (Gain) on curtailments and settlement	-	-
Net interest cost	6,84,745	3,17,982
Net Defined Benefit Liability/ (Assets)	40,17,334	30,90,974



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Other Comprehensive Income for the period

Particulars	As at March 31, 2026	As at March 31, 2025
<u>Components of actuarial gain/ losses on obligations:</u>		
Due to change in financial assumptions	19,486	1,68,212
Due to change in demographic assumptions	-	-
Due to change in experience adjustments	26,30,616	45,70,401
Return on plan assets excluding amounts included in interest income	-	-
Net interest cost	-	-
Amount recognized in Other Comprehensive (Income)/ Expense	26,50,102	47,38,613

Reconciliation of defined benefit obligation

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Defined Benefit Obligation	1,24,59,057	51,98,788
Transfer in/ (out) obligation	-	-
Current service cost	33,32,589	27,72,992
Interest cost	6,84,745	3,17,982
<u>Component of actuarial gain/ losses on obligations:</u>		
Due to change in financial assumptions	19,486	1,68,212
Due to change in demographic assumptions	-	-
Due to change in experience adjustments	26,30,616	45,70,401
Past service cost	-	-
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange difference on foreign plans	-	-
Benefit paid from fund	-	-
Benefit paid by company	(7,80,613)	(5,69,318)
Closing Defined Benefit Obligation	1,83,45,880	1,24,59,057

Principle actuarial assumptions

Particulars	Age	Period	As at March 31, 2026	As at March 31, 2025
Discount Rate		p.a.	6.50%	6.55%
Salary Growth Rate		p.a.	8.00%	8.00%
	Age 25 & Below :	p.a.	40.00%	40.00%
	25 to 35 :	p.a.	40.00%	40.00%
	35 to 45 :	p.a.	40.00%	40.00%
	45 to 55 :	p.a.	40.00%	40.00%
	55 & above :	p.a.	40.00%	40.00%

A description of methods used for sensitivity analysis and its Limitations :

Projected Unit Credit (PUC) method to value the Defined benefit obligation. Under the PUC method a "projected accrued benefit" is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan.

The "Projected Unit Credit Method" is based on the Plan's accrual formula and upon service as of the beginning or end of the year, but using a member's final compensation, projected to the age at which the employee is assumed to leave active service. The Plan liability is the actuarial present value of the "projected accrued benefits" as of the beginning of the year for active members.

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed

The Method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.



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Sensitivity to key assumptions

Particulars	As at March 31, 2026	As at March 31, 2025
<u>Discount rate Sensitivity</u>		
Increase by 0.5%	1,81,44,624	1,23,18,557
(% change)	-1.10%	-1.13%
Decrease by 0.5%	1,85,52,222	1,26,02,955
(% change)	1.12%	1.15%
<u>Salary growth rate Sensitivity</u>		
Increase by 0.5%	1,85,24,456	1,25,91,411
(% change)	0.97%	1.06%
Decrease by 0.5%	1,81,70,034	1,23,37,706
(% change)	-0.96%	-0.97%
<u>Withdrawal rate (W. R.) Sensitivity</u>		
W.R. x 110%	1,78,43,113	1,20,72,435
(% change)	-2.73%	-3.10%
W.R. x 90%	1,89,10,610	1,28,88,116
(% change)	3.07%	3.44%

The following payments are expected contributions to the defined benefit plan in future years:

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
First Year	6.30	4.01
Second Year	4.46	3.07
Third Year	3.29	2.31
Fourth Year	2.44	1.76
Fifth Year	1.81	1.26
Sixth to Tenth Year	2.90	2.05
Total expected payments	21.20	14.46



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Leave Encashment
As on 31st Mar 2026

Particulars	Opening	Current Service Cost	Interest Cost	Benefit Paid	Actuarial losses (gains)	Closing Balance	Current	Non Current
Leave Encashment Liability	42,34,722	25,76,120	2,19,822	(7,27,784)	(2,25,865)	60,77,015	24,84,304	35,92,711
Plan Asset	-	-	-	-	-	-	-	-
Net Liability	42,34,722	25,76,120	2,19,822	(7,27,784)	(2,25,865)	60,77,015	24,84,304	35,92,711
#REF!								
Profit and Loss	25,70,077							
OCI	-							
Leave Encashment Liability	(25,70,077)							

The Key features are as under :

Plan Features	Refer Para 139(a) of Ind AS 19
Type of Plan	Post Employment Benefit
Employee's Contribution	0%
Employer's Contribution	100%
Salary definition for Encashment	Last Drawn Basic Salary
Salary definition for Availment	Last Drawn CTC Salary
Vesting conditions	Not Applicable
Leave Credited Annually	Staff - 24 Days
	Field Staff - 18 Days
Leave Denominator	30 days
Maximum Accumulation	30 days
Encashment during the service	Allowed
Benefit on Retirement	Leave Days x Encashment Salary / Leave Denominator
Benefit on Resignation/ Withdrawals	Same as Retirement Benefit
Benefit on Death	Same as Retirement Benefit
Benefit on Availment	Leave Days x Availment Salary / Leave Denominator
Retirement age*	60 Year

*Increase of employees with age above the retirement age mentioned in plan features, the retirement is assumed to happen immediately and valuation is done accordingly.

Explanation of amounts in the Financial Statements

Funded status of the plan

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of unfunded obligations	60,77,015	42,34,722
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Net Liability/ (Assets)	60,77,015	42,34,722

Profit and Loss account for current period

Particulars	As at March 31, 2026	As at March 31, 2025
<u>Service cost :</u>		
Current service cost	25,76,120	18,46,856
Past service cost	-	-
Loss / (Gain) on curtailments and settlement	-	-
Net interest cost	2,19,822	2,04,428
Net value of remeasurements on the obligation and plan assets	(2,25,865)	5,65,529
Total included in 'Employees Benefit Expense'	25,70,077	26,16,813



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Remeasurements on the Obligation and Plan Assets

Particulars	As at March 31, 2026	As at March 31, 2025
<u>Components of actuarial gain/ losses on obligations:</u>		
Due to change in financial assumptions	4,668	47,376
Due to change in demographic assumptions	-	-
Due to change in experience adjustments	(2,30,533)	5,18,153
Return on plan assets excluding amounts included in interest income	-	-
Net actuarial Loss/ (Gain)	(2,25,865)	5,65,529

Reconciliation of defined benefit obligation

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Defined Benefit Obligation	42,34,722	35,97,219
Transfer in/ (out) obligation	-	-
Current service cost	25,76,120	18,46,856
Interest cost	2,19,822	2,04,428
<u>Component of actuarial gain/ losses on obligations:</u>		
Due to change in financial assumptions	4,668	47,376
Due to change in demographic assumptions	-	-
Due to change in experience adjustments	(2,30,533)	5,18,153
Past service cost	-	-
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange difference on foreign plans	-	-
Benefit paid from fund	-	-
Benefit paid by company	(7,27,784)	(19,79,310)
Closing Defined Benefit Obligation*	60,77,015	42,34,722

*Leave Encashment benefits payable to resigned employees have been included in Defined Benefit Obligation.

Reconciliation of net defined benefit liability

Particulars	As at March 31, 2026	As at March 31, 2025
Net opening provision in books of accounts	42,34,722	35,97,219
Transfer in/(out) obligation	-	-
Transfer in/(out) plan assets	-	-
Employees benefit expense	25,70,077	26,16,813
	68,04,799	62,14,032
Benefit paid by the entity	(7,27,784)	(19,79,310)
Contributions to plan assets	-	-
Closing provision in books of accounts	60,77,015	42,34,722

Principle actuarial assumptions

Particulars	Age	Period	As at March 31, 2026	As at March 31, 2025
Discount Rate		p.a.	6.50%	6.55%
Salary Growth Rate		p.a.	8.00%	8.00%
Withdrawals	Age 25 & Below :	p.a.	40.00%	40.00%
	25 to 35 :	p.a.	40.00%	40.00%
	35 to 45 :	p.a.	40.00%	40.00%
	45 to 55 :	p.a.	40.00%	40.00%
	55 & above :	p.a.	40.00%	40.00%
Availment Rate		p.a.	0.00%	0.00%
In Service Encashment Rate		p.a.	0.00%	0.00%



A description of methods used for sensitivity analysis and its Limitations :

Projected Unit Credit (PUC) method to value the Defined benefit obligation. Under the PUC method a "projected accrued benefit" is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan.

The "Projected Unit Credit Method" is based on the Plan's accrual formula and upon service as of the beginning or end of the year , but using a member's final compensation, projected to

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The Method used dose not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Amount, timing and uncertainty of future cash flows

Sensitivity to key assumptions

Particulars	As at March 31, 2026	As at March 31, 2025
<u>Discount rate Sensitivity</u>		
Increase by 0.5%	6019781	41,95,162
(% change)	-0.94%	-0.93%
Decrease by 0.5%	61,35,611	42,75,254
(% change)	0.96%	0.96%
<u>Salary growth rate Sensitivity</u>		
Increase by 0.5%	61,34,498	42,74,550
(% change)	0.95%	0.94%
Decrease by 0.5%	60,20,295	41,95,492
(% change)	-0.93%	-0.93%
<u>Withdrawal rate (W. R.) Sensitivity</u>		
W.R. x 110%	60,56,073	42,21,187
(% change)	-0.34%	-0.32%
W.R. x 90%	61,02,555	42,51,505
(% change)	0.42%	0.40%

The following payments are expected contributions to the defined benefit plan in future years:

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
First Year	2.48	1.76
Second Year	1.58	1.10
Third Year	1.02	0.71
Fourth Year	0.68	0.46
Fifth Year	0.43	0.30
Sixth to Tenth Year	0.68	0.48
Total expected payments	6.87	4.80



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32. COMMITMENTS AND CONTINGENCIES

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Capital Commitments Towards		
(i) Property, plant and equipment contracts remaining to be executed on capital account not provided for (net of advances)	6.20	31.86
a) Contingent liabilities		
(i) Claims against the Company not acknowledged as debts	0.50	1.74
(ii) Income Tax disputes	317.94	200.43
(iii) Indirect Tax disputes	-	-
(iv) Letter of credit	30.00	30.00

In view of various court cases, litigations and claims disputed by the Company, the outflow of resources is not ascertainable at this stage. Generally, contingent Liability in respect of court & arbitration cases are shown on award/court judgement and also reviewed on a case to case basis for its reporting in contingent liability.

Liability as shown under the head Income Tax disputes related to income tax demand (includes actual outstanding demand- Rs.15,28,61,124 & Interest - Rs. 7,18,41,603) against the AY2022-23 , Rs 9,13,76,796 against the AY 2023-24, Rs 9,81,890 against the AY 2021-22 and Rs 8,83,020 against the AY 2025-26 which is pending in appeal before CIT (Appeal).

It is not practicable for the Company to estimate the timing of actual cash outflows in respect of items (i) to (iv), if any, due to pending resolution of the respective proceedings. However, the chances of cash outflow are contingent.

Movement in Contingent Liabilities

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	264.03	243.56
Less : Reduction out of opening balance	33.10	18.92
Add : Additions (net) during the year	123.71	39.39
Balance at the end of the year	354.65	264.03



33. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship
Personal having control over reporting entity - Mr. Sukhdev Gehlot Mrs. Manju Devi Gehlot	Director & CFO Wholtime Director
Key Managerial Personnel: Ms. Kusum Gehlot Mr. Devendra Gehlot Mr. Rohit Khandelwal Mr. Avijeet Garg* Mrs. Prachi Gupta** Mr. Chirag Desla	Non Executive Director Non Executive Director Independent Director Independent Director Independent Director CS
The entity is controlled or jointly controlled by a person having control over reporting entity : SMKDR Trading Private Limited (Formerly Velnik India Marketing Pvt. Ltd.) SMKDR Hotels & Resorts Private Limited (Formerly Velnik colors Pvt. Ltd.) Velnik International Pvt. Ltd. (Formerly SMKDR Infra Pvt Ltd & Velnik Infraheights Pvt. Ltd.) Velnik India Welfare Foundation Sukhdev Bhakti Foundation Corelisse Beauty Private Limited (Formerly Wellmass Pharma Private Limited) Velnik Trading LLC Ethica Herbals	Controlling Interest with Directors Controlling Interest with Directors Controlling Interest with Directors Controlling Interest with Directors Controlling Interest with Directors Controlling Interest with Directors Controlling Interest with Directors Proprietorship Firm of Mr. Sukhdev Gehlot

(ii) Transactions with related parties

The following transactions occurred with related parties

(Amount in INR Million)

Nature of Relationship	Nature of Transaction	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Key Managerial Personnel			
Sukhdev Gehlot	Royalty Paid Rent Paid Director remuneration Loan Taken Loan Repaid	71.19 16.89 21.60 29.00 32.20	67.22 15.32 21.60 96.10 74.97
Manju Devi Gehlot	Rent Paid Director remuneration Loan Taken Loan Repaid	3.24 8.40 1.50 -	3.00 8.40 3.00 2.20
Chirag Desla	Remuneration	0.57	0.53
Ms. Kusum Gehlot	Remuneration	0.35	-
Mr. Devendra Gehlot	Remuneration	0.35	-
Rohit Khandelwal	Sitting fees	0.07	0.07
Avijeet Garg	Sitting fees	0.07	-
Dinesh chandra jain	Sitting fees	0.06	0.05
The entity is controlled or jointly controlled by a person having control over reporting entity :			
Ethica Herbals (Prop. Sukhdev Gehlot)	Purchases	620.73	614.40
Ethica Herbals (Prop. Sukhdev Gehlot)	Salary reimbursment	1.95	-
SMKDR Trading Private Limited (Formerly Velnik India Marketing Pvt. Ltd.)	Availing of services(Rent)	-	1.73
SMKDR Trading Private Limited (Formerly Velnik India Marketing Pvt. Ltd.)	Rendring of services(Rent)	1.49	-
SMKDR Trading Private Limited (Formerly Velnik India Marketing Pvt. Ltd.)	Sales	336.94	-
Velnik Trading LLC	Sales	1.29	-
SMKDR Trading Private Limited (Formerly Velnik India Marketing Pvt. Ltd.)	Purchases	0.76	-
SMKDR Trading Private Limited (Formerly Velnik India Marketing Pvt. Ltd.)	Salary reimbursment	3.56	-
Velnik India Marketing Private Limited	Interest paid	-	2.14
Sukhdev Bhakti Foundation	Purchases	1.77	1.83
Velnik India Marketing Private Limited	Loan Repaid	-	18.00

*Mr. Avijeet Garg appointed as Independent Director w.e.f March,03rd,2026 & ceased to be an Independent Director with effect from Jan 23rd, 2026. The sitting fees disclosed relate to the period during which he was a director .

**Mrs. Prachi Gupta appointed as Independent Director w.e.f April,09th,2026 .



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(iii) Amount due to related parties		(Amount in INR Million)	
Particulars	As at March 31, 2026	As at March 31, 2025	
Loan Taken			
The entity is controlled or jointly controlled by a person having control over reporting entity :			
Key Managerial Personnel			
Sukhdev Gehlot	24.70	27.90	
Manju Devi Gehlot	2.30	0.80	
Advance to Suppliers			
The entity is controlled or jointly controlled by a person having control over reporting entity :			
Ethica Herbals (Prop. Sukhdev Gehlot)	51.21	-	
Receivable from Debtors			
The entity is controlled or jointly controlled by a person having control over reporting entity :			
SMKDR Trading Private Limited (Formerly Velnik India Marketing Pvt. Ltd.)	163.20	-	
Velnik Trading LLC	1.13	-	
Expenses Payble			
The entity is controlled or jointly controlled by a person having control over reporting entity :			
SMKDR Trading Private Limited (Formerly Velnik India Marketing Pvt. Ltd.)	0.55	-	
Ethica Herbals (Prop. Sukhdev Gehlot)	-	5.02	
Sukhdev Bhakti Foundation	0.21	0.21	
Key Managerial Personnel			
Sukhdev Gehlot	0.01	0.83	
Manju Devi Gehlot	0.05	1.56	
Salary/Remuneration Payable			
Key Managerial Personnel			
Sukhdev Gehlot	1.10	-	
Manju Devi Gehlot	0.45	-	
Devendra Gehlot	0.05	-	
Kusum Gehlot	0.05	-	
Chirag Desla	0.05	0.04	

(iv) Key management personnel compensation		(Amount in INR Million)	
Particulars	As at March 31, 2026	As at March 31, 2025	
Short term Employee Benefits			
Director Remuneration	30.00	30.00	
	30.00	30.00	

(v) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs by cash flows. There have been no guarantees provided or received for any related party receivables and payables. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.



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34. FAIR VALUE MEASUREMENTS

The Fair value of cash and cash equivalents, bank balances, loans, trade receivables, trade payables and others reasonably approximates their carrying amount. Trade receivables are evaluated after taking into consideration for Expected Credit Losses. Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique.

i. Financial Instruments by Category

(Amount in INR Million)

Particulars	Carrying Amount		Fair Value	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	766.83	597.74	766.83	597.74
Cash and Cash Equivalents	9.52	5.57	9.52	5.57
Other Bank Balances	-	-	-	-
Other Financial Assets	75.85	32.03	75.85	32.03
FVTPL				
Investment in Equity Instruments	-	-	-	-
Total	852.20	635.34	852.20	635.34

FINANCIAL LIABILITIES	Carrying Amount		Fair Value	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Amortised cost				
Borrowings	1,380.06	1,326.41	1,380.06	1,326.41
Trade Payables	651.50	523.69	651.50	523.69
Lease Liability	130.04	153.58	130.04	153.58
Other financial liabilities	437.06	344.42	437.06	344.42
Total	2,598.66	2,348.10	2,598.66	2,348.10

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.



35. FINANCIAL RISK MANAGEMENT

The company's activity expose it to market risk, liquidity risk and credit risk. The company's focus is to foresee the unpredictability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the company's management.

(A) Credit risk

Credit risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables.

- i The carrying amount of Financial Assets represents maximum credit exposure. The Maximum exposure to credit risk at the reporting date was

Particulars	(Amount in INR Million)	
	As at March 31, 2026	As at March 31, 2025
Financial Assets for which allowance is measured using 12 months Expected Credit Loss(ECL)		
Cash and Cash Equivalents	9.52	5.57
Other Bank Balance	-	-
Other Financial Assets	75.85	32.03
Financial Assets for which allowance is measured using 12 months Expected Credit Loss(ECL)		
Trade Receivables	766.83	597.74

Concentration of Credit Risk- Geographical	Percentage of Total Receivables	
	As at March 31, 2026	As at March 31, 2025
Within India	99.28%	99.07%
Outside India	0.72%	0.93%
Total	100.00%	100.00%

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.



ii **Impairment Loss**

Financial Assets for which allowance is measured using 12 months Expected Credit Loss(ECL)

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Other Financial Assets comprises Deposit with Government agencies. The ECL on Financial Assets for which allowance is measured using 12 months Expected Credit Loss is assessed at Rs.7.17 Million Current year and Rs.2.73 Millions in previous year.

Reconciliation of Impairment loss Provisions

The Movement in the allowance of impairment in respect of Trade receivable during the year was as follows

Particulars	(Amount in INR Million)	
	As at March 31, 2026	As at March 31, 2025
Balance as on 1st April	2.73	2.45
Impairment Loss recognised	4.44	0.28
Amount Written Off / withdrawal	-	-
	7.17	2.73

(B) Liquidity risk

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.



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Maturities of financial liabilities

The tables below provides details regarding the contractual maturities of significant financial liabilities :

(Amount in INR Million)

Particulars	Carrying Amount	Contractual cash flows			
		Total	Less than 1 year	1 to 5 years	> 5 Years
March 31, 2026					
Financial Assets					
Non Current Investments	-	-	-	-	-
Trade Receivables	766.83	766.83	741.22	25.60	-
Other Financial Assets	75.85	75.85	-	75.85	-
Cash and Cash Equivalents	9.52	9.52	9.52	-	-
Bank Balances Other than (ii) above	-	-	-	-	-
Total Financial Assets	852.20	852.20	750.74	101.45	-
Financial Liabilities					
Borrowings	1,380.06	1,380.06	997.88	382.19	-
Lease Liabilities	130.04	130.04	33.97	96.08	-
Trade payables	651.50	651.50	651.50	-	-
Other financial liabilities	437.06	437.06	62.75	374.31	-
Financial Guarantee Contact	-	-	-	-	-
Total liabilities	2,598.66	2,598.66	1,746.10	852.58	-
March 31, 2025					
Financial Assets					
Non Current Investments	-	-	-	-	-
Trade Receivables	597.74	597.74	591.07	6.67	-
Other Financial Assets	32.03	32.03	-	32.03	-
Cash and Cash Equivalents	5.57	5.57	5.57	-	-
Bank Balances Other than (ii) above	-	-	-	-	-
Total Financial Assets	635.34	635.34	596.64	38.70	-
Financial Liabilities					
Borrowings	1,326.41	1,326.41	924.13	402.27	-
Lease Liabilities	153.58	153.58	31.00	122.58	-
Trade payables	523.69	523.69	523.69	-	-
Other financial liabilities	344.42	344.42	66.11	278.31	-
Financial Guarantee Contact	-	-	-	-	-
Total liabilities	2,348.10	2,348.10	1,544.93	803.16	-

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk such as equity price risk and commodity risk.

(i) Foreign currency risk

The company cater to domestic market and in case of any export, the company accept advance payment against the sale. The company do not have any other foreign currency exposure.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day-to-day operations. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.



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(a) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR Million)		
Particulars	March 31, 2026	March 31, 2025
Variable rate borrowings		
Working capital loan	749.86	812.84
Term Loan	603.20	239.04
Others	27.00	28.70
Fixed rate borrowings	-	245.82
Total borrowings	1,380.06	1,326.40
% of borrowings at variable rate	100%	81%

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(Amount in INR Million)		
Particulars	Impact on profit before tax	
	March 31, 2026	March 31, 2025
Interest rates - increase by 25 basis points*	3.38	2.63
Interest rates - decrease by 25 basis points*	(3.38)	(2.63)
Interest rates - increase by 70 basis points*	9.47	7.36
Interest rates - decrease by 70 basis points *	(9.47)	(7.36)

* holding all other variables constant

(iii) Price risk

Commodity price risk - The company is no affected by the price volatility of commodities.



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36. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 70% and 90%. The Company includes within net debt, interest bearing loans and borrowings, preference shares classified as liability, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents and other bank balances.

Particulars	(Amount in INR Million)	
	As at March 31, 2026	As at March 31, 2025
Borrowings	1,380.06	1,326.41
Trade payables	651.50	523.69
Other financial liabilities	437.06	344.42
Less:		
Cash and cash equivalents	(9.52)	(5.57)
Other bank balances	-	-
Net Debt	2,459.10	2,188.94
Equity share capital	333.51	333.51
Other equity	530.92	411.65
Total Capital	864.43	745.16
Capital and net debt	3,323.54	2,934.10
Gearing ratio	73.99%	74.60%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 31 March 2025.



37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount remaining unpaid to any supplier as at the end of the year.	200.03	53.64
Amount of interest due remaining unpaid to any supplier as at the end of the year.	-	-
Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid).	-	-
Amount of interest accrued and remaining unpaid at the end of year.	0.79	0.79
Amount of further interest remaining due and payable even in the succeeding year	-	-



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38. ASSETS PLEDGED AS SECURITY

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

(Amount in INR Million)

Particulars	As at March 31, 2026	As at March 31, 2025
CURRENT ASSETS		
i. Financial Assets		
Floating Charge		
Cash and cash equivalents & Bank balances	9.52	5.57
Receivables	766.83	597.74
ii. Non Financial Assets		
First Charge		
Inventories	1,333.58	1,212.90
Total current assets pledge as security	2,109.93	1,816.21
NON CURRENT ASSETS		
First Charge		
Freehold land	54.12	46.26
Freehold building	577.90	596.44
Plants and equipment's	376.05	297.64
Furniture, fittings and equipment acquired under finance lease	21.88	23.91
Vehicles	89.90	71.13
Bank balances	7.68	7.69
Work in Progress	29.74	1.63
Total non current assets pledge as security	1,157.27	1,044.70



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39. Revenue from Operation

A Disaggregated revenue information

The table below presents disaggregated revenue from contract with customers for the year ended March 2026 and March 2025. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

(Amount in INR Million)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Revenue from contracts with customers disaggregated based on geography		
a. Domestic	4,198.98	3,753.00
b. Exports	53.62	61.99
Total Revenue from Operation	4,252.60	3,814.99
B Reconciliation of Gross Revenue from Contracts With Customers		
Gross Revenue	4,385.99	3,961.22
Less: Discount	(133.39)	(146.23)
Net Revenue recognised from Contracts with Customers	4,252.60	3,814.99

Notes:

- B1 The amounts receivable from customers become due after expiry of credit period which on an average is less than 60 to 90 days. There is no significant financing component in any transaction with the customers.
- B2 The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.



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40. Financial Ratios

(Amount in INR Million)							
Sr No.	Ratio	Numerator	Denominator	FY 2025-26	FY 2024-25	% Variance	Reason for variance
1	Current ratio	Current Assets	Current Liabilities	1.22	1.23	-1%	Refer note below
2	Debt Equity ratio	Total Debt	Shareholders Equity	1.60	1.78	10%	Refer note below
3	Debt Service Coverage Ratio	EBITDAE	Finance costs + Principal repayment of long term borrowings within one year	1.44	1.39	3%	Refer note below
4	Return on Equity	Net Profit after Tax	Shareholders Equity	0.14	0.17	-16%	Refer note below
5	Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	1.80	1.78	1%	Refer note below
6	Trade receivables turnover ratio	Revenue from Operation	Average Debtors	6.23	6.74	-8%	Refer note below
7	Trade payables turnover ratio	Purchases	Average Trade Payables	4.11	4.85	15%	Refer note below
8	Net capital turnover ratio	Revenue from Operation	Working Capital	10.39	10.24	1%	Refer note below
9	Net profit ratio	Profit After Tax	Revenue from Operation	2.85%	3.25%	-12%	Refer note below
10	Return on capital employed	EBIT	Capital Employed (Equity + Long term Borrowings)	33.20%	32.54%	2%	Refer note below
11	Return on investment	EBIT	Average Total Assets	12.09%	12.26%	-1%	Refer note below

Note: Since the change in ratio is less than 25%, no explanation is required to be disclosed.



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Statutory additional Disclosure

1 Title Deeds of Immovable Property not held in the name of the Company

Description of Item of the Property	Gross Carrying amount	Title Deed in the name of	Whether title deed holder is Promoter, director, or relative of promoter/director/employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
N/A	N/A	N/A	N/A	N/A	N/A

2 There is no investment property. Disclosure of the Fair Value of investment property is not applicable to company.

3 The Company has not granted any Loans or advances in nature of Loan to Promoters, directors, KMP and the related parties as defined under Companies Act, 2013 either severally or jointly with any other person, that are repayable on demand without specifying any terms or period of repayment.

4 Capital work in Progress ageing

Amount in CWIP for a period of	(Amount in INR Million)	
	As at March 31, 2026	As at March 31, 2025
Less than 1 Year	29.74	1.63
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
Total	29.74	1.63

5 The Company has no Intangible assets under developments, so the provision of clause of Schedule III of Division II additional disclosure is not applicable

6 No proceeding have been initiated or pending against the Company for holding any benami property under the Benami Transaction (prohibitions) Act, 1988 (45 of 1988) and rules made there under, the Company shall disclose the following,

The Company has not been declared as a willful defaulter by any lender who has powers to declare a Company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

8 The Company does not have any charge or satisfaction of charge pending for registration with the Registrar of Companies beyond the statutory period.

9 The Company has no subsidiary or holding company as at 31st March 2026. The Provision of Compliance with number of Layer of Companies is not applicable

10 There is no scheme of arrangements in terms of Section 230 to Section 237 of Companies Act 2013 during the year.

11 The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.



VELNIK INDIA LIMITED

CIN : U24100R/2017PLC058778

Notes to Financial Statements As At March 31, 2026

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act 1961, that has not been recorded in the books of accounts.

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources of fund to any other person or entity including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall directly or indirectly lender invest on other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or provide any guarantee, security or the like to or in behalf of Ultimate Beneficiaries.

14 Company has not misutilized the funds borrowed during the year.

15 The company has not entered into any transaction with the companies which has been struck off under section 248 of the Companies Act 2013 during the financial year 2025-26

The Company has followed the practice of obtaining year-end balance confirmation certificates for trade balances but are not responded adequately by the concerned parties. And in light of transactions under taken with them the balance appearing in the books are representing the value of Securities / Payable. Hence, the Debtors & Loans & Advances have realizable value in the ordinary course of business not less than the amount at which they are stated in the Balance Sheet.

17 Previous year's figures have been regrouped/ reclassified wherever applicable.

