



# 52<sup>nd</sup> Annual Report

**2024-25**

*We continue to dream  
just like we did in 1951...*





# HIGHLIGHTS

Six state of the art manufacturing units at Faridabad, Hosur, Noida, and Nalagarh with production capacity of over 110 million pcs per annum.

Lean manufacturing with single piece flow and in-house production of child parts.



In-house manufacturing of Air Purifiers and Clean Air Towers with virus protection.

Implementing IoT (industry 4.0) into the manufacturing process to enhance productivity, quality and efficiency.



New Product Innovations  
Developed advanced filters for BEV, hydrogen, and CNG.

In-house R&D Center approved by DSIR, Govt. of India.

NABL Certified Lab.

Achieved Highest ever Export turnover.



Partnerships established with over 48 automotive OEMs in India

Network of 1,400 Distributors & 55,000 Dealers in India.



ACMA Excellence Silver Award for Excellence in NPDD & Export in Large Category.

Holding 21 patents and another 8 are pending for approval.

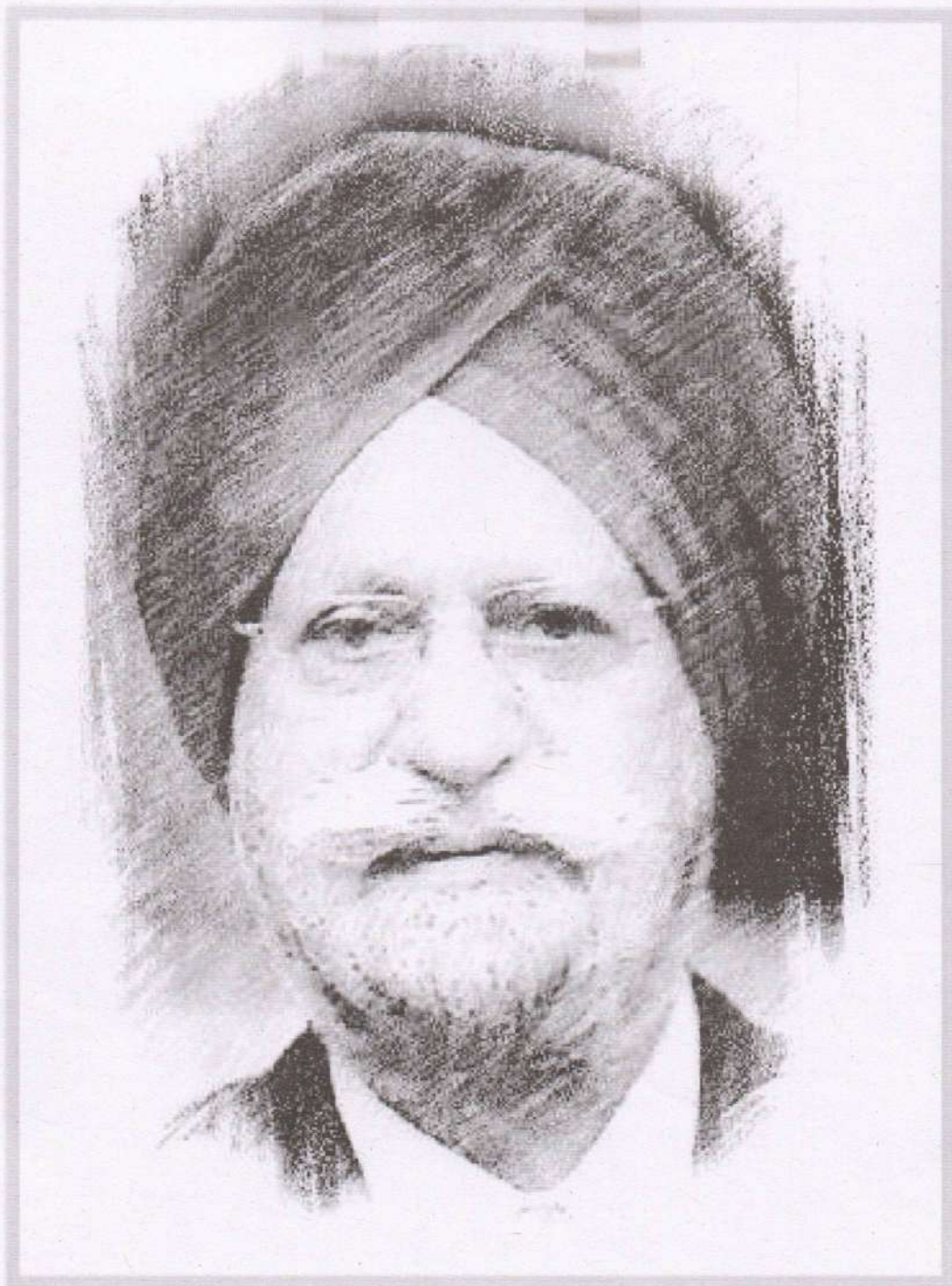
Modern WMS based warehouses at Faridabad, Zirakpur, Nagpur, Lucknow, Ahmedabad and Hosur.

Exporting worldwide to USA, Europe, Africa, South America, Japan, China, etc.



ACMA Excellence Award - Certificate of Merit in Safety & Manufacturing in Large Category





## S. Mohinder Singh Sahni

(1930-2017)

After leading us through one of the most experiential journeys  
of our lives, he traversed to the world beyond..  
leaving us a legacy of success & pride

The Elofic Family









**52nd Annual Report 2024-25****BOARD OF DIRECTORS**

Mr. Mohan Bir Sahni  
 Mr. Kanwal Deep Sahni  
 Mr. Mehul Gupta  
 Mr. Subodh Kumar Jain  
 Maj. Gen. Jatinder Singh Bedi (Retd.)  
 Mrs. Sangeeta Bajaj

Chairman Cum Managing Director  
 Vice Chairman Cum Joint Managing Director  
 Director  
 Director  
 Director  
 Director

**AUDITORS**

M/s. S.N. Dhawan & Co. LLP  
 Chartered Accountants  
 Gurugram, Haryana-122016

**BANKERS**

HDFC Bank Ltd.  
 Sector 16, Faridabad

Bank of India  
 Sector 31, Faridabad

Bank of Maharashtra  
 NIT Faridabad

**REGISTERED OFFICE**

14/4, Mathura Road,  
 Faridabad-121003  
 Haryana

**MANUFACTURING FACILITIES**

- |   |  |
|---|--|
| • 14/4, Mathura Road,<br>Faridabad-121003<br>Haryana                          | • 16/4, Mathura Road,<br>Faridabad-121001<br>Haryana |
| • 18 & 19, Sipcot Industrial Area,<br>Phase-II, Hosur-635109,<br>Tamil Nadu   | • 11/7, Mathura Road,<br>Faridabad-121003<br>Haryana |
| • Rajpura Village,<br>Tehsil Nalagarh,<br>District Solan,<br>Himachal Pradesh | • B-4, Sector-8,<br>Noida-201301,<br>Uttar Pradesh   |

**WAREHOUSES**

- |             |             |           |
|-------------|-------------|-----------|
| • Ahmedabad | • Faridabad | • Lucknow |
| • Nagpur    | • Zirakpur  | • Hosur   |



## NOTICE OF THE ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 52<sup>nd</sup> Annual General Meeting of the Members of **Elofic Industries Limited** will be held on Friday, 4<sup>th</sup> day of July, 2025, Hotel Delite Grand, A 5/B Neelam Bata Road, NIT Faridabad, Haryana – 121001 at 3:00 PM to transact the following business:-

### ORDINARY BUSINESS:

1. To consider and adopt;
  - (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2025, together with the report of the Board of Directors and Auditors thereon;
  - (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2025, and the report of Auditors thereon.
2. To Declare a Final Dividend of Rs. 5/- per equity share for the financial year ended March 31, 2025.
3. To appoint Director in place of Maj. Gen. Jatinder Singh Bedi (Retd.) (DIN: 08583060) who retires by rotation and being eligible, offers himself for reappointment.
4. To re-appoint Statutory Auditors of the Company and to determine their remuneration.

For this purpose, to consider and if deemed fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 and other applicable provisions if any, of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) **M/s S.N. Dhawan & Co. LLP**, Chartered Accountants, (Firm Registration No.- 000050N/N500045) who were appointed as Statutory Auditors of the Company at the 47<sup>th</sup> Annual General Meeting to hold office up to the conclusion of this Annual General Meeting and have confirmed their eligibility to be appointed as Auditors in terms of the provisions of Section 141 of the Act and the relevant Rules and have offered themselves for re-appointment be and are hereby re-appointed as the Statutory Auditors of the Company), to hold office from the conclusion of this Annual General Meeting till the Conclusion of the 57<sup>th</sup> Annual General Meeting to be held for the Financial Year 2029-30 at such remuneration plus applicable taxes, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors in consultation of the Audit committee and the said Auditors.

**RESOLVED FURTHER THAT** Mr. Mohan Bir Sahni and/or Mr. Kanwal Deep Sahni, Directors of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution".

### SPECIAL BUSINESS:

#### 5. RATIFICATION OF THE REMUNERATION OF COST AUDITORS OF THE COMPANY FOR FINANCIAL YEAR 2025-26

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 75,000/- (Rs. Seventy Five Thousand Only) plus applicable taxes payable to M/s Vandana Bansal & Associates, Cost Accountants (Firm Registration No. 100203) who were appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2026, be and is hereby ratified.

**FURTHER RESOLVED THAT** Mr. Mohan Bir Sahni and/or Mr. Kanwal Deep Sahni, Directors of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper, and expedient to give effect to this resolution".

By the Order of the Board  
For **ELOFIC INDUSTRIES LIMITED**

**Mohan Bir Sahni**  
Chairman  
DIN- 00906251  
22-B, Ashoka Avenue, Sainik Farms,  
New Delhi-110062.

Date: 31 May, 2025  
Place: Faridabad



# NOTICE OF THE ANNUAL GENERAL MEETING

## Notes:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING ("AGM") MAY APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON THIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES (IN THE FORMAT ATTACHED HEREWITH) IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THIS ANNUAL GENERAL MEETING.**
3. **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT 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.**
4. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company.
5. Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company at least 7 days in advance of the meeting so that the information called for can be made available at the meeting.
6. Relevant documents referred to in the Notice and the accompanying explanatory Statement are open for inspection by the Members of the Company at the Registered Office of the Company on all working days except Saturdays, during business hours up to the date of this meeting and at the venue of the Meeting for the duration of the Meeting.
7. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible.
8. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. Corporate Members intending to send their authorised representative(s) to attend the Meeting in terms of Section 113 of the Companies Act, 2013 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.
10. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or arrangements in which the Directors are interested, maintained under Section 170 and 189, respectively of the Companies Act, 2013, will be available for inspection by the Members. Any Member interested in inspecting the same can contact at email address: [fbd@elofic.com](mailto:fbd@elofic.com)
11. Members/Proxies/Authorised Representatives are requested to bring the attendance slips (in the format attached herewith) duly filled in along with copy of Annual Report, for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
12. The dividend on shares as recommended by the Board, if approved at the Annual General Meeting, will be paid within thirty days from the date of declaration to those Members or their mandatees whose names appear:
  - (a) as Members in the Register of Members of the Company on 27<sup>th</sup> June, 2025, and
  - (b) as beneficial owners on that date as per the lists to be furnished by M/s Alankit Assignments Limited (Depository Participant) in respect of shares held in electronic form.



## NOTICE OF THE ANNUAL GENERAL MEETING

13. The Register of Members and Share Transfer Books of the Company shall remain closed from 27<sup>th</sup> June, 2025 to 4<sup>th</sup> July, 2025 (both days inclusive).
14. Unclaimed / Unpaid Dividend:  
  
Pursuant to Section 124 of the Companies Act, 2013, dividend for the financial year ended 31<sup>st</sup> March, 2018 which remains unpaid or unclaimed for a period of seven years, become due for transfer on 28<sup>th</sup> October, 2025 to the Investor Education and Protection Fund of the Central Government. Members who have not claimed their dividend for the above mentioned year are requested to make their claim to the Company at the Registered Office of the Company at 14/4, Mathura Road, Faridabad – 121003 or at email id [ibd@elofic.com](mailto:ibd@elofic.com) or to the Registrars & Share Transfer Agents of the Company at Alankit Assignments Limited, Alankit House, 4E/2 Jhandewalan Extension, New Delhi - 110055 as early as possible but not later than 31<sup>st</sup> July, 2025.
15. The Company has already transferred all shares (in respect of which dividend has not been paid or claimed for seven consecutive years or more) along with unpaid or unclaimed dividend declared for the financial year ended 31<sup>st</sup> March, 2017 and earlier periods to the Investor Education and Protection Fund. Members who have so far not claimed or collected their dividends for the said period may claim their dividend and shares from the Investor Education and Protection Fund, by submitting an application in the prescribed form.
16. Physical copy of the Annual Report is being sent to all the Members at their address registered with the company.
17. The route map to the venue of the meeting, is attached to the Notice.

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 5

The Board in its meeting held on May 31, 2025, on the recommendation of the Audit Committee, has approved the appointment of Cost Auditor M/s Vandana Bansal & Associates, (Firm Registration No. 100203) to conduct the audit of cost records of the Company for the financial year ending on March 31, 2026, at remuneration of Rs. 75,000/- (Rupees Seventy Five Thousand only) plus applicable taxes.

In accordance with the provisions section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditors as approved by the Board of Directors on recommendation of the Audit Committee, has to be ratified by the Members of the Company. approval of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending on March 31, 2026.

Accordingly, the Board recommends the Ordinary Resolution in Item no. 5 in relation to ratification of remuneration payable to the Cost Auditors of the Company for the financial year 2025-26, for approval by the Members of the Company.

None of the Directors and Key Managerial Personnel and their relatives are, in any way, concerned or interested in the resolution set out in item no. 5

By the Order of the Board  
For **ELOFIC INDUSTRIES LIMITED**

**Mohan Bir Sahni**  
Chairman  
DIN- 00906251  
22-B, Ashoka Avenue, Sainik Farms,  
New Delhi-110062.

Date: 31 May, 2025  
Place: Faridabad



## BOARD'S REPORT

Dear Esteemed Members,

On behalf of the Board of Directors of your Company, we share with you the 52<sup>nd</sup> Annual Report along with the audited financial statements of your company for the financial year ending March 31, 2025.

Your company had touched the threshold limit in the preceding financial year to be the IND AS compliant company. As result few adjustments have been made in the financial statements as per the provisions which are not significant.

### FINANCIAL HIGHLIGHTS

The financial performance of the company for the financial year ended March 31, 2025, is summarised below:

PARTICULARS	YEAR ENDED MARCH 2025 (Rs. In lakhs)	YEAR ENDED MARCH 2024 (Rs. In lakhs)
Turnover	43908	34063
Other Income	1351	897
Total Income	45259	34960
Profit Before Interest, Depreciation & Tax	11996	7785
Finance Cost including Interest	75	38
Depreciation	1471	1278
Profit Before Tax***	10450	6469
Provision for Tax & Deferred Tax	2992	1890
Profit After Tax	7458	4579
Profit available for appropriation	7458	4579
General reserve	746	475
Dividend including Tax on Dividend	100	75
Profit Carried over to the Balance Sheet	6612	4029
Earning per share (Rs.)	297.33	182.56

### OPERATION / PERFORMANCE

During the year under review, the company's sales & other income have gone up significantly to Rs. 45259 lakhs as compare to Rs. 34960 lakhs in the previous year, showing an increase of 29.46%. The domestic sales for the year under review were Rs. 21015 lakhs against Rs. 19522 lakhs in the previous year, an increase of 7.65 %. Export sales during the year under review were Rs. 21476 lakhs against Rs. 13416 lakhs in the previous year showing an increase of 60% inspite of change in incoterm from CIF to FOB. The profit (before interest, depreciation, and tax) has increased by Rs. 4211 lakhs over the previous year. The Profit Before Tax (PBT) has increased by Rs. 3981 lakhs, while the Profit After Tax (PAT) has increased by Rs. 2879 lakhs over the previous year. The profit figure does not include profits from Elofic USA, LLC the Company's wholly-owned subsidiary in the USA.

### AWARDS & RECOGNITION

- ACMA Excellence Silver Award for Excellence in Export in Large Category.
- ACMA Excellence Silver Award for Excellence in NPDD & Localization in Large Category.
- ACMA Excellence Award - Certificate of Merit in Safety in Large Category.
- ACMA Excellence Award - Certificate of Merit in Manufacturing in Large Category.

### PRODUCTION

Our productivity and process capabilities continue to improve. In-house rejection and wastage are reduced due to our improved production processes. We have added state-of-the-art new machines to our production lines, to enhance capacities to fulfil the rising demand for our products in the market and to automate the processes to increase productivity. To meet the ever-growing challenges, we have upgraded the existing production lines to include various production processes, energy-saving measures, and quality assurance to make the production more productive and efficient.



## **BOARD'S REPORT**

### **MARKETING – DOMESTIC**

#### **OEM MARKET**

The Company has continued to secure a high level of on-time filter supplies to our customers and catered to their product demands in its entirety across our OE customers in the passenger vehicle (ICE/EV), two-wheeler, agricultural, off highway, commercial vehicle and industrial/earthmoving segments.

We aim to have a strong focus on building relationships with Original Equipment Manufacturers (OEM's) in India and have established partnerships with more than 48 Automotive OEM's in India.

The company has a strategy of working closely with its customers which has enabled customized filtration solutions to meet the specific needs of different vehicles.

Sales to OEM & Institutional sales have witnessed a growth of approximately 12% on a year-on-year basis.

#### **AFTER MARKET**

In this segment inspite of high competition, we maintained the same pace thus increasing the market share. We have consolidated our leadership position in the market. Most of our customers are associated with us since inception and shown loyalty in buying our quality products. Our relationship with our existing customers has strengthened year by year. The new customers that have been added shown their satisfaction towards our products and practices.

With the wide network and dedicated team, the company is thriving to increase its sales in the coming year thus increasing its market share significantly.

### **MARKETING – INTERNATIONAL**

Our export sales have gone up to Rs. 21476 lakhs as compare to Rs. 13416 lakhs in the FY 2023-24, this is the highest ever export sales achieved by the company during the financial year under review.

This growth, driven by strong orders from our existing OEM clients underscores our commitment to position ourselves as a strategic partner to them, enhancing trust and collaboration. Looking ahead your company is poised to build on this momentum, focusing on innovation, customer-centric approaches, and expanding our footprint in new markets to sustain and accelerate growth.

Sales to After Market customers have been stable as compared to the previous year.

### **QUALITY & ENGINEERING**

We are pleased to share a significant milestone: a marked increase in our customer satisfaction scores. Achieving and maintaining high levels of customer satisfaction is essential for long-term success and sustainable growth. Satisfied customers are more likely to remain loyal, recommend our products and services, and serve as advocates for our brand. As such, we continually strive to understand customer expectations, getting feedback, and translate insights into actionable improvements.

Our approach to customer satisfaction is built on three core pillars:

- Quality Products and Services
- Responsive Support and Communication
- Continuous Improvement and Innovation

To uphold the highest quality standards, we consistently enhance our supplier partnerships. This includes strict adherence to internationally recognized Quality Management Systems such as **ISO 9001:2015 and IATF 16949**. By aligning our supply chain with these rigorous standards, we ensure the timely delivery of high-quality components, an essential factor in boosting overall customer satisfaction.



## BOARD'S REPORT

All your facilities have been upgraded and consistently maintain compliance with the **IATF 16949:2016** standard. This is achieved through rigorous, ongoing process improvement initiatives. Critical manufacturing operations now incorporate **Poka-Yoke (error-proofing)** and **Inspection Camera** technologies to ensure the production of defect-free products and reinforce our commitment to quality excellence.

We are embracing advanced technologies, digitalization, and automation as part of our commitment to innovation. Key initiatives currently underway include:

- **Low-cost automation**
- **IoT integration**
- **Productivity, quality, and delivery enhancements** through the **Excellence Project Drive**

These strategic efforts reinforce our dedication to continuous improvement and our goal of exceeding customer expectations through high-quality products, operational efficiency, and cutting-edge technology.

## RESEARCH & DEVELOPMENT

Our Research and Development (R&D) team has continually propelled advancement and distinction, greatly aiding the organization's expansion and leadership within the sector. The points below showcase the unit's latest accomplishments, encompassing the creation of novel offerings, intellectual property submissions, advanced proficiencies gained and esteemed accolades earned. These R&D pursuits have not only broadened our solution lineup but also strengthened our strategic advantage across the marketplace.

### New Product Developments

Under the review period, your R&D team has successfully developed a range of advanced vehicle filters that address critical industry needs for improved efficiency, sustainability, and performance. Key products include:

- **BEV and hydrogen fuel cell Filters:** Expanded portfolio of filters in BEV and hydrogen fuel cell sectors. New product added is coolant deionization filter. Further hydrogen gas filters and battery venting membranes are under experimentation.
- **Water Softener:** Water softener captures the hardness causing ions of Calcium and Magnesium thereby softening the water.
- **Oil mist separator:** Oil mist separators are developed to remove airborne oil droplets from crankcase ventilation or gearcase venting.
- **CNG filters:** CNG filters are designed to protect critical engine components, like fuel injectors and regulators, from harmful contaminants that may be present in the compressed natural gas.
- **Urea filter:** Urea filters protect the SCR catalyst in diesel engines by removing contaminants from the DEF solution and exhaust stream.

### Patents Filed

Our commitment to innovation is underscored by the filing of several key patents over the past years. These patents represent significant technological advancements and protect our intellectual property, ensuring sustained competitive advantage. We have filed 5 patents and received a grant for 1 patent in the last year. Your Company has filed 29 patents in total till date and out of which 21 have been granted and 8 are in process.

### New Capabilities Developed

Expanded capabilities through strategic investments in state-of-the-art technologies and the enhancement of our research facilities. Key developments include:

**Advanced Material Characterization Lab:** Equipped with cutting-edge analytical instruments, this lab enables precise characterization of filtration materials, leading to the development of superior products. A new addition is that of Brake Filter Test Rig which is a specialized setup designed to evaluate the performance and efficiency of filters used in vehicle braking systems. It simulates real-world braking conditions to measure parameters such as particulate emission capture, ensuring compliance with environmental and safety standards



## **BOARD'S REPORT**

- **Collaborative Innovation Platforms:** Established partnerships with leading research institutions and industry experts, fostering a collaborative environment that accelerates innovation and knowledge sharing.

### **Accreditation and Awards**

Our R&D excellence has been recognized through several prestigious accreditations and awards, validating our commitment to quality and innovation.

### **DIVIDEND**

Keeping in view the growth of your company, the Board of Directors of the Company is pleased to recommend a dividend of Rs. 5/- per equity share of the face value of Rs. 10/- each on Equity Shares of the Company for the financial year 2024-25 for your approval. The dividend, if approved, shall be payable to the members holding shares as of the company's AGM date.

### **AMOUNT TRANSFER TO ANY RESERVE**

An amount of Rs. 746 lakhs has been transferred to the general reserve out of profit earned during the year 2024-25.

### **BOARD OF DIRECTORS**

#### **A. Appointment/ Re-Appointment of Directors**

During the financial year 2024-25, Mr. Mehul Gupta (DIN: 10665587) was appointed as non-executive director of the company w.e.f. 13<sup>th</sup> June 2024.

#### **B. Declaration by Independent Director(s)**

In terms of Section 149(7) of the Companies Act, 2013, every Independent Director of the Company has submitted a declaration that they meet the criteria of Independence.

#### **C. Separate Meeting of Independent Directors**

In terms of requirements under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held on January 18, 2025. The Independent Directors at the meeting, inter alia, reviewed the following:

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairperson of the Company.
- Assessed the quality, quantity, and timeliness of the flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **D. Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee, laid down a Nomination & Remuneration policy for the selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration.



## BOARD'S REPORT

### NUMBER OF MEETINGS OF THE BOARD

The Board of Directors duly met Ten times in respect of which notices were given and proceedings were recorded and signed in the Minutes Book maintained for the purpose.

Date of Board Meetings	Directors in Attendance
April 20, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.)
April 29, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.)
May 20, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.)
June 13, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.)
June 14, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.), Subodh Kumar Jain, Sangeeta Bajaj
July 13, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.), Subodh Kumar Jain, Sangeeta Bajaj, Mehul Gupta
August 13, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.)
October 01, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.)
November 05, 2024	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.)
January 18, 2025	Mohan Bir Sahni, Kanwal Deep Sahni, Maj. Gen. Jatinder Singh Bedi (Retd.)

### Attendance at the Board Meeting

Name of Director	No. of Board meetings attended	No. of Board meetings held during their tenure
Mohan Bir Sahni	10	10
Kanwal Deep Sahni	10	10
Maj. Gen. Jatinder Singh Bedi (Retd.)	10	10
Sangeeta Bajaj	2	10
Subodh Kumar Jain	2	10
Mehul Gupta	1	10

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensuring accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditor; and note the processes employed by each and safeguard the interest of all the stakeholders. All possible measures are taken by the Committee to ensure the objectivity and independence of the independent auditor.

### COMPOSITION OF AUDIT COMMITTEE

Name of the Member	Designation
Smt. Sangeeta Bajaj	Chairperson – Independent Director
Sh. Subodh Kumar Jain	Member – Independent Director
Sh. Kanwal Deep Sahni	Member-Whole Time Director



BOARD'S REPORT

NUMBER OF AUDIT COMMITTEE MEETINGS HELD DURING THE YEAR

Date of Meetings	Audit committee members in attendance
June 13, 2024	Sangeeta Bajaj, Subodh Kumar Jain, Kanwal Deep Sahni
July 13, 2024	Sangeeta Bajaj, Subodh Kumar Jain, Kanwal Deep Sahni
August 13, 2024	Sangeeta Bajaj, Subodh Kumar Jain, Kanwal Deep Sahni

The Board, during the year under review, had accepted all recommendations made to it by the Audit Committee.

COMPOSITION OF CSR COMMITTEE AND ITS MEETINGS

The CSR Committee of the company consists of Smt. Sangeeta Bajaj, Sh. Subodh Kumar Jain and Sh. Mohan Bir Sahni.

Date of Meeting	CSR Committee members in attendance
June 13, 2024	Sangeeta Bajaj, Subodh Kumar Jain, Mohan Bir Sahni
March 22, 2025	Sangeeta Bajaj, Subodh Kumar Jain, Mohan Bir Sahni

SHARE CAPITAL

During the year under review, the Issued, Subscribed and Paid-up Share Capital of the Company was 25,08,370 shares of Rs. 10/- each. There was no change in the capital structure of the Company.

- **Issue of equity shares with differential rights**

Your Company has not issued any equity shares with differential rights during the year under review.

- **Issue of sweat equity shares**

Your Company has not issued any sweat equity shares during the year under review.

- **Issue of employee stock options**

Your Company has not issued any employee stock options during the year under review.

WEB LINK OF THE ANNUAL RETURN

In accordance with the provisions of the Companies Act, 2013 the Annual Return in the prescribed format is available at the following link <https://www.elofic.com/wp-content/uploads/2025/02/FY-2023-24.pdf>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review, your Company has not given any loan or guarantee or made any investment which is covered under the provisions of Section 186 of the Companies Act, 2013.

PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Indian Accounting Standards (IND-AS 24) has been made in the Notes to the Financial Statements.

- **Details of the contracts, arrangements or transactions not at arm's length price:**

There were no such transactions u/s 188 of the Companies Act, 2013 which are not at Arm's Length Price.



## **BOARD'S REPORT**

- **Details of the material contracts or arrangements or transactions at arm's length basis**

Details of material contracts/arrangements/transactions at arm's length basis are given in AOC – 2 attached as **Annexure – I**

Except as stated in the disclosure, there were no materially significant Related Party Transactions made by the Company with its Promoters, Directors, or other related parties which may have a potential conflict with the interest of the Company at large. All Related Party Transactions which are in the ordinary course of business and on arm's length basis are placed before the Audit Committee as also the Board for approval.

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

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

### **DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

No significant and material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year such controls were tested and no reportable material weaknesses in the design & operation effectiveness were observed.

In the opinion of the Board, the existing internal control framework is adequate and commensurate with the size and nature of the business of the company.

### **INTERNAL AUDIT**

In accordance with the provisions of Section 138 of the Companies Act, 2013 M/s MNRS & Associates, Chartered Accountants, situated at Lajpat Nagar, New Delhi is appointed as the internal auditor of the Company for the financial year 2024-25.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Act, together read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s PI & Associates, Practising Company Secretaries, as Secretarial Auditor of the Company to conduct secretarial audit for the financial year 2024-2025.

The Secretarial Audit report in Form No. MR-3 is attached as Annexure- VI to this Report. The Secretarial Audit report is self-explanatory and does not call for any comments under Section 204 of the Act. There are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditor in their report for the FY ended March 31, 2025.

### **REMUNERATION RECEIVED BY WHOLE-TIME DIRECTORS FROM SUBSIDIARY COMPANY**

No remuneration has been received by the directors from its subsidiary company during the financial year 2024-25.



## BOARD'S REPORT

### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the year under review, the company initiated the process to transfer the shares to IEPF on which dividend was unpaid or unclaimed for the continuous period as prescribed under the Companies Act, 2013. The company filed the Corporate Action Form with NSDL for transferring 4,500 shares to IEPF, which got executed on December 30, 2024.

During the year under review, the company transferred an unpaid/unclaimed dividend of Rs. 2,06,250/- for the financial year 2016-17 to IEPF (Investor Education and Protection Fund).

The following amounts remained unpaid as on 31.03.2024 in the unpaid/ unclaimed dividend account of the company.

S. No.	Financial Year	Unpaid Dividend
1	2017-18	Rs. 1,92,900.00
2	2018-19	Rs. 1,90,350.00
3	2019-20	Rs. 92,550.00
4	2020-21	Rs. 96,858.00
5	2021-22	Rs. 1,25,874.00
6	2022-23	Rs. 1,12,038.00
7	2023-24	Rs. 1,85,760.00
<b>Total Amount</b>		<b>Rs. 9,96,330.00</b>

### RISK MANAGEMENT POLICY

The company has adequate systems to assess the associated early risks and remedial actions.

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

The Company is an equal employment opportunity employer and is committed to creating a healthy and productive work environment that enables employees to work without fear or prejudice, gender bias and sexual harassment. The Company believes that an act of sexual harassment results in the violation of the fundamental rights of a woman. Such acts violate her right to equality, right to life and to live with dignity; and the right to practice any profession or to carry on any occupation, trade or business, which also includes a right to a safe and healthy work environment free from sexual harassment.

The company has complied with 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 Company's policy on the prevention of sexual harassment at the workplace is in line with the requirement of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### DEPOSITS

During the year under review, your Company did not accept deposits covered under Chapter V of the Companies Act, 2013.

### RECEIPT OF ANY COMMISSION BY MANAGING DIRECTOR/WHOLE TIME DIRECTOR FROM A COMPANY OR FOR RECEIPT OF COMMISSION/REMUNERATION FROM ITS HOLDING OR SUBSIDIARY

There is no such transaction in the Company during the financial year.



## BOARD'S REPORT

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of employees as required under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexure II**.

### DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES

ELOFIC USA, LLC is the wholly-owned subsidiary of the Company. Report on the performance and financial position of each subsidiary company has been provided in Form **AOC-1** and is forming part of the Annual Report as **Annexure III**.

Apart from this, there are no other Subsidiaries/Joint Ventures/Associates of the Company.

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

Information under Section 134(3) (m) read with Rule 8(3) of Companies (Accounts) Rules, 2014 for the year ended 31<sup>st</sup> March 2025 is as follows:

#### **A. CONSERVATION OF ENERGY**

The Company does not belong to the category of Power Intensive Industries and hence, consumption of power is not significant. However, the management gives utmost importance to energy conservation measures, including regular review of general energy consumption and effective control in the utilization of energy. The Company has installed a "Solar Plant" in its two manufacturing plants for captive consumption to give effect to energy saving. Form A is not applicable to the Company as it does not fall under the list of industries specified in the schedule attached to Rule 2.

#### **B. RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION**

##### **a). Research & Development (R&D)**

##### **1. Specified areas in which R&D has been carried out by the company.**

- Development of Filters for Electric Vehicles.
- Exploration into the field of water filtration.
- New product range for both export and domestic markets.
- Technology improvement in manufacturing facilities.
- Upgradation of laboratory, usage of latest testing techniques, and quality assurance, and NABL accreditation.
- Improvement in work practices.

##### **2. Benefits of R&D**

**The continuous investment in our R&D department has yielded numerous benefits, including:**

- **Market Leadership:** Our innovative products and technologies have positioned us as a leader in the vehicle filtration industry, driving sales and market share growth.
- **Sustainability:** By developing eco-friendly products and processes, we are contributing to environmental sustainability and meeting regulatory requirements.
- **Customer Satisfaction:** Our advanced filtration solutions enhance vehicle performance and air quality, leading to higher customer satisfaction and loyalty.



## BOARD'S REPORT

### Future Plans

Looking ahead, our R&D centre is committed to furthering our legacy of innovation and excellence. Our plans include:

- **Development of Next-Generation Filters:** We are focused on developing filters that incorporate advanced materials and nanotechnology to achieve even higher levels of efficiency and durability.
- **Expansion of Smart Filtration Technologies:** Smart filtration systems, incorporating AI and IoT for real-time monitoring and predictive maintenance (Application (Android and Apple) Development for Air Purifiers).
- **Sustainable Manufacturing Initiatives:** We aim to further reduce our environmental footprint by investing in green manufacturing processes and developing more eco-friendly products (Vehicle Roof Top Filters, Reusable Filters)
- **Global Research Collaborations:** We will continue to strengthen our partnerships with leading research institutions and industry experts globally, fostering collaborative innovation to stay at the forefront of technology advancements (Recent MOU with NIT Jalandhar, Interaction with Faculties from University of Boras, Sweden and IIT Delhi).
- **Talent Development:** We are committed to nurturing the next generation of innovators by providing ongoing training and development opportunities for our R&D team members. (R and D) Team members are encouraged to attend different exhibitions, Seminars, Conferences.

### Expenditure on R&D

Particulars	Current Year	Previous Year
Capital	Rs. 18,04,284	Rs. 2,06,12,227
Revenue	Rs. 4,43,09,341	Rs. 3,57,45,085
Total R & D expenditure	Rs. 4,61,13,625	Rs. 5,63,57,312
Percentage of total turnover	1.02%	1.61%

### b). Technology Absorption, Adaptation and Innovation

1. There has been a continuous endeavour of your company to adopt the latest developments in filtration technology in the areas of quality improvement, waste reduction, cost optimization and to improve acceptance of our filters in the market.
2. Benefits derived because of the above efforts include product improvement and cost reduction.
3. Your Company has derived benefits by improving the quality of its products and improving the manufacturing process, which has resulted in cost reduction and enhanced preference for your Company's products in Domestic and International markets. Your Company also has the latest and prestigious quality assurance certifications of IATF 16949:2016, ISO 45001: 2018 and ISO 14001:2015 which have aided this.
4. Your company has not imported any technology during the last five years, reckoned from the beginning of the financial year under review.

### AUDITORS

M/S S. N. Dhawan & Co. LLP, Chartered Accountants, (Registration No. 000050N/N500045) were appointed as auditors of your Company, for a period of five years from FY 2020-21 to FY 2024-25 at the Annual General Meeting held on December 30, 2020.



## **BOARD'S REPORT**

### **AUDITOR'S REPORT**

The observations of the auditors as contained in the Auditor's Report and the respective notes on Accounts are self-explanatory and do not have any qualification / adverse remarks.

### **FRAUDS REPORTED BY AUDITOR UNDER SUB SECTION (12) OF SECTION 143**

No fraud has been reported by the auditor under sub section (12) of section 143.

### **COST AUDIT**

M/s Vandana Bansal & Associates, Cost Accountants, were re-appointed as the Cost Auditor of the Company to conduct the audit of cost records for three financial years starting from April 1, 2022 and ending on March 31, 2025.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company has a well-defined policy on CSR as per the requirements of Section 135 of the Companies Act, 2013 which covers the activities as prescribed under Schedule VII of the Companies Act, 2013.

During the year under review, the committee held two meetings on June 13, 2024 and March 22, 2025, wherein all the members were present.

Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, the Corporate Social Responsibility Report forms part of the Board's Report as **Annexure IV**.

### **NOMINATION & REMUNERATION COMMITTEE & POLICY**

In accordance with the provisions of the Companies Act, 2013, Nomination & Remuneration Committee of the company comprising of Mrs. Sangeeta Bajaj, Mr. Subodh Kumar Jain, Mr. Mehul Gupta and Mr. Kanwal Deep Sahni. Meeting of committee held twice on June 01, 2024 and June 13, 2024.

The Board of Directors on the recommendation of the Nomination & Remuneration Committee approved a policy on the Director's appointment & remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided. The nomination and remuneration policy is attached as **Annexure V**.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to provisions of Section 134 (3) of the Companies Act, 2013, the directors of your company state, except as stated otherwise, that:

- i. In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2025 the applicable accounting standards have been followed and there have been no material departures.
- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared accounts on a going concern basis.
- v. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



## **BOARD'S REPORT**

### **SECRETARIAL STANDARDS**

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

### **THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

Not applicable for the period under review.

### **THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

Not applicable for the period under review.

### **ACKNOWLEDGEMENTS**

Your directors would like to express their grateful appreciation for the assistance and cooperation received from the company's esteemed shareholders, customers, suppliers, financial institutions, vendors & government for their valuable contribution and support to the company in all spheres of operation during the year under review. Your directors also wish to place on record their deep sense of appreciation of their employees, for their commendable teamwork and a high degree of professionalism and enthusiasm displayed by them during the year.

**On behalf of the Board of Directors  
For ELOFIC INDUSTRIES LIMITED**

**Mohan Bir Sahni**

Chairman

DIN- 00906251

22-B, Ashoka Avenue, Sainik Farms,  
New Delhi-110062.

Date: 31 May, 2025  
Place: Faridabad



**Annexure – I****Form No. AOC-2**

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

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

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

(A) Name(s) of the related party and nature of relationship	NA
(B) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(D) Salient terms of the contracts or arrangements or transactions including the value, if any	
(E) Justification for entering into such contracts or arrangements or transactions	
(F) date(s) of approval by the Board	
(G) Amount paid as advances, if any	
(H) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

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

Name(s) of the related party	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any:
Elofic USA, LLC	Sales of Goods	Not Specified	Refer IND AS-24 in financial statement	NA	NA
Elofic Industries (India)	Licence Agreement	Not Specified	Refer IND AS-24 in financial statement	NA	NA
Elofic Industries (India)	Lease Agreement	Not Specified	Refer IND AS-24 in financial statement	NA	NA
Mettler Auto Pvt. Ltd.	Consultancy	Not Specified	Refer IND AS-24 in financial statement	NA	NA

Date: 31 May, 2025  
Place: Faridabad

By Order of Board of Directors  
**For ELOFIC INDUSTRIES LIMITED**

**Mohan Bir Sahni**  
**Chairman**

DIN- 00906251  
22-B, ASHOKA AVENUE, SAINIK FARMS,  
NEW DELHI 110062.



Annexure – II

Particulars of Employees for the Financial Year ended on March 31, 2025

Statement pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of Director's Report for the Financial Year ended March 31, 2025										
Detail of top ten employees in terms of remuneration drawn										
S. No.	Name	Designation	Remuneration (in Rs.)	Nature of Employment	Qualification	Date of Commencement	Age	Last employment held	% of equity shares held in the Company	Name of Director (If such employee is relative of any Director)
1	Mohan Bir Sahni	Chairman Cum Managing Director	2,22,56,178	Whole Time Director	Graduate	Apr-06	73	NA	28.48	Brother of Mr. Kanwal Deep Sahni
	Kanwal Deep Sahni	Vice Chairman Cum Joint Managing Director	2,22,56,178	Whole Time Director	B.Sc (Hons)	Apr-06	67	NA	29.99	Brother of Mr.Mohan Bir Sahni
2	Kamlesh Koul	Chief Executive Officer	58,02,839	R&D	B.E (MECH.)	Jul-12	45	Mahle Filters Systems Ltd.	Nil	-
3	Jarnail Singh	Vice President	53,70,181	Operations	LLB	May-96	57	NA	0.011	-
4	Jatinder Singh Bedi	Executive Director	52,10,883	HR & Admin	PG-Strategic Studies, Masters in Management Sciences & Distinguished in Artillery Technology and Automation	Nov-18	66	Indian Army	Nil	-
5	Adish Suri	Vice President	51,20,549	Finance & Accounts	MBA (FINANCE), Cost & Management Accountant	Jan-12	64	Aska Equipments Ltd.	Nil	-
6	Ajay Kumar	General Manager	44,53,817	Quality	B.TECH	Apr-17	46	Minda Corporation	Nil	-
7	S Krishnan	Head - Aftermarket Business	42,66,090	Marketing-Aftermarket	MBA (Marketing)	Jan-23	56	Anand Motor Products	Nil	-
8	Kunal Chaudhry	Head-Export Business	39,69,371	Export	B.E in Computer Science and PGP in Management	Dec-23	47	Unipatch Rubber Limited	Nil	-
9	Hansveer Sahni	Plant Manager	39,02,134	Operations	BBA	Sep-15	45	Bubblegum	0.05	Nephew of Mr. Mohan Bir Sahni and Mr. Kanwal Deep Sahni
10	Karam Sahni	Head - OEM Business	38,95,887	Marketing	Graduate	Jan-11	36	NA	6.36	Son of Mr. Kanwal Deep Sahni
	Saheb Sahni	Head of Excellence Department	38,95,887	Excellence	B.Sc	Jan-11	40	NA	6.36	Son of Mr. Mohan Bir Sahni
Employed throughout the year and were in receipt of remuneration not less than Rs. 1,02,00,000/- per annum								NONE		
Employed part of the year and were in receipt of remuneration not less than Rs. 8,50,000/- per month								NONE		

- Note:**
- 1. Remuneration includes Basic Salary, Allowances & perquisites, company's contribution to provident fund, superannuation & Gratuity.
  - 2. All perquisites have been computed in accordance with Income Tax Act, 1961.

Date: 31 May, 2025  
Place: Faridabad

By Order of Board of Directors  
For ELOFIC INDUSTRIES LIMITED

Mohan Bir Sahni  
Chairman  
DIN- 00906251  
22-B, ASHOKA AVENUE, SAINIK FARMS,  
NEW DELHI 110062.



**Annexure – III****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures****1. Details of Contracts or arrangements or transaction at arm's length basis****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in USD/INR)

		(Figures in USD)
S. No.	Particulars	Details
1.	Name of the subsidiary	Elofic USA, LLC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2024.TO 31-03-2025
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	5235419.17
7.	Total Liabilities	3447081.51
8.	Investments	1788337.66
9.	Turnover	10861030.31
10.	Profit before taxation	130366.31
11.	Provision for taxation	
12.	Profit after taxation	130366.31
13.	Proposed Dividend	
14.	% of shareholding	100%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

S.No.	Name of associates/ Joint Ventures	
1.	Latest audited Balance Sheet Date	
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding%	
3.	Description of how there is significant influence	
4.	Reason why the associate/joint venture is not consolidated	
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	
6.	Profit/Loss for the year	
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	



### **Annexure – III**

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Date: 31 May, 2025  
Place: Faridabad

By Order of Board of Directors  
**For ELOFIC INDUSTRIES LIMITED**

**Mohan Bir Sahni**  
Chairman  
DIN- 00906251  
22-B, ASHOKA AVENUE, SAINIK FARMS,  
NEW DELHI 110062.



## Annexure – IV

### 1. Brief outline on CSR Policy of the Company

Corporate Social Responsibility ("CSR") at Elofic Industries Limited ("the Company") is our commitment towards Inclusive Growth. The Company believes that long-term sustainability can be achieved by meeting legitimate concerns of all stakeholders. The Company's approach to sustainable development focuses on the triple bottom line of Economic, Environmental and Social performance. As a responsible corporate citizen, the Company is constantly engaged in delivering value to its stakeholders through its promise of Together Safer, Everywhere.

The company is running a nursing home at Village Rajpura, Nalagarh, Himachal Pradesh for the promotion of healthcare activities through a charitable trust for the last few years. Also, the company has incurred a reasonable amount on women empowerment through a Trust which is established for such objectives.

The company also contributed towards Prime Minister National Relief Fund, to render immediate relief to families of those killed in natural calamities like floods, cyclones and earthquakes, etc. and to assist partially to defray the expenses for medical treatment like heart surgery, kidney transplantation, cancer treatment of needy people and acid attack, etc.

### 2) Composition of CSR Committee

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Mohan Bir Sahni	Whole Time Director	2	2
2	Mrs. Sangeeta Bajaj	Independent Director	2	2
3	Mr. Subodh Kumar Jain	Independent Director	2	2

3. Provide the web link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: [www.elofic.com](http://www.elofic.com)
4. Provide the executive summary along with the web link(s) of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: N.A.
5. (a) Average net profit of the Company as per Sub-section (5) of Section 135: 548373742  
 (b) Two percent of the average net profit of the Company as per Sub-section (5) of Section 135: 10967475  
 (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: 0  
 (e) Total CSR obligation for the financial year [(b) + (c) - (d)] : 10967475
6. (a) Amount spent on CSR projects (both ongoing project and other than Ongoing projects): 10975000  
 (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)]: 10975000  
 (e) CSR Amount spent or unspent for the financial year: 10975000



## Annexure – IV

Total amount spent for the financial year (In Rs.) <b>1,09,75,000</b>	Amount unspent (In Rs.)  N.A.				
	Total amount transferred to unspent CSR Account as per sub section (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
			B.BHAGWAN SINGH (ELOFIC) CHARITABLE TRUST	3,50,000	13/05/2024
			PRIME MINISTER NATIONAL RELIEF FUND	13,75,000	23/08/2024
			PRIME MINISTER NATIONAL RELIEF FUND	13,75,000	18/09/2024
			PRIME MINISTER NATIONAL RELIEF FUND	13,75,000	21/10/2024
			YESS	1,50,000	07/11/2024
			B. BHAGWAN SINGH (ELOFIC) CHARITABLE TRUST	1,50,000	14/11/2024
			PRIME MINISTER NATIONAL RELIEF FUND	13,75,000	29/11/2024
			PRIME MINISTER NATIONAL RELIEF FUND	13,75,000	08/12/2024
			PRIME MINISTER NATIONAL RELIEF FUND	13,75,000	23/01/2025
			PRIME MINISTER NATIONAL RELIEF FUND	13,75,000	17/02/2025
			PRIME MINISTER NATIONAL RELIEF FUND	3,50,000	10/03/2025
			YESS	1,50,000	04/03/2025
			B. BHAGWAN SINGH (ELOFIC) CHARITABLE TRUST	2,00,000	04/03/2025

(f) Excess amount for set-off, if any: N.A.

S. No.	Particulars	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of the average net profit of the Company as per Sub-section (5) of Section 135	
(ii)	Total amount spent for the financial year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	



**Annexure – IV**

7 (a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: N.A.

1	2	3	4	5	6		7	8
S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section 6 of the section 135 (in Rs.)	Balance amount in unspent CSR Account under sub-section 6 of the section 135 (In Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per second provision to the sub section (5) of the section 135, if any.		Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1.	FY-1							
2.	FY-2							
3.	FY-3							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing
1								
2								
3								
Total								

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

☒ No☐ YesIf Yes, enter the number of Capital assets created/ acquire 

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

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

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



## **Annexure – IV**

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. N. A.

Date: 31 May, 2025  
Place: Faridabad

**By Order of Board of Directors  
For ELOFIC INDUSTRIES LIMITED**

**Mohan Bir Sahni**

Chairman

DIN: 00906251

22-B, Ashoka Avenue, Sainik Farms,  
New Delhi 110062



## Annexure – V

### NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy on nomination and remuneration of Directors, Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### 1. Definitions:

In this Policy unless the context otherwise requires:

- 1) **'Act'** means Companies Act, 2013 and rules thereunder
- 2) **'Board of Directors'** or 'Board', in relation to the Company, means the collective body of the directors of the Company
- 3) **'Committee'** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board
- 4) **'Company'** means Elofic Industries Limited
- 5) **'Directors'** means Directors of the Company
- 6) **'Independent Director'** means a director referred to in Section 149 (6) of the Companies Act, 2013
- 7) **'Ministry'** means the Ministry of Corporate Affairs
- 8) **'Regulations'** refers to and comprise of Companies Act, 2013, The Companies (Meeting of Board and its Powers) Rules, 2014, The Companies (Appointment and Qualification of Directors) Rules, 2014, The Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and such other rules and provisions as applicable to the matters dealt in by this Policy **'Senior Management Personnel'** for this purpose shall mean employees of the company who are members of its core management team excluding Board of Director of management one level below the executive director(s), including the functional.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein rank equivalent to General Manager and above, including all functional heads.

#### 2. OBJECTIVE:

The objective of the policy is to ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

#### 3. ROLE OF THE COMMITTEE:

- The role of the NRC will be the following:
  - a) To formulate criteria for determining qualifications, positive attributes and independence of a Director.
  - b) To formulate criteria for evaluation of Independent Directors and the Board.
  - c) To 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.
  - d) To carry out evaluation of Director's performance.
  - e) To recommend to the Board the appointment and removal of Directors and Senior Management.
  - f) To recommend to the Board policy relating to remuneration for Directors Personnel and Senior Management.



## Annexure – V

- g) To devise a policy on Board diversity, composition, size.
- h) Succession planning for replacing Key Executives and overseeing.
- i) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

### 4. APPOINTMENT AND REMOVAL OF DIRECTOR AND SENIOR MANAGEMENT:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director or Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment 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.

### 5. TERM / TENURE:

- a) **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be 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 of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

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.

### 6. EVALUATION:

- The Committee shall carry out evaluation of performance of Director and Senior Management Personnel yearly or at such intervals as may be considered necessary.

### 7. REMOVAL:

- The Committee may recommend with reasons recorded in writing, removal of a Director, and Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

### 8. RETIREMENT:

- The Director 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, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.



## **Annexure – V**

### **9. POLICY FOR REMUNERATION TO DIRECTORS/MP/SENIOR MANAGEMENT PERSONNEL:**

#### **1) Remuneration to Managing Director / Whole-time Directors:**

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

#### **2) Remuneration to Non- Executive / Independent Directors:**

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i) The Services are rendered by such Director in his capacity as the professional; and
  - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).

#### **3) Remuneration to Senior Management:**

- a) The remuneration to Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Senior Management, to be decided annually or at such intervals as may be considered appropriate.

### **10. 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.

### **11. AMENDMENT:**

- The Board of Directors may review or amend this policy, in whole or in part, from time to time, after taking into account the recommendations from the Nomination & Remuneration Committee.



**Annexure – VI****Form No. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2024****To,****The Members****ELOFIC Industries Limited****CIN: U74999HR1973PLC070262**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ELOFIC Industries Limited (hereinafter called "the Company")**. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon for the financial year ended on March 31<sup>st</sup>, 2025 ("**Audit Period**"). The Company is engaged in manufacturing and supplying of automobile filters and lubes.

Limitation of the Auditors

- (i) Based on our verification of the Company's books, papers, minute books, forms and returns filed, and other records maintained by the Company and the information provided by the Company, its officers, agents, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder; and
- (ii) Based on the management representation, confirmation and explanation wherever required by us, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Auditors Responsibility

- (i) Our responsibility is to express the opinion on the compliance with the applicable laws and maintenance of records based on audit. We conducted our audit in accordance with the Guidance Note on Secretarial Audit ("**Guidance Note**") and Auditing Standards issued by the Institute of Company Secretaries of India ("**ICSI**"). The Guidance Note and Auditing Standards require that we comply with statutory and regulatory requirements and that we plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
- (ii) Due to the inherent limitations of an audit including internal, financials and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
- (iii) Our audit involves performing procedures to obtain audit evidence about the adequacy of compliance mechanisms that exist in the Company to assess any material weakness and testing and evaluating the design and operating effectiveness of compliance mechanism based upon the assessed risk. The procedures selected depend upon the auditor's judgement, including assessment of the risk of material non-compliance whether due to error or fraud.
- (iv) 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 Board processes and compliance mechanism.



## Annexure – VI

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the Audit Period, according to the 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 thereunder; **(Not Applicable)**
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (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)**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable)**
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable)**
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable)**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable)**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable)**
  - h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not Applicable)**, and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'); **(Not Applicable)**

It is further reported that with respect to the compliance of other applicable laws, we have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances under general laws (including Labour Laws, Tax Laws, etc.) and as informed to us, there are no laws which are specifically applicable to the Company.

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

- (i) Secretarial Standards issued by the ICSI wherein the Company is generally complying with the standards; and
  - (ii) The Listing Agreements entered by the Company with the Stock Exchange(s) and Listing Regulations.
- (Not Applicable)**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned hereinabove.



## Annexure – VI

Form No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2024

**We further report that:**

- (i) The Board of Directors of the Company was duly constituted with proper balance of Executive Director(s) and Non-Executive Directors during the Audit Period. Further, the changes that took place in the board complied with the provisions of the Act.
- (ii) Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except few meetings which were held at shorter notice.
- (iii) The majority of decisions were carried through and there were no instances where any director expressed any dissenting views.

**We further report that** in our opinion, the Company has, in all material respects, adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period no events were occurred in the Company having any major bearing on the Company's affairs.

**For PI & Associates,  
Company Secretaries**

**Ajay Khandelwal  
(Partner)**

**FCS No.: 12387**

**CP No.: 18606**

**Peer Review No.: 1498/2021**

**UDIN: F012387G000506463**

**Date: 30.05.2025**

**Place: New Delhi**

**Disclaimer:**

*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 – VI**

To,  
**The Members**  
**Elofic Industries Limited**  
**CIN: U74999HR1973PLC070262**

Our Secretarial Audit Report of even date is to be read along with this letter:

- (i) Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records based on our audit.
- (ii) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a sampling basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- (iii) We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
- (iv) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
- (v) The compliance of the provisions of corporate and other sector specific laws applicable on the Company, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on sampling basis.
- (vi) The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For PI & Associates,  
 Company Secretaries**

**Ajay Khandelwal**  
**(Partner)**  
**FCS No.: 12387**  
**CP No.: 18606**  
**Peer Review No.: 1498/2021**  
**UDIN: F012387G000506463**

**Date: 30.05.2025**  
**Place: New Delhi**



## INDEPENDENT AUDITOR'S REPORT

**To the Members of Elofic Industries Limited**

**Report on the Audit of the Standalone Financial Statements**

### Opinion

We have audited the accompanying standalone financial statements of Elofic Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

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

### Basis for Opinion

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

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

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

If, based on the work we have performed, on the other information that we 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 in this regard.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



## INDEPENDENT AUDITOR'S REPORT

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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



## INDEPENDENT AUDITOR'S REPORT

### 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 Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, except for the matter stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
  - (h) 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.
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 37 (a) to the standalone financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 37 (f) to the standalone financial statements.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 37 (e) to the standalone financial statements.



## INDEPENDENT AUDITOR'S REPORT

- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- vi 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 March 31, 2025, which has a feature of recording audit trail (edit log) facility and is operated by a third-party software service provider. In the absence of audit evidence for the period July 01, 2024 to March 31, 2025, we are unable to comment whether the audit trail feature of the said software was enabled and operated during the year, for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with and whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Additionally, the audit trail to the extent it was enabled, as stated above, has been preserved by the Company as per the statutory requirements for record retention.

### For S.N. Dhawan & CO LLP

Chartered Accountants

Firm Registration No.: 000050N/N500045

### Bhaskar Sen

Partner

Membership No.: 096985

UDIN: 25096985BMOPWB9886

Place: Gurugram

Date: May 31, 2025



**Annexure A to the Independent Auditor's Report**

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

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right of use assets under which these assets are verified in a phased manner to cover all assets over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment and right of use assets were verified during the year and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment including right of use assets and intangible assets during the year.
- (e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and Rules made thereunder.
- (ii)(a) The management has conducted physical verification of inventory at reasonable intervals during the year. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification as compared to the book records.
- (b) According to the information and explanations given to us, during the year, the Company has been sanctioned working capital limits in excess of Rs. 500 lakhs, in aggregate, from bank on the basis of security of current assets. The quarterly returns or statements filed by the Company with such bank are not in agreement with the books of account of the Company for the respective quarters, except for the following:

Quarter	Name of the bank or financial institution	Particulars of securities provided	Amount as per books of account (Rupees Lakhs)	Amount as reported in the quarterly return/ statement (Rupees Lakhs)	Amount of difference (Rupees Lakhs)	Reason for material discrepancies
March 2025	HDFC Bank	Trade receivables	9500.85	9446.52	54.33	The difference is primarily due to price settlement with the customers and recording of foreign exchange fluctuation at year end. For details refer Note 38 to the standalone financial statements.
		Stock	5760.00	5972.60	(32.60)	The difference is primarily due to loss of inventory due to fire, which has been charged off to the Statement of Profit and Loss. For details refer Note 38 and 49 to the standalone financial statements



**Annexure A to the Independent Auditor's Report**

- (iii) (a) The Company has granted loans to employees, the details of which are as given below:

Particulars	Loans (Rupees Lakhs)
Aggregate amount granted during the year - Employees	38.40
Balance outstanding as at balance sheet date in respect of above cases - Employees	10.55

The Company has not provided any advances in the nature of loans, guarantee or security to companies, firms, Limited Liability Partnership (LLPs) or any other party other than as described above.

(b) In our opinion and according to the information and explanations given to us the investments made, guarantees provided, security given and the terms and conditions of grant of all loans and advances in the nature of loans and guarantees provided are not, prima facie, prejudicial to the Company's interest.

(c) In respect of loans, the loans given are interest free and the schedule of repayment of principal has been stipulated and the repayment of the principal amount is regular.

(d) According to the information and explanations given to us, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) According to the information and explanations given to us, there are no loans or advances in the nature of loans granted which have fallen due during the year. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) The Company has not granted any loan, made investment or provided guarantees or securities. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) The Company has not accepted any deposits and in our opinion, the Company is not holding any amounts which are deemed to be deposits during the year. Further the Company had no unclaimed deposits at the beginning of the year. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of Company's products/services. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained by the Company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other material statutory dues, as applicable to the Company, have generally been regularly deposited with the appropriate authorities during the year. There were no undisputed amounts payable in respect thereof which were outstanding at the year-end for a period of more than six months from the date they became payable.



**Annexure A to the Independent Auditor's Report**

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

Name of the statute	Nature of dues	Amount (Rupees Lakhs)	Amount paid under protest (Rupees Lakhs)	Period to which the amount relates	Forum where dispute is pending
Goods and Services Tax Act, 2017 (IGST, CGST and SGST)	Goods and services tax	13.51	0.64	Financial Year 2017-2018	Deputy Commissioner, Goods and Services Tax, Noida Sector-4, Gautam Budh Nagar, Uttar Pradesh
	Goods and services tax	51.18	2.30	Financial Year 2017-2018	Excise and Taxation Officer, Faridabad (East) Ward 2, Faridabad, Haryana
	Goods and services tax	12.33	1.23	Financial Year 2019-2020	Assistant Commissioner, Goods and Services Tax Commissionerate, Faridabad, GST Bhawan, Block C & D, New C.G.O Complex, NH-IV, Faridabad, Haryana

- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix)(a) The Company has not taken any loans or other borrowings from any lender. Accordingly, the provisions of clause 3(ix) of the Order are not applicable
- (b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable.
- (d) On an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have prima facie, not been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised any loan during the year on the pledge of securities held in its subsidiary.
- (x) (a) The Company had not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the Order are not applicable.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.



## Annexure A to the Independent Auditor's Report

- (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) (a) to (c) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.  
  
(b) We were unable to obtain the internal audit reports of the Company issued for the period under audit on timely basis, hence these internal audit reports have not been considered by us.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, hence provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the Order are not applicable.  
  
(b) The Company has not conducted any non-banking financial or housing finance activities during the year.  
  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.  
  
(d) The Group does not have any CIC as part of the Group.
- (xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information 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.



## **Annexure A to the Independent Auditor's Report**

- (xx)(a) In respect of other than ongoing projects, the Company has no unspent amount towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act.
- (b) In respect of ongoing projects, the Company has no unspent amount towards Corporate Social Responsibility (CSR) requiring transfer to a special account in compliance with provision of sub-section (6) of Section 135 of the said Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

### **For S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

### **Bhaskar Sen**

Partner

Membership No.: 096985

UDIN: 25096985BMOPWB9886

Place: Gurugram

Date: 31 May, 2025



## Annexure B to the Independent Auditor's Report

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

### Independent Auditor's report on the Internal Financial Controls with reference to financial statements under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls with reference to Financial Statements

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



**Annexure B to the Independent Auditor's Report****Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

**Opinion**

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of such internal controls stated in the Guidance Note.

**For S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

**Bhaskar Sen**

Partner

Membership No.: 096985

UDIN: 25096985BMOPWB9886

Place: Gurugram

Date: 31 May, 2025



## STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Note no.	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Assets</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	3	6,908.04	6,810.94	5,641.46
(b) Capital work-in-progress	4	231.46	95.24	563.29
(c) Other intangible assets	5	117.88	147.31	17.33
(d) Intangible assets under development	6	5.25	-	136.35
(e) Right to use assets	7	359.54	171.37	229.89
(f) Financial assets				
(i) Investments	8	0.49	0.49	0.49
(ii) Other financial assets	10	1,127.38	325.49	1,099.43
(g) Income tax assets (net of provisions)	11	112.94	112.94	112.76
(h) Other non-current assets	12	267.52	114.83	167.07
		<b>9,130.50</b>	<b>7,778.61</b>	<b>7,968.07</b>
<b>Current assets</b>				
(a) Inventories	13	5,760.00	5,034.29	4,397.38
(b) Financial assets				
(i) Investments	8	439.37	23.52	22.03
(ii) Trade receivables	14	9,500.85	7,139.97	5,934.26
(iii) Cash and cash equivalents	15	286.94	341.92	491.27
(iv) Bank balances other than cash and cash equivalents	16	11,198.10	8,802.12	4,835.52
(v) Loans	9	10.55	6.57	6.74
(vi) Other financial assets	10	427.82	378.56	591.42
(c) Other current assets	12	1,602.77	758.63	1,390.72
		<b>29,226.40</b>	<b>22,485.58</b>	<b>17,669.34</b>
<b>Total assets</b>		<b>38,356.90</b>	<b>30,264.19</b>	<b>25,637.41</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	17	250.84	250.84	250.84
(b) Other equity	18	32,982.45	25,656.13	21,181.56
<b>Total equity</b>		<b>33,233.29</b>	<b>25,906.97</b>	<b>21,432.40</b>
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Lease liabilities	23	278.82	124.65	180.70
(b) Deferred tax liabilities (net)	19	56.39	56.15	33.01
		<b>335.21</b>	<b>180.80</b>	<b>213.71</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Lease liabilities	23	109.89	56.05	44.48
(ii) Trade payables	22			
(A) Total outstanding dues of micro enterprises and small enterprises		531.67	364.58	521.77
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,750.52	2,382.33	2,076.40
(iii) Other financial liabilities	24	823.79	857.03	925.52
(b) Other current liabilities	25	174.52	126.15	116.89
(c) Provisions	20	172.00	207.02	147.20
(d) Current tax liabilities (net)	21	226.01	183.26	159.04
		<b>4,788.40</b>	<b>4,176.42</b>	<b>3,991.30</b>
<b>Total liabilities</b>		<b>5,123.61</b>	<b>4,357.22</b>	<b>4,205.01</b>
<b>Total equity and liabilities</b>		<b>38,356.90</b>	<b>30,264.19</b>	<b>25,637.41</b>

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For S.N. Dhawan &amp; CO LLP

Chartered Accountants

Firm Registration No.: 000050N/N500045

Bhaskar Sen

Partner

Membership No.: 096985

Place: Gurugram

Date: May 31, 2025

For and on behalf of the Board of Directors of

Elofic Industries Limited

K. D. Sahni

Joint Managing Director

DIN: 00901216

Place: Faridabad

Date: May 31, 2025

Maj. Gen. J.S. Bedi (Retd.)

Director

DIN: 08583060

Place: Faridabad

Date: May 31, 2025

M. B. Sahni

Managing Director

DIN: 00906251

Place: Faridabad

Date: May 31, 2025

Adish Suri

Vice President -

Finance

Place: Faridabad

Date: May 31, 2025



**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Note no.	Year ended March 31, 2025	Year ended March 31, 2024
I Revenue from operations	26	43,907.79	34,063.10
II Other income	27	1,350.79	896.41
III Total income (I + II)		<u>45,258.58</u>	<u>34,959.51</u>
IV Expenses			
(a) Cost of materials consumed	28	19,082.95	15,666.26
(b) Purchases of stock-in-trade	29	180.75	171.43
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(124.87)	(353.99)
(d) Employee benefits expense	31	6,114.00	5,062.51
(e) Finance costs	32	75.45	37.64
(f) Depreciation and amortization expense	33	1,471.11	1,277.53
(g) Other expenses	34	8,009.82	6,628.08
Total expenses (IV)		<u>34,809.21</u>	<u>28,489.46</u>
V Profit before tax (III - IV)		10,449.37	6,470.05
VI Tax expense			
(a) Current tax		3,035.82	1,912.74
(b) Deferred tax		13.21	35.24
(c) Tax adjustment of earlier years		(57.89)	(57.20)
Net tax expense		<u>2,991.14</u>	<u>1,890.78</u>
VII Profit for the year (V-VI)		<u>7,458.23</u>	<u>4,579.27</u>
VIII Other comprehensive income ('OCI')			
(a) Items that will not be reclassified to profit or loss - re-measurement of post employment benefit obligations		(44.55)	(41.55)
(b) Income tax relating to items that will not be reclassified to profit and loss		12.97	12.10
Other comprehensive income for the year		<u>(31.58)</u>	<u>(29.45)</u>
IX Total comprehensive income (VII+VIII)		<u>7,426.65</u>	<u>4,549.82</u>
X Earnings per equity share (face value of Rs. 10 per share)			
(a) Basic	35	297.33	182.56
(b) Diluted	35	297.33	182.56

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For S.N. Dhawan &amp; CO LLP

Chartered Accountants

Firm Registration No.: 000050N/N500045

For and on behalf of the Board of Directors of  
Elofic Industries Limited

Bhaskar Sen

Partner

Membership No.: 096985

Place: Gurugram

Date: May 31, 2025

K. D. Sahni

Joint Managing Director

DIN: 00901216

Place: Faridabad

Date: May 31, 2025

M. B. Sahni

Managing Director

DIN: 00906251

Place: Faridabad

Date: May 31, 2025

Maj. Gen. J.S. Bedi (Retd.)

Director

DIN: 08583060

Place: Faridabad

Date: May 31, 2025

Adish Suri

Vice President -  
Finance

Place: Faridabad

Date: May 31, 2025



# STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>Cash flow from operating activities</b>			
Net profit before tax		10,449.37	6,470.05
<b>Adjustments for</b>			
Depreciation and amortization expense		1,471.11	1,277.53
Finance costs		75.45	37.64
Interest income		(771.51)	(571.15)
(Profit)/ loss on sale of property, plant and equipment		(1.39)	(25.98)
(Profit)/loss on sale of mutual fund investments		(15.85)	(1.49)
Sundry balances written back		(67.19)	(34.79)
(Gain)/loss on exchange fluctuation		(64.58)	(61.56)
Provision for doubtful trade receivables		17.66	-
Balances written off		42.51	4.87
<b>Operating profit before working capital changes</b>		<b>11,135.58</b>	<b>7,095.12</b>
<b>Changes in working capital:</b>			
Adjustments for (increase) / decrease in operating assets:			
Inventories		(725.71)	(636.91)
Trade receivables		(2,370.04)	(1,139.64)
Other assets		(844.18)	626.85
Other financial assets		(69.94)	183.14
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		608.44	186.11
Other financial liabilities		(37.90)	(32.81)
Other current liabilities		48.37	9.26
Provisions		(79.57)	18.27
<b>Cash generated from operations</b>		<b>7,665.05</b>	<b>6,309.39</b>
Income taxes paid (Net)		(2,935.18)	(1,831.50)
<b>Net cash generated from / (used) in operating activities (A)</b>		<b>4,729.87</b>	<b>4,477.89</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment, including capital work-in-progress, intangible assets		(1,754.02)	(1,902.51)
Sale proceeds of property, plant and equipment		46.00	38.00
Fixed deposits (made)/ matured during the year		(780.14)	804.07
Loans given		(3.98)	0.17
Investments in mutual funds		(400.00)	-
(Increase)/decrease in bank balances not classified as cash and cash equivalent (net)		(2,395.98)	(3,966.60)
Interest income received		770.44	570.74
<b>Net cash generated from / (used) in investing activities (B)</b>		<b>(4,517.68)</b>	<b>(4,456.13)</b>
<b>Cash flow from financing activities</b>			
Repayment of lease liabilities		(132.42)	(59.31)
Interest paid		(41.60)	(23.69)
Dividend paid		(100.75)	(76.15)
<b>Net cash generated from / (used) in financing activities (C)</b>		<b>(274.77)</b>	<b>(159.15)</b>
<b>Net increase(decrease) in cash and cash equivalents</b>	15	<b>(62.58)</b>	<b>(137.39)</b>
Cash and cash equivalents at the beginning of the year		341.92	491.27
Effect of exchange differences on balances with banks in foreign currency		7.60	(11.96)
<b>Cash and cash equivalents at the end of the year</b>		<b>286.94</b>	<b>341.92</b>
<b>Cash and cash equivalents at the end of the year comprises</b>			
Cash on hand		0.25	0.25
Balance with banks in current accounts		286.69	341.67
		<b>286.94</b>	<b>341.92</b>

**Notes:**

1. The Company has an EEFC account which has a balance of USD 1.75 (March 31, 2024: USD 1.02) equivalent to Rs. 157.28 (March 31, 2024: Rs. 96.67)

The accompanying notes are an integral part of the standalone financials statements.

As per our report of even date attached

**For S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

**Bhaskar Sen**

Partner

Membership No.: 096985

Place: Gurugram

Date: May 31, 2025

For and on behalf of the Board of Directors of  
Elofic Industries Limited

K. D. Sahni

Joint Managing Director

DIN: 00901216

Place: Faridabad

Date: May 31, 2025

M. B. Sahni

Managing Director

DIN: 00906251

Place: Faridabad

Date: May 31, 2025

Maj. Gen. J.S. Bedi (Retd.)

Adish Suri

Director

DIN: 08583060

Place: Faridabad

Date: May 31, 2025

Vice President -  
Finance

Place: Faridabad

Date: May 31, 2025



## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(Amount in 'Rupees Lakhs' unless otherwise stated)

## a. Equity share capital

Particular	No. of shares	Amount
Balance as at April 01, 2023	25,08,370	250.84
Changes in equity share capital during the year	-	-
Balance as at March 31, 2024	25,08,370	250.84
Changes in equity share capital during the year	-	-
Balance as at March 31, 2025	25,08,370	250.84

## b. Other equity

	Reserves and surplus			Other comprehensive income	Total
	General reserve	Securities premium	Retained earnings	Remeasurement of defined benefit plans	
Balance as at April 01, 2023	2,115.11	64.78	19,018.36	(16.69)	21,181.56
Profit for the year	-	-	4,579.27	-	4,579.27
Dividend paid	-	-	(75.25)	-	(75.25)
Transfer to general reserve	475.06	-	(475.06)	-	-
Remeasurement gain/(loss) on defined benefit plans, net of income tax	-	-	-	(29.45)	(29.45)
Balance as at March 31, 2024	2,590.17	64.78	23,047.32	(46.14)	25,656.13
Profit for the year	-	-	7,458.23	-	7,458.23
Dividend paid	-	-	(100.33)	-	(100.33)
Transfer to general reserve	745.82	-	(745.82)	-	-
Remeasurement gain/(loss) on defined benefit plans, net of income tax	-	-	-	(31.58)	(31.58)
Balance as at March 31, 2025	3,335.99	64.78	29,659.40	(77.72)	32,982.45

**Note:** During the year there has been no change in equity share capital and other equity on account of prior period errors.

The accompanying notes are an integral part of the standalone financial statements.

**For S. N. Dhawan & CO LLP**  
Chartered Accountants  
Firm's Registration No. 000050N/N500045

**For and on behalf of the Board of Directors of**  
**Elofic Industries Limited**

**Bhaskar Sen**  
Partner  
Membership No.: 096985

Place: Gurugram  
Date: May 31, 2025

**K. D. Sahni**  
Joint Managing Director  
DIN: 00901216

Place: Faridabad  
Date: May 31, 2025

**M. B. Sahni**  
Managing Director  
DIN: 00906251

Place: Faridabad  
Date: May 31, 2025

**Maj. Gen. J.S. Bedi (Retd.)**  
Director  
DIN: 08583060

Place: Faridabad  
Date: May 31, 2025

**Adish Suri**  
Vice President -  
Finance

Place: Faridabad  
Date: May 31, 2025



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### 1. Corporate Information

Elofic Industries Limited ("the Company") incorporated in India, with its registered office situated at 14/4, Mathura Road, Faridabad-121003. The Company's CIN is U74999HR1973PLC070262. It was incorporated on June 02, 1973 under the provisions of the Companies Act 1956. The Company has six manufacturing units located in Faridabad, Noida, Hosur and Nalagarh. The Company is engaged in manufacturing and supplying of automobile filters and lubes.

### 1.1 Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules issued there after and other accounting principles generally accepted in India.

The financial statements for all periods up to and including the year ended March 31, 2024, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act, (collectively referred to as "Indian GAAP"). These Financial Statements for the year ended 31 March 2024 are the first Ind AS Financial Statements with comparatives, prepared under Ind AS. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet as on April 01, 2023 throughout all periods presented, as if these policies had always been in effect and are covered by "Ind AS 101 First time adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Company is provided in Note 46. Certain Ind AS accounting policies of the Company used in the opening Balance Sheet differed from its Indian GAAP policies applied as at April 01, 2023 and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustment arising from events were recognised directly through retained earnings as at April 01, 2023 as required by Ind AS 101.

### 1.2 Basis of preparation and presentation

The standalone financial statements have been prepared on a historical cost basis, except for

- Certain financial assets and liabilities at fair value (refer to accounting policy regarding financial instruments);
- Employee's defined benefit plan measured as per actuarial valuation;

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle. Based on nature of operations, the Company has considered an operating cycle of 12 months.

The standalone financial statements are presented in Indian Rupee, which is the functional currency of the Company and all values are rounded to the nearest lakhs (Rs./00000), except when otherwise indicated.

### 1.3 Use of estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of valuation of deferred tax assets and provisions and contingent liabilities.

### 2. Material accounting policies

#### 2.01 Property, plant and equipment (Tangible assets and capital work-In-progress)

On transition of Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Property, plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment, if any.

The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of tax credit availed, wherever applicable. When material parts of plant and equipment are required to be replaced at intervals, such cost of replacement is capitalised (if the recognition criteria is met) in the carrying amount of plant and equipment, the Company depreciates them separately based on their specific useful life. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of items can be measured reliably.

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

All repair and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

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

#### Impairment of property, plant and equipment

At the end of each reporting year, the Company assesses whether there are any indications of impairment for its property, plant and equipment. If there is any indication, the Company estimates the recoverable amount of the asset to determine the extent of impairment loss, if any. If it's not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to individual cash-generating units if a reasonable and consistent allocation basis can be identified.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### 2.02 Intangible assets

Acquired intangible assets are initially measured at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

The amortisation of an intangible asset with a finite useful life begins when the asset is available for use - i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation of intangible assets that is to be used in conjunction with other assets commences, once the asset group as a whole is ready to commence operations. Such Intangible assets are recorded as "intangible assets under development" till the time they are not available for use.

#### Impairment of intangible assets

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, as well as when there is an indication of impairment. The recoverable amount is determined based on the higher of fair value less costs to sell and value in use. Value in use is assessed by discounting the estimated future cash flows to their present value using a pre-tax discount rate that reflects market assessments of the time value of money and asset-specific risks.

### 2.03 Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of identified asset;
- the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
- the Company has the right to direct the use of the asset.

#### Company as a lessee

##### (i) Right to use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings administrative – 3 to 5 years

The right-of-use assets are also subject to impairment.

##### (ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### (iii) Short-term leases and leases of low-value assets

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

## 2.04 Inventories

Inventories are valued at the lower of cost or net realisable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of purchase consists of the purchase price including duties and taxes (other than those subsequently recoverable by the enterprise), freight inwards and other expenditure directly attributable for its acquisition. Work-in-progress and finished goods include appropriate proportion of overheads.

The methods of determining cost of various categories of inventories are as under :

S.No.	Particulars	Method of Valuation
a.	Raw materials, packing materials and stores and spares	Moving average method
b.	Stock-in-trade	Raw material cost on moving average method plus appropriate share of labour and manufacturing overheads.
c.	Finished goods and work In progress	Raw material cost on moving average method plus conversion and other costs incurred in bringing the inventories to their present location and condition.

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.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

## 2.05 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 and deposits which are subject to insignificant risk of changes in value.

## 2.06 Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible assets is provided using written down value method as per useful life specified in Part "C" of Schedule II to the Companies Act, 2013 and after retaining residual value of 5% of the original cost of the assets as specified in the said schedule except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Leasehold improvements are amortized over the lease term or the useful life of the assets.

Computer software are amortized over a period of 5 years

Assets costing individually Rs. 5,000 or less are fully depreciated in the year of purchase.

Depreciation for assets purchased / sold during a period is proportionately charged to standalone statement of profit and loss. intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the assets are available to the Company for their use.

### 2.07 Revenue recognition

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

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of discounts or incentives offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

#### a. Sale of goods

Revenue from the sale of products is recognised when the control of the goods has been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

#### b. Income from services

Revenue from rendering services is recognised over time in the accounting period in which the services are rendered and the Company has an enforceable right to payment for services.

### 2.08 Other income

a. Interest income is recognized on time proportionate basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

b. Export Incentives are also recognized on accrual basis.

### 2.09 Investments in subsidiary

Investments in subsidiary is recognised at cost less any impairment loss and are not adjusted to fair value. The cost of investment represents the amount paid for the acquisition of the said investment. The Company assesses carrying value of investments annually, or more frequently if there are any indications of impairment on such investments. If the carrying amount of an investment exceeds its estimated recoverable amount, the impairment loss is recognized in the Statement of Profit and Loss..

### 2.10 Employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences and other terminal benefits.

#### Short term employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the standalone Statement of Profit or Loss of the year in which related services are rendered. Such Benefits include salaries, wages, bonus etc. The liability for compensated absences in respect of employees (other than workers) is in the nature of short term employee benefits which has provided on the basis of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences and in case of non-accumulating compensated absences, when the absences occur. Terminal benefits, if any, are recognized as an expense immediately. The Company provides for compensated absences based on best estimated basis.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### Defined contribution plan

Contributions payable to recognized provident fund and employee state insurance scheme, which are substantially defined contribution plans, are recognized as expense in the standalone statement of profit and loss, as they are incurred.

### Defined benefit plan

For defined benefit plans in the form of gratuity fund, the cost of providing defined benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in full in the standalone statement of profit and loss for the period in which they occur. Past service cost is recognized immediately to the extent the benefits are already vested, and otherwise is amortized on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

### Other long term benefits

The Company treated the compensated absences as short term employee benefits and provided based on best estimation basis.

### Termination benefits:

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary retirement scheme in exchange for these benefits. Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Statement of Profit and Loss when incurred.

## 2.11 Foreign currency transactions and translations

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

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition.

At each Balance Sheet date, Monetary assets and liabilities denominated in foreign currencies are reported at closing spot rate. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or statement of profit and loss, are also recognised in OCI or statement of profit and loss, respectively).

## 2.12 Financial Instruments

### Initial recognition and subsequent measurement

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



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### i. Financial assets

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

#### Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

#### Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include trade receivables, loan to subsidiary, joint ventures, and associates, and loans to employees.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; Or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either
  - a. the Company has transferred substantially all the risks and rewards of the asset, or
  - b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the risk of the debt instruments. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

## ii. Financial liabilities

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by accounting standards. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in accounting standards are satisfied.

### Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and instruments are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing borrowings and instruments.

### Derecognition

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

### iii .Off setting of financial instruments

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

### iv . Dividend and interest income

- Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

- b. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 2.13 Segment reporting

#### Identification of segments:

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance. The geographical segment of the Company is based on the location of customer in India and outside India.

#### Segment revenue and expense:

Segment revenue and expense which are directly attributable to the segments are considered under respective segment. Common expenses are allocated to the two segments on turnover basis.

#### Segment asset and liabilities:

Segment assets include all operating assets used by a segment and consist principally of Debtors, inventories, Investment which are reported in the Balance Sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred income taxes.

#### Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole.

### 2.14 Cash flow statement

Cash flows are reported using the indirect method, whereby the net profit before tax 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.

### 2.15 Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Refer Note 35 to the standalone financial statements.

### 2.16 Income taxes

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

#### Current tax

Current tax is based on taxable profit for the year. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

If the recoverable amount of an asset or cash-generating unit is lower than its carrying amount, the carrying amount is reduced to the recoverable amount, and an impairment loss is recognized immediately in the Statement of Profit and Loss.

### 2.17 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

### Contingent assets

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

### 2.18 Fair value measurement

The Company measures financial instruments, such as investments (other than equity investments in Subsidiary) at fair values 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.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

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, maximising the use of relevant observable inputs and minimising 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 other than quoted prices included in Level 1.

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 recognised in the financial statements 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.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

### 2.19 First-time adoption-mandatory exceptions, optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as of April 01, 2023 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Company as detailed below.

#### Deemed cost for PPE and intangible assets

The Company has elected to continue with the carrying value of all of its plant and equipment as at the transition date, viz., April 01, 2023 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### Derecognition of financial assets and liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 01, 2023 ('the transition date').

### 2.1 Standards Issued but not effective

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



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### 2.2 Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about significant judgments and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- a. **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits.
- b. **Useful lives of depreciable/amortizable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- c. **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- d. **Employee benefit:** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases, and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- e. **Provisions and Contingencies:** The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities, and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgment by management regarding the probability of exposure to potential loss.
- f. **Impairment of financial assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is an indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- g. **Warranty :** Warranty Provision is measured at discounted present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Product warranty liability and warranty expenses are recorded at the time the product is sold, if the claims of the customers under warranty are probable, and the amount can be reasonably estimated.



### NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

3 Property, plant and equipment	Land : Freehold	Building: Factory	Building : Administrative	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical installation	Computers	Total
At cost or deemed cost										
Balance as at April 01, 2023	226.60	437.47	72.14	4,664.86	36.20	93.05	23.72	59.07	28.35	5,641.46
Additions	-	116.24	-	1,722.78	9.03	334.93	13.24	151.26	12.00	2,359.48
Disposals	-	-	-	2.39	-	9.73	-	-	0.37	12.49
Balance as at March 31, 2024	226.60	553.71	72.14	6,385.25	45.23	418.25	36.96	210.33	39.98	7,988.45
Additions	-	40.30	-	1,238.45	14.96	79.39	20.61	36.32	23.63	1,453.66
Disposals	-	-	-	141.03	-	24.77	-	-	-	165.80
Balance as at March 31, 2025	226.60	594.01	72.14	7,482.67	60.19	472.87	57.57	246.65	63.61	9,276.31
Accumulated depreciation										
i. Accumulated depreciation										
Balance as at April 01, 2023	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	50.39	3.48	961.64	10.49	96.61	10.40	29.68	15.29	1,177.98
Disposals	-	-	-	0.08	-	0.39	-	-	-	0.47
Balance as at March 31, 2024	-	50.39	3.48	961.56	10.49	96.22	10.40	29.68	15.29	1,177.51
Charge for the year	-	45.92	3.30	1,059.74	12.19	106.17	16.21	47.83	16.59	1,311.95
Disposals	-	-	-	97.66	-	23.53	-	-	-	121.19
Balance as at March 31, 2025	-	100.31	6.78	1,923.64	22.68	178.86	26.61	77.51	31.88	2,368.27
Net carrying amount										
Balance as at April 01, 2023	226.60	437.47	72.14	4,664.86	36.20	93.05	23.72	59.07	28.35	5,641.46
Balance as at March 31, 2024	226.60	503.32	68.66	5,423.69	34.74	322.03	26.56	180.65	24.69	6,810.94
Balance as at March 31, 2025	226.60	493.70	65.36	5,559.03	37.51	294.01	30.96	169.14	31.73	6,908.04



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows

Particulars	As at April 01, 2023			As at March 31, 2024		
	Gross block	Accumulated depreciation	Net block	Gross block	Accumulated depreciation	Net block
Land : Freehold	226.60	-	226.60	226.60	-	226.60
Building: Factory	1,319.41	881.94	437.47	1,435.65	932.33	503.32
Building : Administrative	136.68	64.54	72.14	136.68	68.02	68.66
Plant and equipment	13,326.37	8,661.51	4,664.86	15,045.60	9,621.91	5,423.69
Furniture and fixtures	226.86	190.66	36.20	235.89	201.15	34.74
Vehicles	470.88	377.83	93.05	632.79	310.76	322.03
Office equipment	183.19	159.47	23.72	196.43	169.87	26.56
Electrical installation	242.60	183.53	59.07	393.86	213.21	180.65
Computers	239.15	210.80	28.35	243.70	219.01	24.69
	<b>16,371.74</b>	<b>10,730.28</b>	<b>5,641.46</b>	<b>18,547.20</b>	<b>11,736.26</b>	<b>6,810.94</b>

### Notes:

- No property, plant and equipment have been pledged as security
- The total capital expenditure towards research and development incurred as per books of account which is included in plant and machinery are as follows:

Particulars	Year ended	
	March 31, 2025	March 31, 2024
Capital expenditure towards research and development	18.04	206.12

- During the current financial year and in the previous financial years there are no revaluation of property, plant and equipment
- There are no proceedings against the Company, being the Company registered under "the Act", that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company has adopted the deemed cost exemption available for recognition, accordingly the net carrying value of property, plant and equipment recognised as deemed cost.

### 4 Capital work-in-progress

Opening  
Additions during the year  
Capitalized during the year  
Closing balance

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
95.24	563.29	1,062.66
231.46	95.24	563.29
95.24	563.29	1,062.66
<b>231.46</b>	<b>95.24</b>	<b>563.29</b>

### Notes

#### i. Classification of capital work-in-progress

Electrical installation  
Office equipment  
Building: Factory  
Plant and equipment  
Total

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
-	-	140.81
-	1.19	-
45.13	33.24	88.85
186.33	60.81	333.63
<b>231.46</b>	<b>95.24</b>	<b>563.29</b>

#### ii. Capital work-in-progress ageing schedule as at March 31, 2025

Particular	Amount in capital work in progress for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	231.46	-	-	-	231.46

#### Capital work-in-progress ageing schedule as at March 31, 2024

Particular	Amount in capital work in progress for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	95.24	-	-	-	95.24

#### Capital work-in-progress ageing schedule as at April 01, 2023

Particular	Amount in capital work in progress for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	563.29	-	-	-	563.29

- Projects in progress comprises projects of electrical installation, office equipment, building: factory, plant and equipment
- There is no capital project in progress, whose completion is overdue or has exceeded its cost compared to its original value



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 5 Other intangible assets

Particulars	Computer software
<b>At cost or deemed cost</b>	
Balance as at April 01, 2023	17.33
Additions	171.01
Disposals	-
<b>Balance as at March 31, 2024</b>	<b>188.34</b>
Additions	10.19
Disposals	-
<b>Balance as at March 31, 2025</b>	<b>198.53</b>
<b>Accumulated amortization</b>	
Balance as at April 01, 2023	-
Charge for the year	41.03
Disposals	-
<b>Balance as at March 31, 2024</b>	<b>41.03</b>
Charge for the year	39.62
Disposals	-
<b>Balance as at March 31, 2025</b>	<b>80.65</b>
<b>Net carrying amount</b>	
As at April 01, 2023	17.33
As at March 31, 2024	147.31
As at March 31, 2025	117.88

The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows

Particulars	Gross block	As at April 01, 2023	Net block	Gross block	As at March 31, 2024	Net block
		Accumulated depreciation			Accumulated depreciation	
Computer software	162.75	145.42	17.33	333.76	186.45	147.31
<b>Total</b>	<b>162.75</b>	<b>145.42</b>	<b>17.33</b>	<b>333.76</b>	<b>186.45</b>	<b>147.31</b>

#### Notes:

- During the current financial year and in the previous financial years there are no revaluation of property, plant and equipment
- The Company has adopted the deemed cost exemption available for recognition, accordingly the net carrying value of other intangible assets recognised as deemed cost.

### 6 Intangible assets under development

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Computer software	5.25	-	136.35
	<b>5.25</b>	<b>-</b>	<b>136.35</b>

#### Notes

##### i. Intangible assets under development ageing schedule as at March 31, 2025

Particular	Amount in intangible assets under development for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	5.25	-	-	-	5.25

##### Intangible assets under development ageing schedule as at March 31, 2024

Particular	Amount in intangible assets under development for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	-	-	-	-	-

##### Intangible assets under development ageing schedule as at April 01, 2023

Particular	Amount in intangible assets under development for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	136.35	-	-	-	136.35



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 7 Right to use assets

#### Carrying value of right to use assets

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Leasehold land	4.40	4.55	4.71
Building - administrative	355.14	166.82	225.18
	<b>359.54</b>	<b>171.37</b>	<b>229.89</b>

#### a. Right-of-use assets

##### i. Carrying amount of right of use assets

Opening balance	171.37	229.89	229.89
Additions during the year	307.71	-	-
	<b>479.08</b>	<b>229.89</b>	<b>229.89</b>
Depreciation during the year	119.54	58.52	-
Derecognised during the year	-	-	-
<b>Subtotal</b>	<b>119.54</b>	<b>58.52</b>	<b>-</b>
Closing balance	<b>359.54</b>	<b>171.37</b>	<b>229.89</b>

#### Note:

- The Company has adopted Ind AS 116 "Leases" effective April 01, 2023 and applied the standard to its leases using the modified retrospective approach. On transition, the adoption of new standard resulted in recognition of right-of-Use asset (including additions and derecognition during the year) Rs. 215.08 lakhs and an equal amount of lease liability. The effect of this adoption is not material on profit and earnings per share for the year ended.
- The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.
- For the information of lease liabilities and other disclosures see note no. 23



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 8 Investments

#### I. Non-current investments

(Valued at cost, unless stated otherwise)

##### Investments in limited liability company

Investments in capital of Wholly Owned Subsidiary

- Elofic USA, LLC

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
0.49	0.49	0.49
<b>0.49</b>	<b>0.49</b>	<b>0.49</b>

##### Notes:

##### Measurement of investments:

Investment carried at amortised cost

Investment carried at fair value through profit and loss "FVTPL"

Investment carried at fair value through other comprehensive income "FVTOCI"

##### Aggregate carrying value of quoted investments

-	0.49	0.49
-	-	-
-	-	-
<b>-</b>	<b>0.49</b>	<b>0.49</b>

##### Other details relating to investment in limited liability company

Name of Company

Total capital

Equity share capital

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Elofic USA, LLC	Elofic USA, LLC	Elofic USA, LLC
0.49	0.49	0.49
100%	100%	100%

#### II. Current investments

Investments in mutual funds

(Unquoted, carried at fair value through profit and loss)

- ICICI Overn ght Fund DP Growth

No. of units	As at March 31, 2025	No. of units	As at March 31, 2024	No. of units	As at April 01, 2023
31,932.83	439.37	1,822.56	23.52	1,822.56	22.03
<b>31,932.83</b>	<b>439.37</b>	<b>1,822.56</b>	<b>23.52</b>	<b>1,822.56</b>	<b>22.03</b>

##### Measurement of investments:

Investment carried at amortised cost

Investment carried at fair value through profit and loss "FVTPL"

Investment carried at fair value through other comprehensive income "FVTOCI"

##### Aggregate carrying value of quoted investments

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
-	-	-
439.37	23.52	22.03
-	-	-
<b>439.37</b>	<b>23.52</b>	<b>22.03</b>

### 9 Loans - Financial assets

(Unsecured, considered good)

#### Current

Loans to employees (Refer note below)

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
10.55	6.57	6.74
<b>10.55</b>	<b>6.57</b>	<b>6.74</b>

The disclosures of Loans and advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	Amount outstanding*	% of Total^	Amount outstanding*	% of Total^	Amount outstanding*	% of Total^
Promoters	-	-	-	-	-	-
Directors	-	-	-	-	-	-
KMPs	-	-	-	-	-	-
Related Parties	-	-	-	-	-	-
Others	10.55	100%	6.57	100%	6.74	100%
	<b>10.55</b>		<b>6.57</b>		<b>6.74</b>	

\* Represents loans and advances in nature of loans

^Represents percentage to the loans and advances in the nature of loans

Note: - Loan to employees are interest free and are given in the capacity of employee only as per terms of HR policy of the Company.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### 10 Other financial assets

#### I. Non current

Margin money deposits  
Security deposits

#### II. Current

Security deposits  
Amount receivables from government authorities (incentive)  
Imprest recoverable from employees

(Amount in 'Rupees Lakhs' unless otherwise stated)

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
984.75	204.61	1,008.68
142.63	120.88	90.75
<b>1,127.38</b>	<b>325.49</b>	<b>1,099.43</b>

3.59	3.59	3.59
423.72	374.34	587.83
0.51	0.63	-
<b>427.82</b>	<b>378.56</b>	<b>591.42</b>

### 11 Income tax assets (net of provisions)

Advance income tax net of provision Rs. 5,704.71 (March 31, 2024 Rs. 5,704.71) (March 31, 2023: Rs. 5,704.71).

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
112.94	112.94	112.76
<b>112.94</b>	<b>112.94</b>	<b>112.76</b>

### 12 Other assets

#### I. Non current

Capital advances  
Prepaid expenses  
Balances with government authorities  
-Unsecured - considered good  
-Unsecured - considered doubtful

Less: Provision for doubtful balances

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
235.31	81.53	138.57
7.41	6.00	1.20
24.80	27.30	27.30
6.71	6.71	6.71
31.51	34.01	34.01
6.71	6.71	6.71
<b>24.80</b>	<b>27.30</b>	<b>27.30</b>
<b>267.52</b>	<b>114.83</b>	<b>167.07</b>

#### II. Current

Insurance claim recoverable  
Prepaid expenses  
Gratuity fund recoverable (Refer note 40)  
Advances to suppliers  
-Unsecured - considered good  
-Unsecured - considered doubtful

Less: Provision for doubtful advances

Balances with government authorities  
-Unsecured - considered good  
-Unsecured - considered doubtful

Less: Provision for doubtful advances

8.33	7.68	10.08
45.81	48.95	43.15
6.59	-	-
145.95	114.89	84.22
-	4.57	4.57
145.95	119.46	88.79
-	4.57	4.57
<b>145.95</b>	<b>114.89</b>	<b>84.22</b>
1,396.09	587.11	1,253.27
-	-	7.77
<b>1,396.09</b>	<b>587.11</b>	<b>1,261.04</b>
-	-	7.77
<b>1,396.09</b>	<b>587.11</b>	<b>1,253.27</b>
<b>1,602.77</b>	<b>758.63</b>	<b>1,390.72</b>

### 13 Inventories

(Valued at lower of cost and net realizable value)

Raw material, store and spares and packing material etc.  
- in stock  
Work in progress  
Finished goods  
Stock-in-trade (acquired for trading)  
Stores and spares  
Packing materials

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
3,342.56	2,746.70	2,456.45
560.43	667.52	677.51
1,731.60	1,491.21	1,121.07
19.84	28.27	34.43
56.47	60.86	68.57
49.10	39.73	39.35
<b>5,760.00</b>	<b>5,034.29</b>	<b>4,397.38</b>

Note: For details of inventories pledged as security for borrowings, see note 38.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 14 Trade receivables

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Secured, considered good	141.45	180.70	142.20
Unsecured, considered good	9,377.06	6,975.60	5,808.39
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	-	-	-
	<b>9,518.51</b>	<b>7,156.30</b>	<b>5,950.59</b>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>			
Secured, considered good	-	-	-
Unsecured, considered good	-	-	-
Trade receivables which have significant increase in credit risk	17.66	16.33	16.33
Trade receivables - credit impaired	-	-	-
	<b>17.66</b>	<b>16.33</b>	<b>16.33</b>
	<b>9,500.85</b>	<b>7,139.97</b>	<b>5,934.26</b>

Ageing for trade receivables outstanding as at March 31, 2025 is as follows:

	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables— considered good	9,063.09	375.67	52.20	-	9.89	9,500.85
Undisputed trade receivables— which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables— credit impaired	-	-	12.84	4.82	-	17.66
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
	<b>9,063.09</b>	<b>375.67</b>	<b>65.04</b>	<b>4.82</b>	<b>9.89</b>	<b>9,518.51</b>

Ageing for trade receivables outstanding as at March 31, 2024 is as follows:

	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables— considered good	7,006.68	76.20	45.08	0.08	11.93	7,139.97
Undisputed trade receivables— which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables— credit impaired	-	-	-	-	16.33	16.33
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
	<b>7,006.68</b>	<b>76.20</b>	<b>45.08</b>	<b>0.08</b>	<b>28.26</b>	<b>7,156.30</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Ageing for trade receivables outstanding as at April 01, 2023 is as follows:

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables—considered good	5,914.02	5.86	-	-	14.38	5,934.26
Undisputed trade receivables— which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables—	-	-	-	-	16.33	16.33
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
	5,914.02	5.86	-	-	30.71	5,950.59

### 15 Cash and cash equivalents

Balances with banks  
in current accounts  
Cash on hand

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
286.69	341.67	491.02
0.25	0.25	0.25
286.94	341.92	491.27

**Note:** There are no cash and cash equivalent balances held by the entity that are not available for use by the Company.

### 16 Bank balances other than cash and cash equivalents

Deposits with original maturity of more than 3 months but less than 12 months  
Balance in earmarked account - unpaid dividend accounts

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
11,188.14	8,791.74	4,824.24
9.96	10.38	11.28
11,198.10	8,802.12	4,835.52

#### Notes-

(a) The Company has an EEFC Account - balance is mentioned below:

(i) USD	1.75	1.02	2.92
(ii) INR	157.28	96.67	240.25

### 17 Share capital

#### Authorized

Equity shares of Rs. 10 each

March 31, 2025		As at March 31, 2024		As at April 01, 2023	
No's	Amount	No's	Amount	No's	Amount
30,00,000	300.00	30,00,000	300.00	30,00,000	300.00
30,00,000	300.00	30,00,000	300.00	30,00,000	300.00

#### Issued, subscribed and fully paid-up

Equity shares of Rs. 10 each fully paid up

25,08,370	250.84	25,08,370	250.84	25,08,370	250.84
25,08,370	250.84	25,08,370	250.84	25,08,370	250.84

#### a. Reconciliation statement of share capital

##### Equity shares

Balance of shares at the beginning of the year

Add: Movement during the year

As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
No's	Amount	No. of shares	Amount	No. of shares	Amount
25,08,370	250.84	25,08,370	250.84	25,08,370	250.84
-	-	-	-	-	-
25,08,370	250.84	25,08,370	250.84	25,08,370	250.84

#### b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### c. Details of shareholder's holding more than 5 % shares in the Company

	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Mohan Bir Sahni	7,14,335	28.48	7,13,535	28.45	7,13,535	28.45
Kanwal Deep Sahni	7,52,185	29.99	7,51,385	29.96	7,51,385	29.96
Satinder Sahni	1,72,800	6.89	1,72,800	6.89	1,72,800	6.89
Saheb Sahni	1,59,600	6.36	1,59,600	6.36	1,59,600	6.36
Karam Sahni	1,59,600	6.36	1,59,600	6.36	1,59,600	6.36
Mohinder Singh Sahni & Sons (HUF)	1,34,920	5.38	1,34,920	5.38	1,34,920	5.38

### d. Details of promoter's shareholding

S.No.	Promoter name	As at March 31, 2025		As at March 31, 2024		% change during the year	As at April 01, 2023		
		Number of shares	% of holding	Number of shares	% of holding		Number of shares	% of holding	% change during the year
1	Mohan Bir Sahni	7,14,335	28.48	7,13,535	28.45	-0.03	7,13,535	28.45	-
2	Kanwal Deep Sahni	7,52,185	29.99	7,51,385	29.96	-0.03	7,51,385	29.96	-

There is no change in the promoters shareholding during the year.

### e. Proposed dividend

#### Summary of dividend and proposed dividend

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Cash dividends on equity shares declared and paid</b>			
Final dividend for the year ended on March 31, 2025: Rs. 4 per share (March 31, 2024 Rs. 3 per share and April 1, 2023 Rs. 3 per share)	100.33	75.25	75.25
	<b>100.33</b>	<b>75.25</b>	<b>75.25</b>
<b>Proposed dividends on equity shares</b>			
Final dividend for the year ended on March 31, 2025: Rs. 5 per share (March 31, 2024 Rs. 4 per share and April 1, 2023 Rs. 3 per share)	125.42	100.33	75.25
	<b>125.42</b>	<b>100.33</b>	<b>75.25</b>

### f. Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the reporting date- Nil

### g. Shares held by holding or ultimate holding company

The Company does not have any holding company.

### 18 Other equity

- General reserve
- Securities premium
- Retained earnings
- Other comprehensive income

(Amount in 'Rupees Lakhs' unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
	3,335.99	2,590.17	2,115.11
	64.78	64.78	64.78
	29,659.40	23,047.32	19,018.36
	(77.72)	(46.14)	(16.69)
	<b>32,982.45</b>	<b>25,656.13</b>	<b>21,181.56</b>

- General reserve**  
Balance at the beginning of the year  
Add: Additions during the year  
Balance at the end of the year
- Securities premium**  
Balance at the beginning of the year  
Balance at the end of the year
- Retained earnings**  
Balance at the beginning of the year  
Add : Profit for the year  
Less: Appropriations during the year  
-Transfer to general reserve  
-Dividends distributed to equity shareholders (Rs. 4 per share) (Previous year Rs. 3 per share)
- Other comprehensive income**  
Remeasurement of defined benefit plans  
Opening balance  
Movement during the year  
Closing balance

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
	2,590.17	2,115.11	2,115.11
	745.82	475.06	-
	3,335.99	2,590.17	2,115.11
	64.78	64.78	64.78
	64.78	64.78	64.78
	23,047.32	19,018.36	19,018.36
	7,458.23	4,579.27	-
	745.82	475.06	-
	100.33	75.25	-
	29,659.40	23,047.32	19,018.36
	(46.14)	(16.69)	-
	(31.58)	(29.45)	(16.69)
	(77.72)	(46.14)	(16.69)



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### Notes:

#### a. General reserve:

The Company had transferred a part of the net profit of the Company to general reserve each year

#### b. Securities premium:

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

#### c. Retained earnings:

Retained earnings are profits of the Company earned till date less transferred to other reserves and dividend paid during the year.

#### d. Other comprehensive income:

Other comprehensive income comprises the balance of remeasurement of retirement benefit plans

### 19 Deferred tax liabilities (net)

(Amount in 'Rupees Lakhs' unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Deferred tax liabilities</b>			
Difference between tax depreciation and depreciation/amortisation charged in financial statement	159.11	165.60	134.44
Impact due to fair value of investment	5.64	1.03	0.59
Right to use assets	103.42	48.58	65.57
Others	0.08	0.08	0.06
<b>Total A</b>	<b>268.25</b>	<b>215.29</b>	<b>200.66</b>
<b>Deferred tax assets</b>			
Provision for doubtful advances	5.14	1.33	1.33
Provision for doubtful debts	93.50	4.76	4.76
Provision for employee benefits	-	100.46	95.99
Lease liabilities	113.19	52.58	65.57
Security deposit	0.03	0.01	-
<b>Total B</b>	<b>211.86</b>	<b>159.14</b>	<b>167.65</b>
<b>Deferred tax liability (net) (A-B)</b>	<b>56.39</b>	<b>56.15</b>	<b>33.01</b>
Amount charge to /(credit in) Statement of Profit and Loss	13.21	35.24	-
Amount charge to /(credit in) Other Comprehensive Income	(12.97)	(12.10)	-

### Note-

#### 1 Movement in the deferred tax liabilities (net)

##### Deferred tax (net)

- a. Deferred tax liability
- b. Deferred tax assets

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Deferred tax (net)</b>	<b>268.25</b>	<b>215.29</b>	<b>200.66</b>
a. Deferred tax liability	211.86	159.14	167.65
b. Deferred tax assets	56.39	56.15	33.01
	As at April 01, 2024	Recognised in profit and loss	Recognised in other comprehensive income "OCI"
<b>Deferred tax liabilities</b>			
- Difference between tax depreciation and depreciation/amortisation charged in financial statement	165.60	(6.49)	-
-Impact due to fair value of investment	1.03	4.61	-
-Right to use assets	48.58	54.84	-
-Others	0.08	-	-
	<b>215.29</b>	<b>52.96</b>	<b>-</b>
<b>Deferred tax assets</b>			
-Provision for doubtful advances	1.33	(1.33)	-
-Provision for doubtful debts	4.76	0.38	-
-Provision for employee benefits	100.46	(19.93)	12.97
-Lease liabilities	52.58	60.61	-
-Security deposit	0.01	0.02	-
	<b>159.14</b>	<b>39.75</b>	<b>12.97</b>
	<b>56.15</b>	<b>13.21</b>	<b>(12.97)</b>
			<b>56.39</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	As at April 01, 2024	Recognised in profit and loss	Recognised in other comprehensive income " OCI"	As at March 31, 2025
<b>Deferred tax liabilities</b>				
- Difference between tax depreciation and depreciation/amortisation charged in financial statement	134.44	31.16	-	165.60
-Impact due to fair value of investment	0.59	0.44	-	1.03
-Right to use assets	65.57	(16.99)	-	48.58
-Others	0.06	0.02	-	0.08
	<b>200.66</b>	<b>14.63</b>	<b>-</b>	<b>215.29</b>
<b>Deferred tax assets</b>				
-Provision for doubtful advances	1.33	-	-	1.33
-Provision for doubtful debts	4.76	-	-	4.76
-Provision for employee benefits	95.99	(7.63)	12.10	100.46
-Lease liabilities	65.57	(12.99)	-	52.58
-Security deposit	-	0.01	-	0.01
	<b>167.65</b>	<b>(20.61)</b>	<b>12.10</b>	<b>159.14</b>
	<b>33.01</b>	<b>35.24</b>	<b>(12.10)</b>	<b>56.15</b>

### 20 Provisions

#### I. Current

- Gratuity (Refer note 40)
- Compensated absence (Refer sub-note 'I' below)

Lease equalization reserve

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
	-	38.36	5.07
	172.00	168.66	142.13
	<b>172.00</b>	<b>207.02</b>	<b>147.20</b>

#### Notes:

- Provision for compensated absences have been created at the year end as per the employee's entitlement, which have been paid to the employees subsequent to year end.

### 21 Current tax liabilities (net)

Current tax liabilities (net of advance tax and tax deducted at source of Rs. 2,834.32, March 31, 2024 : Rs. 1,732.03, April 01, 2023 : Rs. 1,452.93)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
	226.01	183.26	159.04
	<b>226.01</b>	<b>183.26</b>	<b>159.04</b>

### 22 Trade payables

#### a. Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note i below)

Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
	531.67	364.58	521.77
	2,750.52	2,382.33	2,076.40
	<b>3,282.19</b>	<b>2,746.91</b>	<b>2,598.17</b>

#### Trade payables ageing schedule As at March 31, 2025

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	531.67	-	-	-	531.67
Total outstanding dues of creditors other than micro enterprises and small enterprises	494.94	2,247.68	1.38	3.14	3.38	2,750.52
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>494.94</b>	<b>2,779.35</b>	<b>1.38</b>	<b>3.14</b>	<b>3.38</b>	<b>3,282.19</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### Trade payables ageing schedule As at March 31, 2024

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	364.58	-	-	-	364.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	428.89	1,921.27	3.50	0.47	28.20	2,382.33
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>428.89</b>	<b>2,285.85</b>	<b>3.50</b>	<b>0.47</b>	<b>28.20</b>	<b>2,746.91</b>

### Trade payables ageing schedule As at April 01, 2023

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	521.44	0.10	-	0.23	521.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	290.90	1,755.56	1.97	1.63	26.34	2,076.40
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	<b>290.90</b>	<b>2,277.00</b>	<b>2.07</b>	<b>1.63</b>	<b>26.57</b>	<b>2,598.17</b>

#### Note:

As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007 and as certified by the management, the amount due to Micro and small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.			
- Principal	531.67	364.58	521.77
- interest due thereon	-	-	1.32
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year			
- Principal amount	364.58	521.77	10.56
- Interest	-	1.32	0.45
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.			
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	1.32
(v) The amount off urther interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 23 Lease liabilities

#### A) Non current

##### (i) Lease liability

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
278.82	124.65	180.70
<b>278.82</b>	<b>124.65</b>	<b>180.70</b>

#### B) Current

##### (i) Lease liability

109.89	56.05	44.48
<b>109.89</b>	<b>56.05</b>	<b>44.48</b>

### I Movement in lease liabilities during the year

#### a. Lease liabilities

- Non current
- Current

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
278.82	124.65	180.70
109.89	56.05	44.48
<b>388.71</b>	<b>180.70</b>	<b>225.18</b>

#### b. Balance at the beginning of the year

Additions during the year

180.70	225.18	225.18
307.72	-	-
<b>488.42</b>	<b>225.18</b>	<b>225.18</b>

Finance cost accrued during the year

- Statement of profit and loss account
- Cash outflow for leases

Balance as at end of the year

32.72	14.83	-
132.42	59.31	-
<b>388.71</b>	<b>180.70</b>	<b>225.18</b>

#### c. Maturity analysis of lease liabilities:

##### i. The table below provides details regarding the maturities of lease liabilities on discounted basis:

- 0-3 Months
- 3-6 Months
- 6-12 Months
- 1-3 years
- 3-5 years
- Above 5 years
- Total**

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
27.47	13.29	10.36
27.49	13.93	11.12
54.92	28.82	23.00
190.69	114.11	111.34
88.14	10.55	68.47
-	-	0.89
<b>388.71</b>	<b>180.70</b>	<b>225.18</b>

##### ii. The table below provides details regarding off lease liabilities on undiscounted basis:

- 0-3 Months
- 3-6 months
- 6-12 months
- 1-3 years
- 3-5 years
- Above 5 years
- Total**

34.36	16.49	14.16
33.94	16.91	15.02
66.15	33.91	30.13
215.82	124.00	129.65
91.05	10.82	71.58
-	-	0.90
<b>441.32</b>	<b>202.13</b>	<b>261.44</b>

#### d. Other disclosure

	Note no.			
Depreciation charge for right-of-use assets by class of underlying asset	33	119.54	58.52	-
Interest expense on lease liabilities.	32	32.72	14.83	-
The expense relating to short-term leases including leases with a lease term of one month or less	34	222.12	202.47	-
Payment of lease liabilities	23	132.42	59.31	-
Total cash outflow for leases.		<b>354.54</b>	<b>261.78</b>	-
Additions to right-of-use assets	7	307.71	-	-
Gains or (losses) arising from lease modification/closure		-	-	-
The carrying amount of right-of-use assets	7	359.54	171.37	229.89

i. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

ii. Lease contracts entered by the Company majorly pertains to buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

iii. 6% to 7.5% of interest rate implicit in the lease or lessee's incremental borrowing rate used for the measurement of lease liabilities.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### II Disclosures for operating leases other than leases covered in Ind AS 116

i. The Company has entered into cancellable operating leases and transactions for leasing of accommodation for administrative building, office space and godown etc. The tenure of lease is generally one year.

Terms of lease include operating terms for renewal, increase in rent in future period and terms of cancellation.

Lease expenses/income recognised during the year

Year ended March 31, 2025	Year ended March 31, 2024
------------------------------	------------------------------

See Note

#### a. As a lessee -rent expenses

Administrative building, office space and godown

34

222.12

202.47

### 24 Other financial liabilities

Unpaid dividends  
Interest accrued on trade payables  
Deposits from dealers (Refer sub-note below)  
Employee related liabilities  
Payables on purchase of property, plant and equipment

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
9.96	10.38	11.28
-	-	1.32
276.54	319.26	316.66
497.57	492.75	528.16
39.72	34.64	68.10
<b>823.79</b>	<b>857.03</b>	<b>925.52</b>

#### Note:

Deposits from dealers carry interest @ 6% per annum and repayable on expiry/ termination of agreement.

### 25 Other current liabilities

Statutory dues payable  
Advances from customers

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
119.46	106.22	106.46
55.06	19.93	10.43
<b>174.52</b>	<b>126.15</b>	<b>116.89</b>

### 26 Revenue from operations

#### i. Sale of products

a. Manufactured goods  
b. Traded goods

42,241.41	32,702.06
249.70	236.35
<b>42,491.11</b>	<b>32,938.41</b>

#### ii. Other operating revenues

1,416.68	1,124.69
<b>43,907.79</b>	<b>34,063.10</b>

#### Notes:

#### A. Revenue from contracts with customers disaggregated based on nature of product or service

##### a. Revenue from sale of products

##### Manufactured goods

- Filter and lubes

42,241.41	32,702.06
<b>42,241.41</b>	<b>32,702.06</b>

##### Traded goods

- Coolants

249.70	236.35
<b>249.70</b>	<b>236.35</b>

##### b. Other operating revenues

Export incentives

Sale of scrap

Sale of tools

565.22	385.23
851.46	721.99
-	17.47
<b>1,416.68</b>	<b>1,124.69</b>

#### Total revenue from operations

<b>43,907.79</b>	<b>34,063.10</b>
------------------	------------------

#### B. Revenue from contracts with customers disaggregated based on geography

a. Domestic - Product

b. Domestic - Other operating revenue

c. Exports - Product

21,014.83	19,522.23
1,416.68	1,124.69
21,476.28	13,416.18
<b>43,907.79</b>	<b>34,063.10</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
<b>C. Reconciliation of gross revenue from contracts with customers</b>		
Gross revenue from sale of products	42,813.91	33,259.96
Add: Cash discount and sales return etc	(322.80)	(321.55)
<b>Net revenue recognised from contracts with customers</b>	<b>42,491.11</b>	<b>32,938.41</b>
<b>D. Disclosure based on time</b>		
<b>Sale of products</b>		
Manufactured goods	42,241.41	32,702.06
Traded goods	249.70	236.35
Export incentives	565.22	385.23
Sale of scrap	851.46	721.99
Sale of tools	-	17.47
	<b>43,907.79</b>	<b>34,063.10</b>
<b>E. Export benefit and other incentives</b>		
On systematic basis when benefit accrued	565.22	385.23
	<b>565.22</b>	<b>385.23</b>
<b>27 Other income</b>		
Interest income		
- From banks on deposits	730.44	504.82
- On electricity deposits	1.00	0.39
- On gas connection deposits	0.64	-
- Interest income on financials assets	1.07	0.41
- Others	38.36	65.53
Net gain on foreign currency transactions and translation	452.82	214.04
Other non-operating income		
- Sundry balances written back	67.19	34.79
- Profit on sale of property, plant and equipment	1.39	25.98
- Gain on sale or fair value of mutual funds (FVTPL)	15.85	1.49
- Insurance claim received	9.58	0.29
- Miscellaneous income	32.45	48.67
	<b>1,350.79</b>	<b>896.41</b>
<b>28 Cost of materials consumed</b>		
Inventory at the beginning of the year	2,746.70	2,456.45
Add: Purchases during the year	19,678.81	15,956.51
	<b>22,425.51</b>	<b>18,412.96</b>
Less: Inventory at the end of the year	3,342.56	2,746.70
<b>Cost of materials consumed</b>	<b>19,082.95</b>	<b>15,666.26</b>
<b>29 Purchases of stock-in-trade (traded goods)</b>		
Coolants	180.75	171.43
	<b>180.75</b>	<b>171.43</b>
<b>30 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Inventories at the beginning of the year</b>		
- Finished goods (Including in transit)	1,491.21	1,121.07
- Work in progress	667.52	677.51
- Traded goods	28.27	34.43
	<b>2,187.00</b>	<b>1,833.01</b>
<b>Inventories at the end of the year</b>		
- Finished goods	1,731.60	1,491.21
- Work in progress	560.43	667.52
- Traded goods	19.84	28.27
	<b>2,311.87</b>	<b>2,187.00</b>
	<b>124.87</b>	<b>353.99</b>
<b>31 Employee benefits expenses</b>		
Salaries, wages and bonus	5,757.08	4,714.43
Contribution to provident fund and other funds	198.88	219.18
Gratuity expense (Refer Note 40)	74.85	61.84
Staff welfare expenses	83.19	67.06
	<b>6,114.00</b>	<b>5,062.51</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 32 Finance costs

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense		
- On security deposits from dealers	16.57	18.74
- On others	0.16	0.10
Interest on delayed payment of income tax	24.57	2.56
Amortisation of prepaid security deposit	1.13	0.44
Interest on lease liabilities	32.72	14.83
Other borrowing costs	0.30	0.97
	<b>75.45</b>	<b>37.64</b>

### 33 Depreciation and amortization expense

Depreciation on property, plant and equipment	1,311.95	1,177.98
Amortisation of intangible assets	39.62	41.03
Depreciation on right-of-use assets	119.54	58.52
	<b>1,471.11</b>	<b>1,277.53</b>

### 34 Other expenses

Consumption of stores and spare parts	396.21	333.19
Consumption of packing materials	729.52	584.51
Job work charges	1,420.21	1,320.94
Power and fuel	979.06	820.11
Rent including lease rentals	222.12	202.47
Repairs and maintenance		
- Buildings	101.04	104.90
- Plant and machinery	567.43	459.60
- Others	178.14	138.50
Insurance	43.23	61.36
Rates and taxes	14.76	5.74
Legal and professional	64.57	63.09
Travelling and conveyance	162.68	150.67
Freight outward	681.55	621.46
Shipping and forwarding	574.22	337.69
Licence fee	200.41	189.19
Postage and courier	17.67	18.78
Printing and stationery	20.11	18.84
Communication expenses	13.67	11.68
Sales promotion	445.49	262.43
Payment to auditors (Refer note 'a' below)	12.06	9.84
Research and development expenses (Refer note 'b' below)	443.09	357.45
Cash discount	322.59	321.09
Bank charges	9.53	10.85
Corporate social responsibility expenses (Refer note 39)	109.75	96.12
Warranty expenses	7.85	11.87
Conventions and exhibitions	28.68	16.05
Balances written off	42.51	4.87
Loss due to fire (Refer note 49)	32.59	-
Provision for doubtful trade receivables	17.66	-
Miscellaneous expenses	151.42	94.79
	<b>8,009.82</b>	<b>6,628.08</b>

#### Notes

#### a. Payment to auditors

##### As auditors:

For statutory audit	7.50	7.50
For tax audit	1.50	1.50
For other services	2.50	-

##### In other capacity:

For certification	0.15	0.63
Reimbursement of expenses	0.41	0.21
	<b>12.06</b>	<b>9.84</b>

### Net (Income) / Expenditure

#### b. Research and development expenditure

##### Revenue expenditure

Salaries	380.87	308.94
Repairs and maintenance	32.29	32.74
Consumables and samples	8.26	9.01
Travelling	7.44	3.31
Miscellaneous	14.23	3.45
	<b>443.09</b>	<b>357.45</b>

##### Capital expenditure

Plant and equipment	15.74	206.12
Furniture and Fixture	1.47	
Office equipment	0.09	
Computers	0.74	
	<b>18.04</b>	<b>206.12</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 35 Earnings per share

#### a. Basic EPS

		Year ended March 31, 2025	Year ended March 31, 2024
Profit for the year		7,458.23	4,579.27
Weighted average number of equity shares outstanding	No's	25,08,370.00	25,08,370.00
Face value of per share	Rs.	10.00	10.00
Basic earnings per share	Rs.	297.33	182.56

#### b. Diluted EPS

Profit for the year		7,458.23	4,579.27
Weighted average number of equity shares for calculation of diluted EPS	No's	25,08,370.00	25,08,370.00
Face value of per share	Rs.	10.00	10.00
Diluted earnings per share	Rs.	297.33	182.56

### 36 Tax expense

Current tax expense		3,035.82	1,912.74
Deferred tax benefit		13.21	35.24
		<b>3,049.03</b>	<b>1,947.98</b>
Income tax for earlier years (net)		(57.89)	(57.20)
<b>Tax expenses for the year recognised in Profit and loss</b>		<b>2,991.14</b>	<b>1,890.78</b>
Tax expense recognised in other comprehensive income ('OCI')		12.97	12.10
		<b>12.97</b>	<b>12.10</b>
<b>Total</b>		<b>3,004.11</b>	<b>1,902.88</b>

#### Reconciliation of tax expenses and accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024

Profit before tax		10,449.37	6,470.05
Applicable income tax rate		29.12%	29.12%
Estimated income tax expense		3,042.86	1,884.08
Tax effect of adjustments to reconcile expected income tax expense to reported			
Non taxable income/(expenses)		8.96	2.36
Income tax for earlier years		(57.89)	(57.20)
Others		(2.79)	61.54
<b>Income Tax expense in the Statement of Profit and Loss</b>		<b>2,991.14</b>	<b>1,890.78</b>

### 37 Contingent liabilities and commitments (to the extent not provided for)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>a. Claims against the Company not acknowledged as debt</b>			
<b>i. Disputed tax and other liabilities for:</b>			
(a) Excise duty	-	14.43	14.43
(b) Goods and services tax	77.02	64.69	-
	<b>77.02</b>	<b>79.12</b>	<b>14.43</b>
<b>ii. Summary of amount paid under protest against above:</b>			
(a) Excise duty	-	2.50	2.50
(b) Goods and services tax	4.17	2.94	-
	<b>4.17</b>	<b>5.44</b>	<b>2.50</b>

#### Note

The Company has reviewed its disputed liabilities and proceedings and does not expect material impact on financial position of the Company. Further cash outflow in respects of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

#### b. Guarantees excluding financial guarantees

Guarantees issued by bankers on behalf of Company. (These are covered by the charge created in favour of Company's banker by way of hypothecation of stock and trade receivables besides pledged deposits as margin money)	41.70	47.83	48.64
	<b>41.70</b>	<b>47.83</b>	<b>48.64</b>

#### c. Capital commitments

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided	424.06	134.06	376.05
	<b>424.06</b>	<b>134.06</b>	<b>376.05</b>

- d. The Company has other commitments, for purchase of goods and services and employee benefits, in the normal course of business.  
e. There are no amount which were required to be transferred to Investor Education and Protection Fund by the Company.  
f. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 38. Assets pledged as security

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

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Current assets:</b>		
<b>Financial assets</b>		
<b>Trade receivables (net)</b>		
Amount as per books of accounts (A)	9,500.85	7,139.97
Amount as per bank statement (B)	9,446.52	6,928.34
Difference(A-B)	54.33	211.63
<b>Inventories (excluding in transit)</b>		
Amount as per books of accounts (A)	5,760.00	5,034.29
Amount as per bank statement (B)	5,792.60	5,034.29
Difference(A-B)	(32.60)	-
<b>Total current assets mortgaged as security</b>	<b>15,260.85</b>	<b>12,174.26</b>

#### Reasons for material discrepancies in the month of March 31, 2025 and March 31, 2024

The quarterly returns or statements filed by the Company for working capital limits with banks are in agreement with the books of account of the Company except for statements filed for the quarter and year ended March 31, 2025 and March 31, 2024, where differences were noted between the amount as per books of account for quarter and amount as reported in the quarterly statements due to differences in case of trade receivables amounting to Rs. 54.33 and Rs. 211.63. The difference is primarily due to price settlement with the customers and recording of foreign exchange fluctuation at year end and differences in case of inventories amounting to Rs. 32.60 is primarily due to loss of inventory due to fire.

### 39 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of average net profit of the immediately preceding three financial year on Corporate Social Responsibility ('CSR') activities. The nature of CSR activities identified are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. The Company has formed a CSR committee as per the Act.

(i) The amount spent by the Company on CSR activities is as below:

	Year ended March 31, 2025	Year ended March 31, 2024
A. Gross amount required to be spent by the Company	109.68	96.12
<b>Total (A)</b>	<b>109.68</b>	<b>96.12</b>
B. Amount spent by the company:		
a. Expenditure/payments		
(i) YESS Charitable Trust #	3.00	1.50
(ii) B.Bhagwan Singh Elofic Charitable Trust #	7.00	6.62
(iii) Prime Minister's National Relief Fund	99.75	88.00
<b>Total expenditure</b>	<b>109.75</b>	<b>96.12</b>
C. Shortfall/(Excess) at the end of the year	(0.07)	-
D. Yess Charitable Trust and B.Bhagwan Singh Elofic Charitable Trust are related parties as per Indian Accounting Standard (Ind AS) 24.		

(ii) Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance as at the beginning of the year	(0.05)	(0.05)	58.02
Amount required to be spent during the period	109.68	96.12	78.43
Amount spent during the year	109.75	96.12	136.50
<b>Shortfall/(excess) as at the closing of the year</b>	<b>(0.12)</b>	<b>(0.05)</b>	<b>(0.05)</b>

(iii) Details of excess CSR expenditure under Section 135(5) of the Act

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance excess spent as at the beginning of the year	(0.05)	(0.05)	58.02
Amount required to be spent during the period	109.68	96.12	78.43
Amount spent during the year	109.75	96.12	136.50
<b>Shortfall/(excess) as at the closing of the year</b>	<b>(0.12)</b>	<b>(0.05)</b>	<b>(0.05)</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 40 Employee benefit obligations

#### a. Defined contribution plan

Provident Fund and Other Funds : A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and other acts to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.

	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to provident fund and other funds		
a. Contribution to provident fund	163.56	176.98
b. Contribution to employee state insurance	31.31	38.07
c. Contribution to welfare fund	4.01	4.13
	<b>198.88</b>	<b>219.18</b>

#### b. Defined benefits plan

**Gratuity:** The Company provides gratuity benefits to its employees in accordance with the provisions of the Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

#### (i) Principal actuarial assumptions

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Future salary increase	5.00%	5.00%	5.00%
Discount rate	6.75%	7.25%	7.50%
Mortality rates	100% of IALM (2012-14)	100% of IALM (2012-14)	100% of IALM (2012-14)
Attributes of ages: withdrawal rate (%)			
up to 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
Retirement age (years)	60	60	60

#### (ii) Amount recognised in the Statement of Profit and Loss

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	69.18	60.10
Net interest cost	44.74	41.29
Expected return on plan asset	(39.07)	(39.55)
<b>Expense recognised in the statement of profit and loss</b>	<b>74.85</b>	<b>61.84</b>

#### (iii) Amount recognised in other comprehensive income (OCI)

Remeasurement on the net defined benefit liability		
Actuarial (gain) / loss for the year on defined benefit obligation	45.37	35.06
Actuarial (gain) / loss for the year on plan assets	(0.82)	6.49
<b>Amount recognised in other comprehensive income</b>	<b>44.55</b>	<b>41.55</b>
	<b>119.40</b>	<b>103.39</b>

#### Notes:

- The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' in the Statement of Profit and Loss.
- The remeasurement of the net defined benefit liability is Included in other comprehensive income
- The Company gratuity scheme is funded and 100% of the fund is managed by Insurance Company



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### (iv) Movements in the present value of the defined benefit obligation

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>(a) Liability at the beginning of the year</b>	<b>617.18</b>	<b>550.61</b>	<b>550.61</b>
Interest costs	44.74	41.30	-
Current service costs	69.18	60.10	-
Benefits paid	(41.10)	(69.89)	-
Actuarial (gain) / loss on obligations due to change in obligation	45.37	35.06	-
<b>Liability at the end of the year</b>	<b>735.37</b>	<b>617.18</b>	<b>550.61</b>

<b>(b) Fair value of plan assets at beginning of the year</b>	<b>578.82</b>	<b>545.55</b>	<b>545.55</b>
Expected return on plan assets	39.07	39.55	-
Contributions	164.35	70.10	-
Benefits paid	(41.10)	(69.89)	-
Actuarial gain / (loss) on plan assets	0.82	(6.49)	-
<b>Fair value of plan assets at end of the year</b>	<b>741.96</b>	<b>578.82</b>	<b>545.55</b>

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Provision for gratuity (net)	-	38.36	5.06
Gratuity fund receivable (net)	6.59	-	-
<b>Total</b>	<b>6.59</b>	<b>38.36</b>	<b>5.06</b>

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Provision for gratuity	-	-	-
- Non-current	-	-	-
- Current	-	38.36	5.07
	-	<b>38.36</b>	<b>5.07</b>

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Gratuity fund receivable	-	-	-
- Non-current	-	-	-
- Current	6.59	-	-
	<b>6.59</b>	-	-

### (v) Experience adjustments

	Year ended March 31, 2025	Year ended March 31, 2024
Present value of DBO	735.37	617.18
Fair value of plan assets	741.96	578.82
Funded status	-	-
(Gain)/loss on obligation	10.88	20.42
Gain/(loss) on plan assets	0.82	(6.49)

### (vi) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

	As at March 31, 2025	As at March 31, 2024
<b>A. Impact of the change in discount rate</b>		
Impact due to increase of 1 %	660.68	554.83
Impact due to decrease of 1 %	824.17	691.43
<b>B. Impact of the change in salary increase</b>		
Impact due to increase of 1 %	824.87	691.86
Impact due to decrease of 1 %	658.87	553.56
<b>C. Impact of the change in withdrawal rate</b>		
Impact due to increase of 1 %	747.13	630.71
Impact due to decrease of 1 %	721.87	601.64



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

Notes:

- i. Sensitivities due to mortality and withdrawals are not material, hence impact of change not calculated
- ii. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.
- iii. The above sensitivity analysis are without giving the impact of tax

(vii) Maturity profile of defined benefit obligation

Financial year	As at	As at
	March 31, 2025	March 31, 2024
0 to 1 Year	81.25	73.13
1 to 2 Year	11.62	9.97
2 to 3 Year	32.75	13.68
3 to 4 Year	21.88	28.26
4 to 5 Year	14.91	19.35
Above 5 years	572.96	472.79
	735.37	617.18

Description of actuarial risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow:

- a. Salary increases: Change in rate of future salary increase in subsequent years will result in higher liability.
- b. Discount rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- c. Mortality and disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- d. Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates in subsequent valuations can impact plan's liability.

c. Actuarial assumptions for compensated absences are as below

	As at	As at
	March 31, 2025	March 31, 2024
i. Discounting rate	6.75%	7.25%
ii. Future increase salary	5.00%	5.00%

d. Expected contribution for the next year

	As at	As at
	March 31, 2025	March 31, 2024
Expected contribution for the next year	80.82	71.65



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 41 Segment information

The Company is engaged in the manufacture and supply of automobile filters and lubes and has classified the operations as primary segment. Accordingly, there is no reporting requirements of primary segment. Geographical revenues are allocated based on the location of the customer. Geographical segments of the Company are India and Outside India. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

	India	Outside India	Total
<b>Revenue from external customers by location of customers</b>			
<b>Sale of products</b>			
Year ended March 31, 2025	21,014.83	21,476.28	42,491.11
Year ended March 31, 2024	(19,522.23)	(13,416.18)	(32,938.41)
<b>Other operating revenues</b>			
Year ended March 31, 2025	421.11	995.57	1,416.68
Year ended March 31, 2024	(445.39)	(679.30)	(1,124.69)
<b>Other income</b>			
Year ended March 31, 2025	284.20	279.23	563.43
Year ended March 31, 2024	(202.59)	(121.18)	(323.77)
<b>Total revenue</b>			
Year ended March 31, 2025	<b>21,720.14</b>	<b>22,751.08</b>	<b>44,471.22</b>
Year ended March 31, 2024	<b>(20,170.21)</b>	<b>(14,216.66)</b>	<b>(34,386.87)</b>
<b>Segment result</b>			
Year ended March 31, 2025	<b>2,083.38</b>	<b>7,654.08</b>	<b>9,737.46</b>
Year ended March 31, 2024	<b>(2,551.02)</b>	<b>(3,384.03)</b>	<b>(5,935.05)</b>
<b>Unallocable expenses (net)</b>			
Year ended March 31, 2025			75.45
Year ended March 31, 2024			(37.64)
<b>Operating income</b>			
Year ended March 31, 2025			<b>9,662.01</b>
Year ended March 31, 2024			<b>(5,897.41)</b>
<b>Other income (net)</b>			
Year ended March 31, 2025			787.36
Year ended March 31, 2024			(572.64)
<b>Profit before tax</b>			
Year ended March 31, 2025			<b>10,449.37</b>
Year ended March 31, 2024			<b>(6,470.05)</b>
<b>Tax expense</b>			
Year ended March 31, 2025			2,991.14
Year ended March 31, 2024			(1,890.78)
<b>Profit after tax for the year</b>			
Year ended March 31, 2025			<b>7,458.23</b>
Year ended March 31, 2024			<b>(4,579.27)</b>
<b>Segment assets</b>			
As at March 31, 2025	30,483.75	7,320.35	37,804.10
As at March 31, 2024	(24,979.73)	(5,147.51)	(30,127.24)
As at April 01, 2023	(21,066.46)	(4,435.67)	(25,502.13)
<b>Unallocated assets</b>			
As at March 31, 2025			552.80
As at March 31, 2024			(136.95)
As at April 01, 2023			(135.28)
<b>Total assets</b>			
As at March 31, 2025			<b>38,356.90</b>
As at March 31, 2024			<b>(30,264.19)</b>
As at April 01, 2023			<b>(25,637.41)</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	India	Outside India	Total
<b>Segment liabilities</b>			
As at March 31, 2025	4,526.79	304.46	4,831.25
As at March 31, 2024	(4,013.08)	(94.35)	(4,107.43)
As at April 01, 2023	(3,800.69)	(199.67)	(4,000.36)
<b>Unallocated liabilities</b>			
As at March 31, 2025			292.36
As at March 31, 2024			(249.79)
As at April 01, 2023			(204.65)
<b>Total liabilities</b>			
As at March 31, 2025			5,123.61
As at March 31, 2024			(4,357.22)
As at April 01, 2023			(4,205.01)
<b>Depreciation and amortization expense</b> (see note 'd' below)			
Year ended March 31, 2025	727.57	743.54	1,471.11
Year ended March 31, 2024	(757.18)	(520.35)	(1,277.53)
<b>Cost to acquire tangible and intangible fixed assets</b>			
Year ended March 31, 2025	1,700.56	-	1,700.56
Year ended March 31, 2024	(2,625.73)	(-)	(2,625.73)
<b>Non-cash expenses other than depreciation and amortisation</b>			
Year ended March 31, 2025	-	-	-
Year ended March 31, 2024	(-)	(-)	(-)

**Notes:**

- The unallocated expenses comprises finance costs and unallocated income comprises interest income
- Unallocated assets include investments, advance tax and tax deducted at source
- Unallocated liabilities include borrowings, deferred tax/current tax liabilities and unpaid dividend
- Other income, expenses and depreciation not directly allocable to segments are allocated to the segment based on proportionate sales in the segments.
- The measurement of segment results is consistent with that in the statement of profit and loss. Items included in other comprehensive income are not allocated to operating segments.

**42 Related party disclosures****a. List of related parties****i. Wholly owned subsidiary companies**

- Elofic USA, LLC

**ii. Key management personnel**

- |                                |                         |
|--------------------------------|-------------------------|
| a. Mr. M.B.Sahni               | Managing Director       |
| b. Mr. K.D.Sahni               | Joint Managing Director |
| c. Maj. Gen. J.S. Bedi (Retd.) | Whole Time Director     |

**iii. Close member of key managerial personnel**

- |   |                            |
|---|----------------------------|
| a. Mr. Karam Sahni (Son of Mr. K.D.Sahni) | Head OEM Business          |
| b. Mr. Saheb Sahni (Son of Mr. M.B.Sahni) | Head Excellence Department |

**iv. Entities over which executive directors or relatives are able to exercise control/significant influence**

- Elofic Industries (India) (Partnership Firm)
- Mettler Auto Private Limited
- Jasmo Kamal & Company (Partnership Firm)
- YESS Charitable Trust
- B.Bhagwan Singh Elofic Charitable Trust



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

b. Transactions /balances outstanding with related parties

Subsidiary	Key management personnel			Close member of key managerial personnel			Entities over which executive directors or relatives are able to exercise control/significant influence			Total	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2024
A. Transactions during the year											
Interest income Elofic USA, LLC	36.69	63.44	-	-	-	-	-	-	36.69	63.44	63.44
	36.69	63.44	-	-	-	-	-	-	36.69	63.44	63.44
Sale of goods Elofic USA, LLC	8,079.94	6,429.26	-	-	-	-	-	-	8,079.94	6,429.26	6,429.26
	8,079.94	6,429.26	-	-	-	-	-	-	8,079.94	6,429.26	6,429.26
Discount allowed Elofic USA, LLC	105.10	-	-	-	-	-	-	-	105.10	-	-
	105.10	-	-	-	-	-	-	-	105.10	-	-
Service charges Elofic USA, LLC	1.67	2.09	-	-	-	-	-	-	1.67	2.09	2.09
	1.67	2.09	-	-	-	-	-	-	1.67	2.09	2.09
Expenses recovered Elofic USA, LLC	7.32	2.00	-	-	-	-	-	-	7.32	2.00	2.00
	7.32	2.00	-	-	-	-	-	-	7.32	2.00	2.00
Rent paid Elofic Industries (India) (Partnership Firm)	-	-	-	-	-	-	220.95	199.37	220.95	199.37	199.37
	-	-	-	-	-	-	220.38	198.80	220.38	198.80	198.80
Mettler Auto Private Limited Jasmo Kamal & Company (Partnership Firm)	-	-	-	-	-	-	0.31	0.31	0.31	0.31	0.31
	-	-	-	-	-	-	0.26	0.26	0.26	0.26	0.26
Licence fees Elofic Industries (India) (Partnership Firm)	-	-	-	-	-	-	200.41	189.19	200.41	189.19	189.19
	-	-	-	-	-	-	200.41	189.19	200.41	189.19	189.19
Donation given YES Charitable Trust B.Bhagwan Singh Elofic Charitable Trust	-	-	-	-	-	-	10.00	8.12	10.00	8.12	8.12
	-	-	-	-	-	-	3.00	1.50	3.00	1.50	1.50
Consultancy Mettler Auto Private Limited	-	-	-	-	-	-	14.04	12.66	14.04	12.66	12.66
	-	-	-	-	-	-	14.04	12.66	14.04	12.66	12.66
Remuneration paid Mr. M.B.Sahni	-	-	497.88	337.82	72.10	62.41	-	-	569.98	400.23	400.23
	-	-	222.78	144.47	-	-	-	-	222.78	144.47	144.47
Mr. K.D.Sahni	-	-	222.78	144.47	-	-	-	-	222.78	144.47	144.47
	-	-	52.32	48.88	-	-	-	-	52.32	48.88	48.88
Maj. Gen. J.S. Bedi (Retd.)	-	-	-	-	36.05	31.20	-	-	36.05	31.20	31.20
	-	-	-	-	36.05	31.21	-	-	36.05	31.21	31.21
Club fees Mr. M.B.Sahni	-	-	1.91	1.99	-	-	-	-	1.91	1.99	1.99
	-	-	0.19	0.22	-	-	-	-	0.19	0.22	0.22
Mr. K.D.Sahni	-	-	1.72	1.77	-	-	-	-	1.72	1.77	1.77
	-	-	-	-	-	-	-	-	-	-	-



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Outstanding balances</b>			
<b>Trade payables</b>	<b>232.47</b>	<b>219.46</b>	<b>204.85</b>
Entities over which executive directors or relatives are able to exercise control/significant influence			
Elofic Industries (India) (Partnership Firm)	232.47	219.46	204.85
<b>Employee related liabilities</b>			
<b>Key Management Personnel</b>	<b>17.33</b>	<b>18.27</b>	<b>14.84</b>
Mr. M.B.Sahni	5.84	5.29	4.94
Mr. K.D.Sahni	6.15	7.49	4.94
Maj. Gen. J.S. Bedi (Retd.)	1.68	2.35	2.06
<b>Close member of key managerial personnel</b>			
Mr. Karam Sahni	1.83	1.57	1.45
Mr. Saheb Sahni	1.83	1.57	1.45
<b>Trade receivables</b>	<b>2,913.58</b>	<b>3,122.09</b>	<b>3,089.55</b>
<b>Subsidiary</b>			
Elofic USA, LLC	2,913.58	3,122.09	3,089.55
<b>Investments</b>	<b>0.49</b>	<b>0.49</b>	<b>0.49</b>
<b>Subsidiary</b>			
Elofic USA, LLC	0.49	0.49	0.49

### Notes:

- All transactions with the 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 in cash within 12 month of reporting date. There have been no guarantees provided or received for any related party payables/receivables. No expenses has been recognized during the current year in respect of bad or doubtful debts/advances and further no specific provision for doubtful debts/advances has been made in respect of outstanding balances.
- Remuneration does not include expense in respect of gratuity as the same is determined on an actuarial basis for the Company as a whole.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### 43 Financial instruments

(Amount in 'Rupees Lakhs' unless otherwise stated)

#### a. Categories of financial instruments

The carrying amount of the Company's financial instruments is as below:

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Financial asset</b>			
<b>I Measured at cost</b>			
i. Investments in subsidiaries and jointly controlled entities	0.49	0.49	0.49
<b>II Measured at amortised cost</b>			
i. Other financial assets			
-Non-current	1,127.38	325.49	1,099.43
-Current	427.82	378.56	591.42
ii. Trade receivables	9,500.85	7,139.97	5,934.26
iii. Cash and cash equivalents	286.94	341.92	491.27
iv. Other bank balances	11,198.10	8,802.12	4,835.52
v. Loans			
- Current	10.55	6.57	6.74
<b>III Measured at fair value through Profit and Loss (FVTPL)</b>			
i. Investments			
-Current	439.37	23.52	22.03
<b>Financial liabilities</b>			
<b>I Measured at amortised cost</b>			
i. Lease liabilities			
- Non current	278.82	124.65	180.70
- Current	109.89	56.05	44.48
ii. Trade payables	3,282.19	2,746.91	2,598.17
iii. Other current financial liabilities	823.79	857.03	925.52

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

**Level I:** includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level II:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level III:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset are included in level 3.

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- i. Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- ii. The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use Unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- iii. The fair values of the remaining fair value through other comprehensive income "FVTOCI" financial assets are derived from quoted market prices in active markets.

b. Fair value hierarchy

The disclosure of the financial instruments measured at fair value and valuation technique are as follows:

	Fair value hierarchy	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Financials assets				
Investments in mutual fund (FVTPL)	Level I	439.37	23.52	22.03

c. Financials risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, lease liabilities and other financial liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include investment loans, trade and other receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

d. Financial risk management

The Company's senior management oversees the risk management framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk
- Liquidity risk

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### I. Currency risk

- a. The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.
- b. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in Euro, USD, and GBP against the functional currencies of the Company. Any weakening of the functional currency may impact the Company's exports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.
- c. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign currency exposures for the year ended are as follows:

Currency		As at March 31, 2025			As at March 31, 2024		
		Total	Hedged	Unhedged	Total	Hedged	Unhedged
Receivables	Rupees	6,818.50	-	6,818.50	4,621.62	-	4,621.62
	USD	79.67	-	79.67	55.44	-	55.44
	Rupees	490.09	-	490.09	460.81	-	460.81
	EURO	5.31	-	5.31	5.11	-	5.11
	Rupees	11.76	-	11.76	65.08	-	65.08
	GBP	0.11	-	0.11	0.62	-	0.62
Payables	Rupees	301.91	-	301.91	94.35	-	94.35
	USD	3.53	-	3.53	1.13	-	1.13
	Rupees	2.55	-	2.55	-	-	-
	EURO	0.03	-	0.03	-	-	-

Currency		As at April 01, 2023		
		Total	Hedged	Unhedged
Receivables	Rupees	4,111.64	-	4,111.64
	USD	50.01	-	50.01
	Rupees	287.87	-	287.87
	EURO	3.21	-	3.21
	Rupees	36.16	-	36.16
	GBP	0.35	-	0.35
Payables	Rupees	175.91	-	175.91
	USD	2.14	-	2.14
	Rupees	23.76	-	23.76
	EURO	0.27	-	0.27

#### i. Foreign currency risk exposure (unhedged only)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Financial assets	7,320	5,147.51	4,435.67
Financial liabilities	304.46	94.35	199.67
<b>Net exposure (Assets)</b>	<b>(7,016)</b>	<b>(5,053.16)</b>	<b>(4,236.00)</b>

#### ii. Sensitivity

The details of the Company's sensitivity to a 1% increase and decrease in the Rs. against the relevant foreign currency ('USD'). 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Impact on profit or loss for the year	(70.16)	(50.53)	(42.36)
Impact on total equity as at the end of reporting year	(52.50)	(37.81)	(31.70)

This is mainly attributable to the exposure outstanding on Currency USD receivables and payables by the Company at the end of the reporting period. Impact on profit for the year are gross of tax.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

iii. The Company has open derivative positions as at March 31, 2025, March 31, 2024 and April 01, 2023 as at follows

		As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Receivables	Rupees	-	167.56	-
	USD	-	2.00	-

### II. Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period as the Company uses the buyers credit and other credit instruments for short period of time whenever required. There is no credit utilised at the year end in current year and in previous year.

### III. Other price risks

The Company is exposed to equity price risks arising from equity investments.

Equity investments in unlisted entities are held for strategic rather than trading purposes. The Company does not actively trade these investments.

#### Equity price sensitivity analysis

Company has invested in subsidiary. Hence no amount recognised in the statement of profit and loss as all amount of investment are carried at cost.

### B. Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company's exposure to customers is diversified and two customers contributes to more than 10% of outstanding trade receivable.

#### Reconciliation of loss allowance provision

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Opening balance	16.33	16.33	16.33
Additional provision made	17.66	-	-
Reversal of provision during the year	16.33	-	-
Provision adjusted against the amount written off	-	-	-
Closing provision	17.66	16.33	16.33

The provision for loss allowances of trade receivables have been made by the management on the evaluation of trade receivables. The management at each reporting period made an assessment on recoverability of balances and on the best estimate basis the provision for loss allowances have been created.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### C. Liquidity risk management

a. 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.

b. The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. 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 principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

#### Maturities of financial liabilities

	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
<b>As on March 31, 2025</b>					
<b>Non derivative</b>					
Trade payables	3,282.19	-	-	-	3,282.19
Lease liability	109.88	190.69	88.14	-	388.71
Other financial liabilities	823.79	-	-	-	823.79

	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
<b>As on March 31, 2024</b>					
<b>Non derivative</b>					
Trade payables	2,746.91	-	-	-	2,746.91
Lease liability	56.04	114.11	10.55	-	180.70
Other financial liabilities	857.03	-	-	-	857.03

	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
<b>As on April 01, 2023</b>					
<b>Non derivative</b>					
Trade payables	2,598.17	-	-	-	2,598.17
Lease liability	44.48	111.34	68.47	0.89	225.18
Other financial liabilities	925.52	-	-	-	925.52

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

#### Maturities of financial assets

	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
<b>As on March 31, 2025</b>					
<b>Non derivative</b>					
Other financial assets					
- Current	427.82	-	-	-	427.82
- Non-current	-	1,118.38	9.00	-	1,127.38
Investments	439.37	-	-	0.49	439.86
Trade receivables	9,500.85	-	-	-	9,500.85
Cash and cash equivalents	286.94	-	-	-	286.94
Bank balances other than cash and cash equivalent	11,198.10	-	-	-	11,198.10
<b>Loans</b>					
- Current	10.55	-	-	-	10.55



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

As on March 31, 2024

**Non derivative**

Other financial assets					
- Current	378.56	-	-	-	378.56
- Non- current	-	321.52	3.97	-	325.49
Investments	23.52	-	-	0.49	24.01
Trade receivables	7,139.97	-	-	-	7,139.97
Cash and cash equivalents	341.92	-	-	-	341.92
Bank balances other than cash and cash equivalent	8,802.12	-	-	-	8,802.12
Loans					
- Current	6.57	-	-	-	6.57

0-12 Months	1-3 years	3-5 years	More than 5 year	Total
-------------	-----------	-----------	------------------	-------

As on April 01, 2023

**Non derivative**

Other financial assets					
- Current	591.42	-	-	-	591.42
- Non- current	-	1,095.73	3.70	-	1,099.43
Investments	22.03	-	-	0.49	22.52
Trade receivables	5,934.26	-	-	-	5,934.26
Cash and cash equivalents	491.27	-	-	-	491.27
Bank balances other than cash and cash equivalent	4,835.52	-	-	-	4,835.52
Loans					
- Current	6.74	-	-	-	6.74

**e. 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 parent. 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 monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents and current investments.

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Net debt			
a. Lease liabilities	388.71	180.70	225.18
	<b>388.71</b>	<b>180.70</b>	<b>225.18</b>
b. Cash and cash equivalents	286.94	341.92	491.27
c. Current investments	439.37	23.52	22.03
	<b>726.31</b>	<b>365.44</b>	<b>513.30</b>
<b>Net debt</b>	<b>(337.60)</b>	<b>(184.74)</b>	<b>(288.12)</b>
<b>Total equity</b>	<b>33,233.29</b>	<b>25,906.97</b>	<b>21,432.40</b>
<b>Net debt to equity ratio</b>	<b>-1.02%</b>	<b>-0.71%</b>	<b>-1.34%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024 and March 31, 2023.

- 44 The Board of Directors have recommended a final dividend of 50% (Rs. 5.00/- per Equity Share of Rs. 10/- each) for the financial year 2024-2025 subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company



(Amount in 'Rupees Lakhs' unless otherwise stated)

## 45 Disclosure of financial ratios

Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance %	Reason for variance
Current ratio	Current assets	Current liabilities	6.10	5.38	13%	Not material
Debt-equity ratio	Total debt	Total equity	0.01	0.01	68%	Due to addition in lease liabilities.
Debt service coverage ratio	Net operating Income	Total debt service	0.27	0.23	19%	Not material
Inventory turnover ratio	Cost of goods sold	Average inventory	3.51	3.25	8%	Not material
Trade receivable turnover ratio	Net sales	Average trade receivables	5.28	5.21	1%	Not material
Trade payable turnover ratio	Net purchases	Average trade payables	6.59	6.03	9%	Not material
Net capital turnover ratio	Net sales	Working capital	1.80	1.86	-3%	Not material
Net profit ratio	Profit after tax	Net sales	0.17	0.13	26%	Due to increase in the current year profit
Return on equity ratio	Profit after tax	Total equity	0.22	0.18	27%	Due to increase in the current year profit
Return on capital employed	Earning before interest and tax	Capital employed	0.31	0.25	26%	Due to increase in the current year profit
Return on investment	Earning before interest and tax	Total assets	0.27	0.22	28%	Due to increase in the current year profit

**Note:**

Where the variation is more than 25%, it is due to the inclusion of profitability / income of the current year and whereas there is no significant change in debts from previous year.

## (i) Working of the ratios

Basis of ratios	Year ended March 31, 2025	Ratio	Year ended March 31, 2024	Ratio
<b>a. Current ratio</b>				
Current assets	29,226.40	6.10	22,485.58	5.38
Current liability	4,788.40		4,176.42	
<b>b. Debt equity ratio</b>				
Total debt (see note ii)	388.71	0.01	180.70	0.01
Total equity (equity share capital+ other equity)	33,233.29		25,906.97	
<b>c. Debt service coverage ratio</b>				
Net operating income (Profit after tax+Finance cost+Depreciation and amortisation expenses)	9,004.79	0.27	5,894.44	0.23
Total debt service (Long term debt+Short term debt+Capital lease obligation)	33,233.29		25,906.97	
<b>d. Inventory turnover ratio</b>				
Cost of goods sold	18,958.08	3.51	15,312.27	3.25
Average Inventory = (Opening stock + Closing stock) / 2	5,397.15		4,715.84	
<b>e. Trade receivables turnover ratio</b>				
Net sales (Total sales - Sales return)	43,907.79	5.28	34,063.10	5.21
Average trade receivables = (Opening debtors +Closing debtors) / 2	8,320.41		6,537.12	
<b>f. Trade payables turnover ratio</b>				
Total purchases (Net of purchase return)	19,859.56	6.59	16,127.94	6.03
Average trade payables = (Opening creditors + Closing creditors) / 2	3,014.55		2,672.54	
<b>g. Net capital turnover ratio</b>				
Net sales (Total sales - Sales return)	43,907.79	1.80	34,063.10	1.86
Working capital = Current assets - Current liabilities	24,438.00		18,309.16	
<b>h. Net profit ratio</b>				
Profit after tax	7,458.23	0.17	4,579.27	0.13
Net sales (Total sales - Sales return)	43,907.79		34,063.10	
<b>i. Return on equity ratio</b>				
Profit after tax	7,458.23	0.22	4,579.27	0.18
Total equity (Equity share capital+ other equity)	33,233.29		25,906.97	
<b>j. Return on capital employed</b>				
Earnings before interest and tax	10,524.82	0.31	6,507.69	0.25
Capital employed = Total assets - Current liabilities	33,568.50		26,087.77	
<b>k. Return on investment</b>				
Earnings before interest and tax	10,524.82	0.27	6,507.69	0.22
Total assets	38,356.90		30,264.19	

## (ii) Total debt

	As at March 31, 2025	As at March 31, 2024
<b>a. Lease liability</b>		
Non-current	278.82	124.65
Current	109.89	56.05
	<b>388.71</b>	<b>180.70</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 46. Transition to Ind AS

As mentioned in note 1.1, these financial statements for the year ended March 31, 2025, are the first financial statements of the Company prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. For periods up to and including the year ended March 31, 2024, the Company prepared its financial statements in accordance with "previous GAAP", including accounting standards notified under the Companies (Accounting Standards) Amendment Rules, 2021.

Accordingly, the Company has prepared standalone financial statements which comply with Ind-AS applicable for periods ended on or after March 31, 2025, together with the comparative period data as at and for the year ended March 31, 2024, as described in the summary of material accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2023, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at April 01, 2023 and the financial statements as at and for the year ended March 31, 2024.

In preparing its Ind AS financial statements as at April 01, 2023 and in presenting the comparative information for the year ended March 31, 2024, the company has adjusted amounts reported previously in the financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows.

#### 1. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

##### Transition elections

Explanation of the Ind AS 101 exceptions and exemptions to the full retrospective application of Ind AS applied by the Company

In the Ind AS opening Balance Sheet as at April 01, 2023, the carrying amounts of assets and liabilities from the Previous GAAP as at March 31, 2023 are generally recognized and measured according to Ind AS in effect for the financial year ended as on March 31, 2025. For certain individual cases, however, Ind AS 101 provides for optional exemptions to the general principles of retrospective application of Ind AS. The Company has made use of the following exemptions in preparing its Ind AS opening Balance Sheet.

#### 1.1 Ind AS optional exemptions

##### (i) Property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, if any. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

##### (ii) Investments made in subsidiaries

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for investments in subsidiaries as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

##### (iii) Leases

During the transition to Ind AS 116, the Company has applied the modified retrospective approach, as permitted under the standard. This approach allows for the recognition of the cumulative effect of initially applying the standard at the date of initial application. In accordance with the transitional provisions of Ind AS 116, the Company has chosen the following exemptions and practical expedients:

**a) Exemption for short-term leases and low-value assets:** The Company has elected not to recognize right-of-use assets and lease liabilities for leases with a lease term of 12 months or less and leases of low-value assets, as permitted by Ind AS 116. These lease payments continue to be recognized as an expense on a straight-line basis over the lease term.

##### b) Use of practical expedients:

- Hindsight in determining lease term: The Company has used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

- Exclusion of initial direct costs: Initial direct costs were excluded from the measurement of the right-of-use asset at the date of initial application.

- Application of single discount rate: A single discount rate has been applied to a portfolio of leases with reasonably similar characteristics.

c) Measurement of right-of-use assets: Right-of-use assets were measured at an amount equal to the lease liability, adjusted by any prepaid or accrued lease payments, as permitted under the modified retrospective approach.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 1.2 Ind AS mandatory exception

#### Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 01, 2023 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

#### Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

### 2 Reconciliation of total equity as at March 31, 2024 and April 01, 2023

Particulars	As at	As at
	March 31, 2024	April 01, 2023
Equity under previous Indian GAAP	27,096.26	22,421.48
<b>GAAP adjustments:</b>		
Depreciation on right of use assets (Ind AS 116)	(58.52)	-
Depreciation on leasehold land	0.16	-
Finance cost on lease liability (Ind AS 116)	(14.83)	-
Reversal of actual rent (Ind AS 116)	59.31	-
Interest income on security deposit (Ind AS 109)	0.41	-
Amortisation of prepaid security deposit	(0.44)	-
Fair valuation of investment	3.52	2.03
Reversal of lease equalisation reserve	1.53	1.53
Investment carried at amortised cost	(1,183.70)	(991.10)
Deferred tax on adjustments made (Ind AS 12)	2.81	(1.54)
<b>Equity as per Ind AS</b>	<b>25,906.97</b>	<b>21,432.40</b>



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

#### 3 First time Ind AS adoption reconciliations

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS consisting of GAAP adjustments and reclassifications which management became aware about pursuant to errors made under previous GAAP, which have now been appropriately distinguished and presented separately from GAAP adjustments:

#### A. Effect of Ind AS adoption on the balance sheet as at March 31, 2024 and April 01, 2023

Particulars	Notes	As at April 01, 2023		As at March 31, 2024	
		IGAAP	Effects of transition to Ind-AS	Ind AS	Effects of transition to Ind-AS
<b>Assets</b>					
<b>Non-current assets</b>					
(a) Property, plant and equipment	B5	5,646.17	(4.71)	5,641.46	6,815.49
(b) Capital work-in-progress		563.29	-	563.29	95.24
(c) Other intangible assets		17.33	-	17.33	147.31
(d) Intangible assets under development		136.35	-	136.35	-
(e) Right to use assets	A1	-	229.89	229.89	171.37
(f) Financial assets					
(i) Investments	B1, B2	991.59	(991.10)	0.49	1,184.19
(ii) Other financial assets	A2	1,101.07	(1.64)	1,099.43	326.74
(g) Income tax assets (net of provisions)		112.76	-	112.76	112.94
(h) Other non-current assets	A2	165.88	1.19	167.07	114.07
<b>Total non-current assets</b>		<b>8,734.44</b>	<b>(766.37)</b>	<b>7,968.07</b>	<b>8,795.98</b>
				<b>(1,017.37)</b>	<b>7,778.61</b>
<b>Current assets</b>					
(a) Inventories		4,397.38	-	4,397.38	5,034.29
(b) Financial assets					
(i) Investments	A5	20.00	2.03	22.03	20.00
(ii) Trade receivables		5,934.26	-	5,934.26	7,139.97
(iii) Cash and cash equivalents		491.27	-	491.27	341.92
(iv) Bank balances other than cash and cash equivalents		4,835.52	-	4,835.52	8,802.12
(v) Loans		6.74	-	6.74	6.57
(vi) Other financial assets		591.42	-	591.42	378.56
(c) Other current assets	A2	1,390.27	0.45	1,390.72	758.17
<b>Total current assets</b>		<b>17,666.86</b>	<b>2.48</b>	<b>17,669.34</b>	<b>22,481.60</b>
				<b>3.98</b>	<b>22,485.58</b>
<b>Total assets</b>		<b>26,401.30</b>	<b>(763.89)</b>	<b>25,637.41</b>	<b>31,277.58</b>
				<b>(1,013.39)</b>	<b>30,264.19</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
(a) Equity share capital	Refer note 2	250.84	-	250.84	250.84
(b) Other equity	above	22,170.64	(989.08)	21,181.56	26,845.42
				<b>(1,189.29)</b>	<b>25,656.13</b>
<b>Total equity</b>		<b>22,421.48</b>	<b>(989.08)</b>	<b>21,432.40</b>	<b>27,096.26</b>
				<b>(1,189.29)</b>	<b>25,906.97</b>



# NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

(Amount in 'Rupees Lakhs' unless otherwise stated)							
Particulars	Notes	As at April 01, 2023		As at March 31, 2024			
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
<b>Non-current liabilities</b>							
(a) Financial liabilities							
(i) Lease liabilities	A1	-	180.70	180.70	-	124.65	124.65
(b) Deferred tax liabilities (net)	A4	31.47	1.54	33.01	58.96	(2.81)	56.15
(c) Provisions	B4	0.26	(0.26)	-	1.67	(1.67)	-
<b>Total non-current liabilities</b>		<b>31.73</b>	<b>181.98</b>	<b>213.71</b>	<b>60.63</b>	<b>120.17</b>	<b>180.80</b>
<b>Current liabilities</b>							
(a) Financial liabilities							
(i) Lease liabilities	A1	-	44.48	44.48	-	56.05	56.05
(ii) Trade payables							
(A) Total outstanding dues of micro enterprises and small enterprises		521.77	-	521.77	364.58	-	364.58
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,111.81	(35.41)	2,076.40	2,382.33	-	2,382.33
(iii) Other financial liabilities							
(b) Other current liabilities		890.11	35.41	925.52	857.03	-	857.03
(c) Provisions	B3	116.89	-	116.89	126.15	-	126.15
(d) Current tax liabilities (net)		148.47	(1.27)	147.20	207.34	(0.32)	207.02
		159.04	-	159.04	183.26	-	183.26
<b>Total current liabilities</b>		<b>3,948.09</b>	<b>43.21</b>	<b>3,991.30</b>	<b>4,120.69</b>	<b>55.73</b>	<b>4,176.42</b>
<b>Total equity and liabilities</b>		<b>26,401.30</b>	<b>(763.89)</b>	<b>25,637.41</b>	<b>31,277.58</b>	<b>(1,013.39)</b>	<b>30,264.19</b>

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### B. Effect of Ind AS adoption on the Statement of Profit and loss for the year ended March 31, 2024

Particulars	Notes	For the year ended March 31, 2024		
		IGAAP	Effects of transition to Ind-AS	Ind AS
<b>I</b> Revenue from operations		34,063.10	-	34,063.10
<b>II</b> Other income	A2, A5	895.04	1.37	896.41
<b>III</b> Total income (I + II)		<b>34,958.14</b>	<b>1.37</b>	<b>34,959.51</b>
<b>IV</b> Expenses				
(a) Cost of materials consumed		15,666.26	-	15,666.26
(b) Purchases of stock-in-trade		171.43	-	171.43
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade		(353.99)	-	(353.99)
(d) Employee benefits expense	A3	5,104.06	(41.55)	5,062.51
(e) Finance costs	A1, A2	22.37	15.27	37.64
(f) Depreciation and amortization expense	A1	1,219.17	58.36	1,277.53
(g) Other expenses	A1, B3, B4	6,687.85	(59.77)	6,628.08
<b>Total expenses (IV)</b>		<b>28,517.15</b>	<b>(27.69)</b>	<b>28,489.46</b>
<b>V</b> Profit before tax (III - IV)		6,440.99	29.06	6,470.05
<b>VI</b> Share of profit from Elofic USA LLC	B1	248.91	(248.91)	-
<b>VII</b> Profit before tax (V + VI)		<b>6,689.90</b>	<b>(219.85)</b>	<b>6,470.05</b>
<b>VI</b> Tax expense				
(a) Current tax		1,912.74	-	1,912.74
(b) Deferred tax	A4	27.49	7.75	35.24
(c) Tax adjustment of earlier years	B1	(0.89)	(56.31)	(57.20)
<b>Net tax expense</b>		<b>1,939.34</b>	<b>(48.56)</b>	<b>1,890.78</b>
<b>VII</b> Profit for the year (V-VI)		<b>4,750.56</b>	<b>(171.29)</b>	<b>4,579.27</b>
<b>VIII</b> Other comprehensive income ('OCI')				
(a) Items that will not be reclassified to profit or loss - re-measurement of post employment benefit obligations	A3	-	(41.55)	(41.55)
(b) Income tax relating to items that will not be reclassified to profit and loss		-	12.10	12.10
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>(29.45)</b>	<b>(29.45)</b>
<b>IX</b> Total comprehensive income (VII+VIII)		<b>4,750.56</b>	<b>(200.74)</b>	<b>4,549.82</b>
<b>X</b> Earnings per equity share (face value of Rs. 10 per share)				
Profit attributable to equity shareholders		4,750.56	(171.29)	4,579.27
Weighted average number of equity shares for basic and diluted EPS		25,08,370	25,08,370	25,08,370
<b>Total</b>		<b>25,08,370</b>	<b>25,08,370</b>	<b>25,08,370</b>
<b>Basic and diluted EPS (Rs.)</b>		<b>189.39</b>	<b>(6.83)</b>	<b>182.56</b>

### C. Reconciliation of statement of cash flow for the year ended March 31, 2024

	Local GAAP*	Adjustments	Ind AS
Net cash flow from operating activities	4,222.71	255.18	4,477.89
Net cash flow from investing activities	(4,261.16)	(194.97)	(4,456.13)
Net cash used in financing activities	(98.94)	-	(159.15)
<b>Net increase in cash and cash equivalents</b>	<b>(137.39)</b>	<b>60.21</b>	<b>(137.39)</b>
Cash and cash equivalents as at April 01, 2023	491.27	-	491.27
Effect of exchange differences on balances with banks in foreign currency	(11.96)	-	(11.96)
<b>Cash and cash equivalents as at March 31, 2024</b>	<b>341.92</b>	<b>-</b>	<b>341.92</b>

\* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Footnotes to the reconciliation of equity as at April 01, 2023 and March 31, 2024 and profit or loss for the year ended March 31, 2024

#### A.1 Ind AS 116 implementation

At the date of transition, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Company has recognised right-of-use asset and a corresponding lease liability for leasehold buildings as on April 01, 2023.

As a result of applying Ind AS 116, during the year ended March 31, 2024, depreciation on the right-of-use assets and interest on lease liabilities have replaced lease expenses previously recognized under IGAAP in statement of profit and loss. of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### A.1 Ind AS 116 implementation

At the date of transition, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Company has recognised right-of-use asset and a corresponding lease liability for leasehold buildings as on April 01, 2023.

As a result of applying Ind AS 116, during the year ended March 31, 2024, depreciation on the right-of-use assets and interest on lease liabilities have replaced lease expenses previously recognized under IGAAP in statement of profit and loss. of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

### A.2 Financial assets at amortised cost

Under the previous GAAP, security deposits provided to lessors were recorded at their transaction value. However, under Ind AS 109, financial assets that are measured at amortised cost are required to be initially recognised at fair value and subsequently at amortised cost using the Effective Interest Rate (EIR) method.

As per this requirement, security deposits have been discounted and recorded at their amortised cost. The difference between the nominal value of the deposit and its fair value is recognised as part of the prepaid lease rent. This amount is then amortised on a straight-line basis over the lease term. Additionally, the interest on the security deposit is recognised over the lease period using the EIR method.

### A.3 Remeasurement of post employment benefits obligation

Under previous GAAP, the Company accounted for actuarial (gain)/loss on gratuity of Rs. 41.55 as part of employee benefits expense. Under Ind AS, the same has been reclassified to other comprehensive income. The tax impact of the same has also been adjusted accordingly from the Statement of Profit and Loss to Other Comprehensive Income.

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and tax thereon. The concept of other comprehensive income does not exist under previous GAAP.

### A.4 Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

In addition, the various transitional adjustments and restatements lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction in retained earnings.

### A.5 Financial assets at fair value through profit and loss (FVTPL)

Under the previous GAAP, current investment in mutual funds were recorded at their cost. However, under Ind AS 109, financial assets that are initially measured at cost are required to be subsequently measured at fair value.

## B. Reclassification done to comply with the presentation requirement of Schedule III of the Companies Act, 2013

B.1 Under the previous GAAP, investments totalling Rs. 991.10 as of the transition date and Rs. 1,183.70 as of March 31, 2024, were classified as non-current investments. Upon transitioning to Ind AS, the amount of Rs. 991.10 was reclassified to retained earnings under other equity. Additionally, Rs. 248.91 was reversed through the Profit and Loss account, and Rs. 56.31 was recognized as dividend income under other income for the year ended March 31, 2024.

B.2 Under previous GAAP, investments amounting to Rs. 0.49 on transition date and Rs. 0.49 as on March 31, 2024 were classified as non-current investments. Upon transition to Ind AS, these amounts have been reclassified to investments under financial assets.

B.3 Under the previous GAAP, the lease equalization reserve, amounting to Rs. 1.27 as of the transition date and Rs. 0.32 as of March 31, 2024, was classified as a current provision. Upon transitioning to Ind AS, the amount of Rs. 1.27 was reclassified to retained earnings under other equity, while Rs. 0.32 was reversed through the profit and loss account for the year ended March 31, 2024.

B.4 Under the previous GAAP, the lease equalization reserve, amounting to Rs. 0.26 as of the transition date and Rs. 1.67 as of March 31, 2024, was classified as a non-current provision. Upon transitioning to Ind AS, Rs. 0.26 was reclassified to retained earnings under other equity, while Rs. 0.14 was reversed through the profit and loss account for the year ending March 31, 2024.

B.5 Under the previous GAAP, leasehold land amounting to Rs. 4.71 as of the transition date and Rs. 4.55 as of March 31, 2024, was classified under property, plant and equipment. Upon transition to Ind AS, these amounts were reclassified to right-of-use assets in accordance with Ind AS 116.

### C. Statement of cash flows

The transition from Indian GAAP to Ind AS has not a material impact on the statement of cash flow except for the reclassification mentioned in C above. Refer reconciliation of statement of cash flows for the year ended March 31, 2024.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

47 The Company has incurred the following cost of research and development activities at its center at Faridabad

Financial year	Capital expenses	Revenue expenses
2009-10	3.86	39.75
2010-11	6.82	47.69
2011-12	73.06	55.02
2012-13	30.17	82.51
2013-14	79.80	102.34
2014-15	34.95	132.61
2015-16	17.37	133.23
2016-17	62.65	112.04
2017-18	35.23	150.35
2018-19	16.95	220.04
2019-20	16.27	233.23
2020-21	30.96	222.76
2021-22	7.01	258.07
2022-23	0.16	285.10
2023-24	206.12	357.45
2024-25	18.04	443.09

48 The charges which yet to be satisfied with Registrar of Companies (ROC) as at March 31, 2025 are as follows:

Brief description of charges	Location of ROC	Amount	Date of creation / modification
Book debts	New Delhi	300.00	23.02.2024
Immovable properties	New Delhi	300.00	23.02.2024

During the year, the Company has not made any change in terms of its cash credit.

49 A fire incident occurred at the Company's paper plant located at 11/7, Mathura Road, Faridabad, on January 13, 2025. Following the incident, the necessary survey and assessment were carried out, and the management assessed a total loss of Rs. 38.46 including GST of Rs. 5.87 on account of burnt stock.

An insurance claim for the assessed loss was duly filed in the subsequent financial year, after completing a proper assessment. The filing is supported by documentary evidence submitted to the insurance company.

### 50 Other statutory information

- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- No penalties were imposed by the regulator during the year during the financial year ended March 31, 2025.
- 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.
- The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

- g. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - h. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - 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 to or on behalf of the Ultimate Beneficiaries.
  - i. The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - j. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
  - k. The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
  - l. The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the company.
51. There are no subsequent event observed after the reporting period which have material impact on the Company's operation.
52. The Board of Directors of the Company approved the standalone financial statements for issuance by resolution passed at the board meeting held on May 31, 2025 and authorised the Directors to sign the standalone financial statements.



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As per our report of even date attached

**For S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration No.: 000050N/N500045

**For and on behalf of the Board of Directors of  
Elofic Industries Limited**

**Bhaskar Sen**  
Partner  
Membership No.: 096985

Place: Gurugram  
Date: May 31, 2025

**K. D. Sahni**  
Joint Managing Director  
DIN: 00901216

Place: Faridabad  
Date: May 31, 2025

**M. B. Sahni**  
Managing Director  
DIN: 00906251

Place: Faridabad  
Date: May 31, 2025

**Maj. Gen. J.S. Bedi (Retd.)**  
Director  
DIN: 08583060

Place: Faridabad  
Date: May 31, 2025

**Adish Suri**  
Vice President -  
Finance

Place: Faridabad  
Date: May 31, 2025



## INDEPENDENT AUDITOR'S REPORT

To the Members of Elofic Industries Limited

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Elofic Industries Limited ("the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statements and other financial information of the subsidiary referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act (Ind AS) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2025, of consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor in terms of their report referred to Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, on the other information that we 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 in this regard.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position,



## INDEPENDENT AUDITOR'S REPORT

consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.



## INDEPENDENT AUDITOR'S REPORT

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

### Other Matter

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 4,480.54 lakhs as at March 31, 2025, total revenues of Rs. 9,185.79 lakhs and net cash outflow amounting to Rs. 139.76 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements and other financial information has been audited by other auditor whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditor.

### Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO report. In respect of the subsidiary, which is incorporated outside India, the provisions of CARO are not applicable.
2. As required by Section 143(3) of the Act based on our audit and on the consideration of report of other auditor on separate financial statements and the other financial information of subsidiary, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor, except for the matter stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014.



## INDEPENDENT AUDITOR'S REPORT

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of Holding Company taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- (g) With respect to the adequacy of internal financial controls with reference to financial statements of the Holding Company, refer to our separate report in Annexure A. In respect of the subsidiary, which is incorporated outside India, the provisions of Section 143 (3)(i) on adequacy and operating effectiveness of the internal financial controls, of the Companies Act, 2013 are not applicable.
- (h) 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 Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. In respect of the subsidiary, which is incorporated outside India, the provisions of Section 197 of the Act are not applicable.
- (I) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements, as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 37 (a) to the consolidated financial statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts – Refer Note 37 (f) to the consolidated financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. In respect of the subsidiary, which is incorporated outside India, the provisions of amount to be transferred to the Investor Education and Protection Fund are not applicable – Refer Note 37 (e) to the consolidated financial statements.
  - iv. (a) The respective management of the Holding Company, whose financial statements have been audited under the Act, has represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company, to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or the subsidiary, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. In respect of the subsidiary, which is incorporated outside India, the provisions of this clause are not applicable.



## INDEPENDENT AUDITOR'S REPORT

- (b) The respective management of the Holding Company, whose financial statements have been audited under the Act, has represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company, from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company, shall, 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. In respect of the subsidiary, which is incorporated outside India, the provisions of this clause are not applicable.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us whose financial statements have been audited under the Act, nothing has come to our notice that has caused us or other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement. In respect of the subsidiary, which is incorporated outside India, the provisions of this clause are not applicable.
- v. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- vi. Based on our examination which included test checks, the Holding Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and is operated by a third-party software service provider. In the absence of audit evidence for the period July 01, 2024 to March 31, 2025, we are unable to comment whether the audit trail feature of the said software was enabled and operated during the year, for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with and whether the audit trail has been preserved by the Holding Company as per the statutory requirements for record retention. In respect of the subsidiary, which is incorporated outside India, the provisions of this clause is not applicable.

Additionally, the audit trail to the extent it was enabled, as stated above, has been preserved by the Holding Company as per the statutory requirements for record retention. In respect of the subsidiary, which is incorporated outside India, these provisions are not applicable.

### For S.N. Dhawan & CO LLP

Chartered Accountants

Firm Registration No.: 000050N/N500045

### Bhaskar Sen

Partner

Membership No.: 096985

UDIN: 25096985BMOPWC4136

Place: Gurugram

Date: 31 May, 2025



## INDEPENDENT AUDITOR'S REPORT

### Annexure A to the Independent Auditor's Report

(Referred to in paragraph (g) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Elofic Industries Limited on the consolidated financial statements as of and for the year ended March 31, 2025)

### Independent Auditor's report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of **Elofic Industries Limited** (hereinafter referred to as the "Holding Company"), as of that date.

### Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, its associates and joint ventures, as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

### Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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.



## INDEPENDENT AUDITOR'S REPORT

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

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

### Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, which is a company incorporated in India, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note.

### Other matter

As per the information provided to us, reporting on internal financial controls over financial reporting was not applicable for the subsidiary, as it is a foreign entity. The financial statements of this subsidiary has been audited by other auditor for the purpose of consolidation, and they have not issued a report on the internal financial controls of the subsidiary.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

**Bhaskar Sen**

Partner

Membership No.: 096985

UDIN: 25096985BMOPWC4136

Place: Gurugram

Date: 31 May, 2025



**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025**

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Note no.	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Assets</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	3	6,908.04	6,810.94	5,641.46
(b) Capital work-in-progress	4	231.46	95.24	563.29
(c) Other intangible assets	5	117.88	147.31	17.33
(d) Intangible assets under development	6	5.25	-	136.35
(e) Right to use assets	7	359.54	171.37	229.89
(f) Financial assets				
(i) Other financial assets	10	1,127.38	325.49	1,099.43
(g) Income tax assets (net of provisions)	11	112.94	112.94	112.76
(h) Other non-current assets	12	267.52	114.83	167.07
		<b>9,130.01</b>	<b>7,778.12</b>	<b>7,967.58</b>
<b>Current assets</b>				
(a) Inventories	13	6,766.44	6,060.14	5,677.30
(b) Financial assets				
(i) Investments	8	439.37	23.52	22.03
(ii) Trade receivables	14	8,484.32	5,655.09	4,170.70
(iii) Cash and cash equivalents	15	379.02	573.76	495.73
(iv) Bank balances other than cash and cash equivalents	16	11,198.10	8,802.12	4,835.52
(v) Loans	9	10.55	6.57	6.74
(vi) Other financial assets	10	427.82	378.56	591.42
(c) Other current assets	12	1,604.07	760.40	1,395.69
		<b>29,309.69</b>	<b>22,260.16</b>	<b>17,195.13</b>
<b>Total assets</b>		<b>38,439.70</b>	<b>30,038.28</b>	<b>25,162.71</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	17	250.84	250.84	250.84
(b) Other equity	18	33,028.77	25,395.76	20,672.15
<b>Total equity</b>		<b>33,279.61</b>	<b>25,646.60</b>	<b>20,922.99</b>
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Lease liabilities	23	278.82	124.65	180.70
(b) Deferred tax liabilities (net)	19	56.39	56.15	33.01
		<b>335.21</b>	<b>180.80</b>	<b>213.71</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Lease liabilities	23	109.89	56.05	44.48
(ii) Trade payables	22			
(A) Total outstanding dues of micro enterprises and small enterprises		531.67	364.58	521.77
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,787.00	2,416.79	2,111.11
(iii) Other financial liabilities	24	823.79	857.03	925.52
(b) Other current liabilities	25	174.52	126.15	116.89
(c) Provisions	20	172.00	207.02	147.20
(d) Current tax liabilities (net)	21	226.01	183.26	159.04
		<b>4,824.88</b>	<b>4,210.88</b>	<b>4,026.01</b>
<b>Total liabilities</b>		<b>5,160.09</b>	<b>4,391.68</b>	<b>4,239.72</b>
<b>Total equity and liabilities</b>		<b>38,439.70</b>	<b>30,038.28</b>	<b>25,162.71</b>

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

**For S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

**Bhaskar Sen**

Partner

Membership No.: 096985

Place: Gurugram

Date: May 31, 2025

**For and on behalf of the Board of Directors of****Elofic Industries Limited****K. D. Sahni**

Joint Managing Director

DIN: 00901216

Place: Faridabad

Date: May 31, 2025

**Maj. Gen. J.S. Bedi (Retd.)**

Director

DIN: 08583060

Place: Faridabad

Date: May 31, 2025

**M. B. Sahni**

Managing Director

DIN: 00906251

Place: Faridabad

Date: May 31, 2025

**Adish Suri**

Vice President -

Finance

Place: Faridabad

Date: May 31, 2025



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Note no.	Year ended March 31, 2025	Year ended March 31, 2024
I Revenue from operations	26	45,005.61	35,176.02
II Other income	27	1,147.98	739.98
III Total income (I + II)		<u>46,153.59</u>	<u>35,916.00</u>
IV Expenses			
(a) Cost of materials consumed	28	19,082.95	15,666.26
(b) Purchases of stock-in-trade	29	515.58	405.41
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(105.46)	(99.92)
(d) Employee benefits expense	31	6,114.00	5,062.51
(e) Finance costs	32	75.45	37.64
(f) Depreciation and amortization expense	33	1,471.11	1,277.53
(g) Other expenses	34	8,230.57	6,810.14
Total expenses (IV)		<u>35,384.20</u>	<u>29,159.57</u>
V Profit before tax (III - IV)		<u>10,769.39</u>	<u>6,756.43</u>
VI Tax expense			
(a) Current tax		3,035.82	1,912.74
(b) Deferred tax		13.21	35.24
(c) Tax adjustment of earlier years		(5.25)	(0.89)
Net tax expense		<u>3,043.78</u>	<u>1,947.09</u>
VII Profit for the year (V-VI)		<u>7,725.61</u>	<u>4,809.34</u>
VIII Other comprehensive income ('OCI')			
(a) Items that will not be reclassified to profit or loss		(44.55)	(41.55)
- re-measurement of post employment benefit obligations			
- Income tax relating to items that will not be reclassified to profit and loss		12.97	12.10
		<u>(31.58)</u>	<u>(29.45)</u>
(b) Items that will be reclassified to profit or loss		39.31	18.97
- Exchange differences on translating financial statements of foreign subsidiary			
Other comprehensive income for the year		<u>7.73</u>	<u>(10.48)</u>
IX Total comprehensive income (VII+VIII)		<u>7,733.34</u>	<u>4,798.86</u>
X Earnings per equity share (face value of Rs. 10 per share)			
(a) Basic	35	307.99	191.73
(b) Diluted	35	307.99	191.73

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

**For S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration No.: 000050N/N500045

**Bhaskar Sen**  
Partner  
Membership No.: 096985

Place: Gurugram  
Date: May 31, 2025

**For and on behalf of the Board of Directors of  
Elofic Industries Limited**

**K. D. Sahni**  
Joint Managing Director  
DIN: 00901216

Place: Faridabad  
Date: May 31, 2025

**Maj. Gen. J.S. Bedi (Retd.)**  
Director  
DIN: 08583060

Place: Faridabad  
Date: May 31, 2025

**M. B. Sahni**  
Managing Director  
DIN: 00906251

Place: Faridabad  
Date: May 31, 2025

**Adish Suri**  
Vice President -  
Finance

Place: Faridabad  
Date: May 31, 2025



# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>Cash flow from operating activities</b>			
Net profit before tax		10,769.39	6,756.43
<b>Adjustments for</b>			
Depreciation and amortization expense		1,471.11	1,277.53
Finance costs		75.45	37.64
Interest income		(734.82)	(505.62)
(Profit)/ loss on sale of property, plant and equipment		(1.39)	(25.98)
(Profit)/loss on sale of mutual fund investments		(15.85)	(1.49)
Sundry balances written back		(75.21)	(34.79)
(Gain)/loss on exchange fluctuation		(64.58)	(61.56)
Provision for doubtful trade receivables		17.66	-
Balances written off		48.61	6.61
<b>Operating profit before working capital changes</b>		<b>11,490.37</b>	<b>7,448.77</b>
<b>Changes in working capital:</b>			
Adjustments for (increase) / decrease in operating assets:			
Inventories		(638.25)	(339.94)
Trade receivables		(2,792.65)	(1,394.25)
Other assets		(843.67)	630.08
Other financial assets		(69.94)	183.14
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		537.86	136.09
Other financial liabilities		(38.32)	(33.71)
Other current liabilities		48.37	9.26
Provisions		(79.57)	18.27
<b>Cash generated from operations</b>		<b>7,614.20</b>	<b>6,657.71</b>
Income taxes paid (Net)		(2,987.82)	(1,887.81)
<b>Net cash generated from / (used) in operating activities (A)</b>		<b>4,626.38</b>	<b>4,769.90</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment, including capital work-in-progress, intangible assets		(1,754.02)	(1,902.51)
Sale proceeds of property, plant and equipment		46.00	38.00
Fixed deposits (made)/ matured during the year		(780.14)	804.07
Loans given		(3.98)	0.17
Investments in mutual funds		(400.00)	-
(Increase)/decrease in bank balances not classified as cash and cash equivalent (net)		(2,395.98)	(3,966.60)
Interest income received		733.75	505.21
<b>Net cash generated from / (used) in investing activities (B)</b>		<b>(4,554.37)</b>	<b>(4,521.66)</b>
<b>Cash flow from financing activities</b>			
Repayment of lease liabilities		(132.42)	(59.31)
Interest paid		(41.60)	(23.69)
Dividend paid		(100.33)	(75.25)
<b>Net cash generated from / (used) in financing activities (C)</b>		<b>(274.35)</b>	<b>(158.25)</b>
<b>Net increase(decrease) in cash and cash equivalents</b>	<b>15</b>	<b>(202.34)</b>	<b>89.99</b>
Cash and cash equivalents at the beginning of the year		573.76	495.73
Effect of exchange differences on balances with banks in foreign currency		7.60	(11.96)
<b>Cash and cash equivalents at the end of the year</b>		<b>379.02</b>	<b>573.76</b>
<b>Cash and cash equivalents at the end of the year comprises</b>			
Cash on hand		0.25	0.25
Balance with banks in current accounts		378.77	573.51
		<b>379.02</b>	<b>573.76</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

**For S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration No.: 000050N/N500045

**For and on behalf of the Board of Directors of  
Elofic Industries Limited**

**Bhaskar Sen**  
Partner  
Membership No.: 096985

Place: Gurugram  
Date: May 31, 2025

**K. D. Sahni**  
Joint Managing Director  
DIN: 00901216

Place: Faridabad  
Date: May 31, 2025

**M. B. Sahni**  
Managing Director  
DIN: 00906251

Place: Faridabad  
Date: May 31, 2025

**Maj. Gen. J.S. Bedi (Retd.)**

Director  
DIN: 08583060

Place: Faridabad  
Date: May 31, 2025

**Adish Suri**

Vice President -  
Finance

Place: Faridabad  
Date: May 31, 2025



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### a. Equity share capital

Particular	No. of shares	Amount
Balance as at April 01, 2023	25,08,370	250.84
Changes in equity share capital during the year	-	-
Balance as at March 31, 2024	25,08,370	250.84
Changes in equity share capital during the year	-	-
Balance as at March 31, 2025	25,08,370	250.84

### b. Other equity

	Reserves and surplus				Other comprehensive	Total
	General reserve	Securities premium	Foreign currency translation reserve	Retained earnings	Remeasurement of defined benefit plans	
Balance as at April 01, 2023	2,068.78	64.78	231.80	18,323.48	(16.69)	20,672.15
Profit for the year	-	-	-	4,809.34	-	4,809.34
Dividend paid	-	-	-	(75.25)	-	(75.25)
Transfer to general reserve	475.06	-	-	(475.06)	-	-
Foreign currency translation reserve	-	-	18.97	-	-	18.97
Remeasurement gain/(loss) on defined benefit plans, net of income tax	-	-	-	-	(29.45)	(29.45)
Balance as at March 31, 2024	2,543.84	64.78	250.77	22,582.51	(46.14)	25,395.76
Profit for the year	-	-	-	7,725.61	-	7,725.61
Dividend paid	-	-	-	(100.33)	-	(100.33)
Transfer to general reserve	745.79	-	-	(745.79)	-	-
Foreign currency translation reserve	-	-	39.31	-	-	39.31
Remeasurement gain/(loss) on defined benefit plans, net of income tax	-	-	-	-	(31.58)	(31.58)
Balance as at March 31, 2025	3,289.63	64.78	290.08	29,462.00	(77.72)	33,028.77

**Note:** During the year there has been no change in equity share capital and other equity on account of prior period errors.

The accompanying notes are an integral part of the consolidated financial statements.

**For S. N. Dhawan & CO LLP**  
Chartered Accountants  
Firm's Registration No. 000050N/N500045

**For and on behalf of the Board of Directors of Elofic Industries Limited**

**Bhaskar Sen**  
Partner  
Membership No.: 096985

Place: Gurugram  
Date: May 31, 2025

**K. D. Sahni**  
Joint Managing Director  
DIN: 00901216

Place: Faridabad  
Date: May 31, 2025

**M. B. Sahni**  
Managing Director  
DIN: 00906251

Place: Faridabad  
Date: May 31, 2025

**Maj. Gen. J.S. Bedi (Retd.)**  
Director  
DIN: 08583060

Place: Faridabad  
Date: May 31, 2025

**Adish Suri**  
Vice President - Finance

Place: Faridabad  
Date: May 31, 2025



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate Information

Elofic Industries Limited ("the Holding Company" or "the Company") incorporated in India, with its registered office situated at 14/4, Mathura Road, Faridabad-121003. The Holding Company's CIN is U74999HR1973PLC070262. It was incorporated on June 02, 1973 under the provisions of the Companies Act 1956. The Group has six manufacturing units located in Faridabad, Noida, Hosur and Nalagarh. The Holding Company, along with its subsidiary (collectively referred to as "the Group") is engaged in manufacturing and supplying of automobile filters and lubes.

#### 1.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies ( Indian Accounting Standards ) Amendment Rules, 2016 and relevant amendment rules issued there after and other accounting principles generally accepted in India.

The consolidated financial statements for all periods up to and including the year ended March 31, 2024, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act, (collectively referred to as "Indian GAAP"). These Consolidated Financial Statements for the year ended 31 March 2024 are the first Ind AS Consolidated Financial Statements with comparatives, prepared under Ind AS. The Group has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet as on April 01, 2023 throughout all periods presented, as if these policies had always been in effect and are covered by "Ind AS 101 First time adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Group is provided in Note 47. Certain Ind AS accounting policies of the Group used in the opening Balance Sheet differed from its Indian GAAP policies applied as at April 01, 2023 and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustment arising from events were recognised directly through retained earnings as at April 01, 2023 as required by Ind AS 101.

#### 1.2 Basis of preparation and presentation of consolidated financial statement

The consolidated financial statements have been prepared on a historical cost basis, except for

- Certain financial assets and liabilities at fair value (refer to accounting policy regarding financial instruments)
- Employee's defined benefit plan measured as per actuarial valuation

All assets and liabilities have been classified as current and non-current as per group's normal operating cycle. Based on nature of operations, the group has considered an operating cycle of 12 months.

The consolidated financial statements are presented in Indian Rupee, which is the functional currency of the group and all values are rounded to the nearest lakhs (Rs./00000), except when otherwise indicated. "



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1.3 Use of estimates and judgements

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of valuation of deferred tax assets and provisions and contingent liabilities.

### 1.4 Basis of consolidation

- The consolidated financial statements of the Holding Company and its share in the subsidiary have been combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after eliminating intra-Group balances and intra-Group transactions resulting in unrealized profits or losses in accordance with Indian Accounting Standards 110, 'Consolidated Financial Statements'.
- The consolidated financial statements of the foreign subsidiary being non-integral foreign operations, have been translated using the principles and procedures as laid down in Indian Accounting Standards 21, 'The Effects of Changes in Foreign Exchange Rates'.
- To the extent possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are prepared to the extent possible, in the same policies of the subsidiary have been disclosed in the notes to the accounts.
- The difference, if any of the cost to the Holding Company of its investment in subsidiary over its share in the capital of the subsidiary as at the date of acquisition of stake is recognized in consolidated financial statements as goodwill or capital reserve as the case may be.
- The consolidated financial statements are presented, to the extent possible, in the same formats adopted by the Holding Company for its individual financial statements.

#### Details of entities considered in consolidated financial statements

Name of enterprise	Country of incorporation	% of voting power held by holding Company
Elofic USA LLC	United States of America	100%

### 2. Material accounting policies

#### 2.01 Property, plant and equipment (Tangible assets and capital work-In-progress)

On transition of Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Property, plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment, if any.

The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of tax credit availed, wherever applicable. When material parts of plant and equipment are required to be replaced at intervals, such cost of replacement is capitalised (if the recognition criteria is met) in the carrying amount of plant and equipment, the Group depreciates them separately based on their specific useful life. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the group and the cost of items can be measured reliably.

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

All repair and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

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

### Impairment of property, plant and equipment

At the end of each reporting year, the group assesses whether there are any indications of impairment for its property, plant and equipment. If there is any indication, the group estimates the recoverable amount of the asset to determine the extent of impairment loss, if any. If it's not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to individual cash-generating units if a reasonable and consistent allocation basis can be identified.

### 2.02 Intangible assets

Acquired intangible assets are initially measured at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

The amortisation of an intangible asset with a finite useful life begins when the asset is available for use - i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation of intangible assets that is to be used in conjunction with other assets commences, once the asset group as a whole is ready to commence operations. Such Intangible assets are recorded as "intangible assets under development" till the time they are not available for use.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Impairment of intangible assets

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, as well as when there is an indication of impairment. The recoverable amount is determined based on the higher of fair value less costs to sell and value in use. Value in use is assessed by discounting the estimated future cash flows to their present value using a pre-tax discount rate that reflects market assessments of the time value of money and asset-specific risks.

### 2.03 Leases

The group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of identified asset;
- the Group has substantially all of the economic benefits from the use of the asset through the period of lease and;
- the Group has the right to direct the use of the asset.

#### Group as a lessee

##### (i) Right to use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings administrative – 3 to 5 years

The right-of-use assets are also subject to impairment.

##### (ii) Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the group uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### (iii) Short-term leases and leases of low-value assets

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

### 2.04 Inventories

Inventories are valued at the lower of cost or net realisable value after providing for obsolescence and other losses, where considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of purchase consists of the purchase price including duties and taxes (other than those subsequently recoverable by the enterprise), freight inwards and other expenditure directly attributable for its acquisition. Work-in-progress and finished goods include appropriate proportion of overheads.

The methods of determining cost of various categories of inventories are as under:

S. No.	Particulars	Method of valuation
a.	Raw materials, packing materials and stores and spares	Moving average method
b.	Stock-in-trade	Raw material cost on moving average method plus appropriate share of labour and manufacturing overheads.
c.	Finished goods and work In progress	Raw material cost on moving average method plus conversion and other costs incurred in bringing the inventories to their present location and condition.

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.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value

### 2.05 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 and deposits which are subject to insignificant risk of changes in value.

### 2.06 Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible assets is provided using written down value method as per useful life specified in Part "C" of Schedule II to the Companies Act, 2013 and after retaining residual value of 5% of the original cost of the assets as specified in the said schedule except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Leasehold improvements are amortized over the lease term or the useful life of the assets.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Computer software are amortized over a period of 5 years

Assets costing individually Rs. 5,000 or less are fully depreciated in the year of purchase.

Depreciation for assets purchased / sold during a period is proportionately charged to consolidated statement of profit and loss. intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date the assets are available to the Group for their use.

### 2.07 Revenue recognition

Revenue from contracts with customers is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of discounts or incentives offered by the Group as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

#### a. Sale of goods

Revenue from the sale of products is recognised when the control of the goods has been transferred to the customer.

The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

#### b. Income from services

Revenue from rendering services is recognised over time in the accounting period in which the services are rendered and the Group has an enforceable right to payment for services.

### 2.08 Other income

a. Interest income is recognized on time proportionate basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

b. Export Incentives are also recognized on accrual basis.

### 2.09 Employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences and other terminal benefits.

#### Short term employee benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the consolidated Statement of Profit or Loss of the year in which related services are rendered. Such Benefits include salaries, wages, bonus etc. The liability for compensated absences in respect of employees (other than workers) is in the nature of short term employee benefits which has provided on the basis of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences and in case of non-accumulating compensated absences, when the absences occur. Terminal benefits, if any, are recognized as an expense immediately. The Group provides for compensated absences based on best estimated basis.

#### Defined contribution plan

Contributions payable to recognized provident fund and employee state insurance scheme, which are substantially defined contribution plans, are recognized as expense in the consolidated statement of profit and loss, as they are incurred.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Defined benefit plan

For defined benefit plans in the form of gratuity fund, the cost of providing defined benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognized in full in the consolidated statement of profit and loss for the period in which they occur. Past service cost is recognized immediately to the extent the benefits are already vested, and otherwise is amortized on a straight line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

### Other long term benefits

The Group treated the compensated absences as short term employee benefits and provided based on best estimation basis.

### Termination benefits:

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary retirement scheme in exchange for these benefits. Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Statement of Profit and Loss when incurred.

## 2.10 Foreign currency transactions and translations

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

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's functional currency at exchange rates prevailing at the date the transaction first qualifies for recognition.

At each Balance Sheet date, Monetary assets and liabilities denominated in foreign currencies are reported at closing spot rate. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or statement of profit and loss, are also recognised in OCI or statement of profit and loss, respectively).

## 2.11 Financial Instruments

### Initial recognition and subsequent measurement

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### i. Financial assets

#### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

#### Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

#### Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade receivables, loan to subsidiary, joint ventures, and associates, and loans to employees.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; Or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either
  - a. the Group has transferred substantially all the risks and rewards of the asset, or
  - b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### Impairment

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

For debt instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the risk of the debt instruments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### ii. Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

#### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by accounting standards. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in accounting standards are satisfied.

#### Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and instruments are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing borrowings and instruments.

#### Derecognition

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



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### iii. Off setting of financial instruments

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

### iv. Dividend and interest income

a. Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

a. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 2.12 Segment reporting

#### Identification of segments:

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance. The geographical segment of the Group is based on the location of customer in India and outside India.

#### Segment revenue and expense:

Segment revenue and expense which are directly attributable to the segments are considered under respective segment. Common expenses are allocated to the two segments on turnover basis.

#### Segment asset and liabilities:

Segment assets include all operating assets used by a segment and consist principally of Debtors, inventories, Investment which are reported in the Balance Sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred income taxes.

#### Segment policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

### 2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby the net profit before tax 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 Group are segregated.

### 2.14 Earnings per share (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

Refer Note 35 to the consolidated financial statements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 2.15 Income taxes

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

#### Current tax

Current tax is based on taxable profit for the year. The Group's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

If the recoverable amount of an asset or cash-generating unit is lower than its carrying amount, the carrying amount is reduced to the recoverable amount, and an impairment loss is recognized immediately in the Statement of Profit and Loss.

### 2.16 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

#### Contingent assets

Contingent assets are not recognised in the consolidated financial statements since this may result in the recognition of income that may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 2.17 Fair value measurement

The Group measures financial instruments, such as investments (other than equity investments in Subsidiary at fair values 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 Group.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising 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 other than quoted prices included in Level 1.

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 recognised in the financial statements on a recurring basis, the Group 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.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

### 2.18 First-time adoption-mandatory exceptions, optional exemptions

The Group has prepared the opening balance sheet as per Ind AS as of April 01, 2023 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exceptions and certain optional exemptions availed by the Group as detailed below.

#### Deemed cost for PPE and intangible assets

The Group has elected to continue with the carrying value of all of its plant and equipment as at the transition date, viz., April 01, 2023 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### Derecognition of financial assets and liabilities

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 01, 2023 ('the transition date').



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 2.1 Standards Issued but not effective

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

### 2.2 Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about significant judgments and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:

- a. Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits.
- b. Useful lives of depreciable/amortizable assets (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- c. Classification of Leases: The Group enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- d. Employee benefit: Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases, and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- e. Provisions and Contingencies: The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities, and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgment by management regarding the probability of exposure to potential loss.
- f. Impairment of financial assets: The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is an indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- g. Warranty : Warranty Provision is measured at discounted present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Product warranty liability and warranty expenses are recorded at the time the product is sold, if the claims of the customers under warranty are probable, and the amount can be reasonably estimated.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)										
3 Property, plant and equipment										
At cost or deemed cost										
Land : Freehold	Building: Factory	Building : Administrative	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical installation	Computers	Total	
226.60	437.47	72.14	4,664.86	36.20	93.05	23.72	59.07	28.35	5,641.46	
-	116.24	-	1,722.78	9.03	334.93	13.24	151.26	12.00	2,359.48	
-	-	-	2.39	-	9.73	-	-	0.37	12.49	
226.60	553.71	72.14	6,385.25	45.23	418.25	36.96	210.33	39.98	7,988.45	
-	40.30	-	1,238.45	14.96	79.39	20.61	36.32	23.63	1,453.66	
-	-	-	141.03	-	24.77	-	-	-	165.80	
226.60	594.01	72.14	7,482.67	60.19	472.87	57.57	246.65	63.61	9,276.31	
Accumulated depreciation										
i. Accumulated depreciation										
-	-	-	-	-	-	-	-	-	-	
-	50.39	3.48	961.64	10.49	96.61	10.40	29.68	15.29	1,177.98	
-	-	-	0.08	-	0.39	-	-	-	0.47	
-	50.39	3.48	961.56	10.49	96.22	10.40	29.68	15.29	1,177.51	
-	49.92	3.30	1,059.74	12.19	106.17	16.21	47.83	16.59	1,311.95	
-	-	-	97.66	-	23.53	-	-	-	121.19	
-	100.31	6.78	1,923.64	22.68	178.86	26.61	77.51	31.88	2,368.27	
Net carrying amount										
226.60	437.47	72.14	4,664.86	36.20	93.05	23.72	59.07	28.35	5,641.46	
226.60	503.32	68.66	5,423.69	34.74	322.03	26.56	180.65	24.69	6,810.94	
226.60	493.70	65.36	5,559.03	37.51	294.01	30.96	169.14	31.73	6,908.04	



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows

Particulars	As at April 01, 2023			As at March 31, 2024		
	Gross block	Accumulated depreciation	Net block	Gross block	Accumulated depreciation	Net block
Land : Freehold	226.60	-	226.60	226.60	-	226.60
Building: Factory	1,319.41	881.94	437.47	1,435.65	932.33	503.32
Building : Administrative	136.68	64.54	72.14	136.68	68.02	68.66
Plant and equipment	13,326.37	8,661.51	4,664.86	15,045.60	9,621.91	5,423.69
Furniture and fixtures	226.86	190.66	36.20	235.89	201.15	34.74
Vehicles	470.88	377.83	93.05	632.79	310.76	322.03
Office equipment	183.19	159.47	23.72	196.43	169.87	26.56
Electrical installation	242.60	183.53	59.07	393.86	213.21	180.65
Computers	239.15	210.80	28.35	243.70	219.01	24.69
	<b>16,371.74</b>	<b>10,730.28</b>	<b>5,641.46</b>	<b>18,547.20</b>	<b>11,736.26</b>	<b>6,810.94</b>

### Notes:

- No property, plant and equipment have been pledged as security
- The total capital expenditure towards research and development incurred as per books of account which is included in plant and machinery are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Capital expenditure towards research and development	18.04	206.12

- During the current financial year and in the previous financial years there are no revaluation of property, plant and equipment
- There are no proceedings against the Group, that have been initiated or pending against them for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
- The Group has adopted the deemed cost exemption available for recognition, accordingly the net carrying value of property, plant and equipment recognised as deemed cost.

### 4 Capital work-in-progress

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Opening	95.24	563.29	1,062.66
Additions during the year	231.46	95.24	563.29
Capitalized during the year	95.24	563.29	1,062.66
Closing balance	<b>231.46</b>	<b>95.24</b>	<b>563.29</b>

### Notes

#### i. Classification of capital work-in-progress

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Electrical installation	-	-	140.81
Office equipment	-	1.19	-
Building: Factory	45.13	33.24	88.85
Plant and equipment	186.33	60.81	333.63
<b>Total</b>	<b>231.46</b>	<b>95.24</b>	<b>563.29</b>

#### ii. Capital work-in-progress ageing schedule as at March 31, 2025

Particular	Amount in capital work in progress for a period				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Project in progress	231.46	-	-	-	231.46

#### Capital work-in-progress ageing schedule as at March 31, 2024

Particular	Amount in capital work in progress for a period				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Project in progress	95.24	-	-	-	95.24

#### Capital work-in-progress ageing schedule as at April 01, 2023

Particular	Amount in capital work in progress for a period				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
Project in progress	563.29	-	-	-	563.29

- Projects in progress comprises projects of electrical installation, office equipment, building: factory, plant and equipment
- There is no capital project in progress, whose completion is overdue or has exceeded its cost compared to its original value



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 5 Other intangible assets

Particulars	Computer software
<b>At cost or deemed cost</b>	
Balance as at April 01, 2023	17.33
Additions	171.01
Disposals	-
Balance as at March 31, 2024	188.34
Additions	10.19
Disposals	-
Balance as at March 31, 2025	198.53
<b>Accumulated amortization</b>	
Balance as at April 01, 2023	-
Charge for the year	41.03
Disposals	-
Balance as at March 31, 2024	41.03
Charge for the year	39.62
Disposals	-
Balance as at March 31, 2025	80.65
<b>Net carrying amount</b>	
As at April 01, 2023	17.33
As at March 31, 2024	147.31
As at March 31, 2025	117.88

The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows

Particulars	Gross block	As at April 01, 2023	Net block	Gross block	As at March 31, 2024	Net block
		Accumulated depreciation			Accumulated depreciation	
Computer software	162.75	145.42	17.33	333.76	186.45	147.31
<b>Total</b>	<b>162.75</b>	<b>145.42</b>	<b>17.33</b>	<b>333.76</b>	<b>186.45</b>	<b>147.31</b>

#### Notes:

- During the current financial year and in the previous financial years there are no revaluation of property, plant and equipment
- The Group has adopted the deemed cost exemption available for recognition, accordingly the net carrying value of other intangible assets recognised as deemed cost.

### 6 Intangible assets under development

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Computer software	5.25	-	136.35
	<b>5.25</b>	<b>-</b>	<b>136.35</b>

#### Notes:

##### i. Intangible assets under development ageing schedule as at March 31, 2025

Particular	Amount in intangible assets under development for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	5.25	-	-	-	5.25

##### Intangible assets under development ageing schedule as at March 31, 2024

Particular	Amount in intangible assets under development for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	-	-	-	-	-

##### Intangible assets under development ageing schedule as at April 01, 2023

Particular	Amount in intangible assets under development for a period				
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	Total
Project in progress	136.35	-	-	-	136.35



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 7 Right to use assets

#### Carrying value of right to use assets

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Leasehold land	4.40	4.55	4.71
Building - administrative	355.14	166.82	225.18
	<b>359.54</b>	<b>171.37</b>	<b>229.89</b>

#### a. Right-of-use assets

##### i. Carrying amount of right of use assets

Opening balance	171.37	229.89	229.89
Additions during the year	307.71	-	-
	<b>479.08</b>	<b>229.89</b>	<b>229.89</b>
Depreciation during the year	119.54	58.52	-
Derecognised during the year	-	-	-
Subtotal	<b>119.54</b>	<b>58.52</b>	<b>-</b>
Closing balance	<b>359.54</b>	<b>171.37</b>	<b>229.89</b>

Note:

- The Group has adopted Ind AS 116 "Leases" effective April 01, 2023 and applied the standard to its leases using the modified retrospective approach. On transition, the adoption of new standard resulted in recognition of right-of -Use asset (including additions and derecognition during the year) Rs. 215.08 lakhs and an equal amount off lease liability. The effect of this adoption is not material on profit and earnings per share for the year ended.
- The aggregate depreciation expense on right-of-use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.
- For the information of lease liabilities and other disclosures see note no. 23

### 8 Investments

#### II. Current investments

Investments in mutual funds  
(Unquoted, carried at fair value through  
profit and loss)  
- ICICI Overnight Fund DP Growth

No. of units	As at March 31, 2025	No. of units	As at March 31, 2024	No. of units	As at April 01, 2023
31,932.83	439.37	1,822.56	23.52	1,822.56	22.03
<b>31,932.83</b>	<b>439.37</b>	<b>1,822.56</b>	<b>23.52</b>	<b>1,822.56</b>	<b>22.03</b>

#### Measurement of investments:

Investment carried at amortised cost  
Investment carried at fair value through profit and loss "FVTPL"  
Investment carried at fair value through other comprehensive income "FVTOCI"  
Aggregate carrying value of quoted investments

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
-	-	-
439.37	23.52	22.03
-	-	-
<b>439.37</b>	<b>23.52</b>	<b>22.03</b>

### 9 Loans - Financial assets

(Unsecured, considered good)

#### Current

Loans to employees (Refer note below)

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
10.55	6.57	6.74
<b>10.55</b>	<b>6.57</b>	<b>6.74</b>

The disclosures of Loans and advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	Amount outstanding*	% of Total^	Amount outstanding*	% of Total^	Amount outstanding*	% of Total^
Promoters	-	-	-	-	-	-
Directors	-	-	-	-	-	-
KMPs	-	-	-	-	-	-
Related Parties	-	-	-	-	-	-
Others	10.55	100%	6.57	100%	6.74	100%
	<b>10.55</b>		<b>6.57</b>		<b>6.74</b>	

\* Represents loans and advances in nature of loans

^Represents percentage to the loans and advances in the nature of loans

Note: - Loan to employees are interest free and are given in the capacity of employee only as per terms of HR policy of the Group.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 10 Other financial assets

#### I. Non current

Margin money deposits  
Security deposits

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
984.75	204.61	1,008.68
142.63	120.88	90.75
<b>1,127.38</b>	<b>325.49</b>	<b>1,099.43</b>

#### II. Current

Security deposits  
Amount receivables from government authorities (incentive)  
Imprest recoverable from employees

3.59	3.59	3.59
423.72	374.34	587.83
0.51	0.63	-
<b>427.82</b>	<b>378.56</b>	<b>591.42</b>

### 11 Income tax assets (net of provisions)

Advance income tax net of provision Rs. 5,704.71 (March 31, 2024 Rs. 5,704.71) (March 31, 2023: Rs. 5,704.71).

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
112.94	112.94	112.76
<b>112.94</b>	<b>112.94</b>	<b>112.76</b>

### 12 Other assets

#### I. Non current

Capital advances  
Prepaid expenses  
Balances with government authorities  
-Unsecured - considered good  
-Unsecured - considered doubtful

Less: Provision for doubtful balances

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
235.31	81.53	138.57
7.41	6.00	1.20
24.80	27.30	27.30
6.71	6.71	6.71
31.51	34.01	34.01
6.71	6.71	6.71
<b>24.80</b>	<b>27.30</b>	<b>27.30</b>
<b>267.52</b>	<b>114.83</b>	<b>167.07</b>

#### II. Current

Insurance claim recoverable  
Prepaid expenses  
Gratuity fund receivable (Refer note 40)  
Advances to suppliers  
-Unsecured - considered good  
-Unsecured - considered doubtful

Less: Provision for doubtful advances

Balances with government authorities  
-Unsecured - considered good  
-Unsecured - considered doubtful

Less: Provision for doubtful advances

8.33	7.68	10.08
47.11	50.72	48.12
6.59	-	-
145.95	114.89	84.22
-	4.57	4.57
145.95	119.46	88.79
-	4.57	4.57
<b>145.95</b>	<b>114.89</b>	<b>84.22</b>
1,396.09	587.11	1,253.27
-	-	7.77
<b>1,396.09</b>	<b>587.11</b>	<b>1,261.04</b>
-	-	7.77
<b>1,396.09</b>	<b>587.11</b>	<b>1,253.27</b>
<b>1,604.07</b>	<b>760.40</b>	<b>1,395.69</b>

### 13 Inventories

(Valued at lower of cost and net realizable value)

Raw material, store and spares and packing material etc.  
- in stock  
Work in progress  
Finished goods  
Stock-in-trade (acquired for trading)  
Stores and spares  
Packing materials

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
3,342.56	2,746.70	2,456.45
560.43	667.52	677.51
2,738.04	2,517.06	2,400.99
19.84	28.27	34.43
56.47	60.86	68.57
49.10	39.73	39.35
<b>6,766.44</b>	<b>6,060.14</b>	<b>5,677.30</b>

Note: For details of inventories pledged as security for borrowings, see note 38.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

14 Trade receivables

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Secured, considered good	141.45	180.70	142.20
Unsecured, considered good	8,342.87	5,474.39	4,028.50
Trade receivables which have significant increase in credit risk	-	-	-
Trade receivables - credit impaired	17.66	16.33	16.33
	8,501.98	5,671.42	4,187.03
Impairment allowance (allowance for bad and doubtful debts)			
Secured, considered good	-	-	-
Unsecured, considered good	-	-	-
Trade receivables which have significant increase in credit risk	17.66	16.33	16.33
Trade receivables - credit impaired	-	-	-
	17.66	16.33	16.33
	8,484.32	5,655.09	4,170.70

Ageing for trade receivables outstanding as at March 31, 2025 is as follows:

	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables- considered good	8,046.56	375.67	52.20	-	9.89	8,484.32
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	12.84	4.82	-	17.66
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
	8,046.56	375.67	65.04	4.82	9.89	8,501.98

Ageing for trade receivables outstanding as at March 31, 2024 is as follows:

	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables- considered good	5,521.80	76.20	45.08	0.08	11.93	5,655.09
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	16.33	16.33
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
	5,521.80	76.20	45.08	0.08	28.26	5,671.42



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

Ageing for trade receivables outstanding as at April 01, 2023 is as follows:

	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables- considered good	4,150.46	5.86	-	-	14.38	4,170.70
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	16.33	16.33
Disputed trade receivables - considered good	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-
	4,150.46	5.86	-	-	30.71	4,187.03

## 15 Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balances with banks in current accounts	378.77	573.51	495.48
Cash on hand	0.25	0.25	0.25
	379.02	573.76	495.73

Note: There are no cash and cash equivalent balances held by the entity that are not available for use by the Group.

## 16 Bank balances other than cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Deposits with original maturity of more than 3 months but less than 12 months	11,188.14	8,791.74	4,824.24
Balance in earmarked account - unpaid dividend accounts	9.96	10.38	11.28
	11,198.10	8,802.12	4,835.52

### Notes-

(a) The Group holds foreign currency accounts, the balances of which are as follows:

#### (i) EEFC account

USD	1.75	1.02	2.92
INR	157.28	96.67	240.25

#### (ii) Other account

USD	1.08	2.78	0.05
INR	92.08	231.84	4.46



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

## 17 Share capital

	March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	No's	Amount	No's	Amount	No's	Amount
<b>Authorized</b>						
Equity shares of Rs. 10 each	30,00,000	300.00	30,00,000	300.00	30,00,000	300.00
	<b>30,00,000</b>	<b>300.00</b>	<b>30,00,000</b>	<b>300.00</b>	<b>30,00,000</b>	<b>300.00</b>
<b>Issued, subscribed and fully paid-up</b>						
Equity shares of Rs. 10 each fully paid up	25,08,370	250.84	25,08,370	250.84	25,08,370	250.84
	<b>25,08,370</b>	<b>250.84</b>	<b>25,08,370</b>	<b>250.84</b>	<b>25,08,370</b>	<b>250.84</b>

## a. Reconciliation statement of share capital

Equity shares	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	No's	Amount	No. of shares	Amount	No. of shares	Amount
Balance of shares at the beginning of the year	25,08,370	250.84	25,08,370	250.84	25,08,370	250.84
Add: Movement during the year	-	-	-	-	-	-
Balance of shares at the end of the year	<b>25,08,370</b>	<b>250.84</b>	<b>25,08,370</b>	<b>250.84</b>	<b>25,08,370</b>	<b>250.84</b>

## b. Terms/rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## c. Details of shareholder's holding more than 5 % shares in the Holding Company

	As at March 31, 2025		As at March 31, 2024		As at April 01, 2023	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Mohan Bir Sahni	7,14,335	28.48	7,13,535	28.45	7,13,535	28.45
Kanwal Deep Sahni	7,52,185	29.99	7,51,385	29.96	7,51,385	29.96
Satinder Sahni	1,72,800	6.89	1,72,800	6.89	1,72,800	6.89
Saheb Sahni	1,59,600	6.36	1,59,600	6.36	1,59,600	6.36
Karam Sahni	1,59,600	6.36	1,59,600	6.36	1,59,600	6.36
Mohinder Singh Sahni & Sons (HUF)	1,34,920	5.38	1,34,920	5.38	1,34,920	5.38

## d. Details of promoter's shareholding

S.No.	Promoter name	As at March 31, 2025		As at March 31, 2024		% change during the year	As at April 01, 2023		
		Number of shares	% of holding	Number of shares	% of holding		Number of shares	% of holding	% change during the year
1	Mohan Bir Sahni	7,14,335	28.48	7,13,535	28.45	-0.03	7,13,535	28.45	-
2	Kanwal Deep Sahni	7,52,185	29.99	7,51,385	29.96	-0.03	7,51,385	29.96	-

There is no change in the promoters shareholding during the year.

## e. Proposed dividend

### Summary of dividend and proposed dividend

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Cash dividends on equity shares declared and paid</b>			
Final dividend for the year ended on March 31, 2025: Rs. 4 per share (March 31, 2024 Rs. 3 per share and April 1, 2023 Rs. 3 per share)	100.33	75.25	75.25
	<b>100.33</b>	<b>75.25</b>	<b>75.25</b>
<b>Proposed dividends on equity shares</b>			
Final dividend for the year ended on March 31, 2025: Rs. 5 per share (March 31, 2024 Rs. 4 per share and April 1, 2023 Rs. 3 per share)	125.42	100.33	75.25
	<b>125.42</b>	<b>100.33</b>	<b>75.25</b>

## f. Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the reporting date- Nil

## g. Shares held by holding or ultimate holding company

The Company does not have any holding company.

## 18 Other equity

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
a. General reserve	3,289.63	2,543.84	2,068.78
b. Securities premium	64.78	64.78	64.78
c. Retained earnings	29,462.00	22,582.51	18,323.48
d. Foreign currency translation reserve	290.08	250.77	231.80
e. Other comprehensive income	(77.72)	(46.14)	(16.69)
	<b>33,028.77</b>	<b>25,395.76</b>	<b>20,672.15</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>a. General reserve</b>			
Balance at the beginning of the year	2,543.84	2,068.78	2,068.78
Add: Additions during the year	745.79	475.06	-
Balance at the end of the year	3,289.63	2,543.84	2,068.78
<b>b. Securities premium</b>			
Balance at the beginning of the year	64.78	64.78	64.78
Balance at the end of the year	64.78	64.78	64.78
<b>c. Retained earnings</b>			
Balance at the beginning of the year	22,582.51	18,323.48	18,323.48
Add : Profit for the year	7,725.61	4,809.34	-
Less: Appropriations during the year			
-Transfer to general reserve	745.79	475.06	-
-Dividends distributed to equity shareholders (Rs. 4 per share) (Previous year Rs. 3 per share)	100.33	75.25	-
	29,462.00	22,582.51	18,323.48
<b>d. Foreign currency translation reserve</b>			
Balance at the beginning of the year	250.77	231.80	231.80
Add: Additions during the year	39.31	18.97	-
Balance at the end of the year	290.08	250.77	231.80
<b>e. Other comprehensive income</b>			
Remeasurement of defined benefit plans			
Opening balance	(46.14)	(16.69)	-
Movement during the year	(31.58)	(29.45)	(16.69)
Closing balance	(77.72)	(46.14)	(16.69)

### Notes:

- General reserve:**  
The Group had transferred a part of the net profit of the Group to general reserve each year.
- Securities premium:**  
Securities premium account is used to record the premium on issue of shares. The reserve can be utilised in accordance with provisions of the Companies Act, 2013.
- Retained earnings:**  
Retained earnings are profits of the Group earned till date less transferred to other reserves and dividend paid during the year.
- Foreign currency translation reserve:**  
Other comprehensive income comprises the balance of changes in foreign currency rates.
- Other comprehensive income:**  
Other comprehensive income comprises the balance of remeasurement of retirement benefit plans.

### 19 Deferred tax liabilities (net)

#### Deferred tax liabilities

Difference between tax depreciation and depreciation/amortisation charged in financial statement

Impact due to fair value of investment

Right to use assets

Others

**Total A**

#### Deferred tax assets

Provision for doubtful advances

Provision for doubtful debts

Provision for employee benefits

Lease liabilities

Security deposit

**Total B**

#### Deferred tax liability (net) (A-B)

Amount charge to /(credit in) Statement of Profit and Loss

Amount charge to /(credit in) Other Comprehensive Income

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
	159.11	165.60	134.44
	5.64	1.03	0.59
	103.42	48.58	65.57
	0.08	0.08	0.06
<b>Total A</b>	<b>268.25</b>	<b>215.29</b>	<b>200.66</b>
	5.14	1.33	1.33
	93.50	4.76	4.76
	-	100.46	95.99
	113.19	52.58	65.57
	0.03	0.01	-
<b>Total B</b>	<b>211.86</b>	<b>159.14</b>	<b>167.65</b>
	<b>56.39</b>	<b>56.15</b>	<b>33.01</b>
	13.21	35.24	
	(12.97)	(12.10)	

### Note-

#### 1 Movement in the deferred tax liabilities (net):

##### Deferred tax (net)

a. Deferred tax liability

b. Deferred tax assets

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
	268.25	215.29	200.66
	211.86	159.14	167.65
	<b>56.39</b>	<b>56.15</b>	<b>33.01</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	As at April 01, 2024	Recognised in profit and loss	Recognised in other comprehensive income "OCI"	As at March 31, 2025
<b>Deferred tax liabilities</b>				
- Difference between tax depreciation and depreciation/amortisation charged in financial statement	165.60	(6.49)	-	159.11
-Impact due to fair value of investment	1.03	4.61	-	5.64
-Right to use assets	48.58	54.84	-	103.42
-Others	0.08	-	-	0.08
	<b>215.29</b>	<b>52.96</b>	<b>-</b>	<b>268.25</b>
<b>Deferred tax assets</b>				
-Provision for doubtful advances	1.33	(1.33)	-	-
-Provision for doubtful debts	4.76	0.38	-	5.14
-Provision for employee benefits	100.46	(19.93)	12.97	93.50
-Lease liabilities	52.58	60.61	-	113.19
-Security deposit	0.01	0.02	-	0.03
	<b>159.14</b>	<b>39.75</b>	<b>12.97</b>	<b>211.86</b>
	<b>56.15</b>	<b>13.21</b>	<b>(12.97)</b>	<b>56.39</b>

	As at April 01, 2023	Recognised in profit and loss	Recognised in other comprehensive income "OCI"	As at March 31, 2024
<b>Deferred tax liabilities</b>				
- Difference between tax depreciation and depreciation/amortisation charged in financial statement	134.44	31.16	-	165.60
-Impact due to fair value of investment	0.59	0.44	-	1.03
-Right to use assets	65.57	(16.99)	-	48.58
-Others	0.06	0.02	-	0.08
	<b>200.66</b>	<b>14.63</b>	<b>-</b>	<b>215.29</b>
<b>Deferred tax assets</b>				
-Provision for doubtful advances	1.33	-	-	1.33
-Provision for doubtful debts	4.76	-	-	4.76
-Provision for employee benefits	95.99	(7.63)	12.10	100.46
-Lease liabilities	65.57	(12.99)	-	52.58
-Security deposit	-	0.01	-	0.01
	<b>167.65</b>	<b>(20.61)</b>	<b>12.10</b>	<b>159.14</b>
	<b>33.01</b>	<b>35.24</b>	<b>(12.10)</b>	<b>56.15</b>

## 20 Provisions

## I. Current

- Gratuity fund receivable (Refer note 40)
- Compensated absence (Refer sub-note 'I' below)

## Notes:

- Provision for compensated absences have been created at the year end as per the employee's entitlement, which have been paid to the employees subsequent to year end.

## 21 Current tax liabilities (net)

Current tax liabilities (net of advance tax and tax deducted at source of Rs. 2,834.32, March 31, 2024 : Rs. 1,732.03, April 01, 2023 : Rs. 1,452.93)

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
172.00	168.66	142.13
<b>172.00</b>	<b>207.02</b>	<b>147.20</b>

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
226.01	183.26	159.04
<b>226.01</b>	<b>183.26</b>	<b>159.04</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 22 Trade payables

#### a. Trade payables

Total outstanding dues of micro enterprises and small enterprises (refer note i below)

531.67      364.58      521.77

Total outstanding dues of creditors other than micro enterprises and small enterprises

2,787.00      2,416.79      2,111.11

**3,318.67      2,781.37      2,632.88**

#### Trade payables ageing schedule

As at March 31, 2025

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

Disputed dues of micro enterprises and small enterprises

Disputed dues of creditors other than micro enterprises and small enterprises

Not due	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
-	531.67	-	-	-	-	531.67
494.94	2,284.16	1.38	3.14	3.38	-	2,787.00
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>494.94</b>	<b>2,815.83</b>	<b>1.38</b>	<b>3.14</b>	<b>3.38</b>	<b>-</b>	<b>3,318.67</b>

#### Trade payables ageing schedule

As at March 31, 2024

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

Disputed dues of micro enterprises and small enterprises

Disputed dues of creditors other than micro enterprises and small enterprises

Not due	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
-	364.58	-	-	-	-	364.58
428.89	1,955.73	3.50	0.47	28.20	-	2,416.79
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>428.89</b>	<b>2,320.31</b>	<b>3.50</b>	<b>0.47</b>	<b>28.20</b>	<b>-</b>	<b>2,781.37</b>

#### Trade payables ageing schedule

As at April 01, 2023

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

Disputed dues of micro enterprises and small enterprises

Disputed dues of creditors other than micro enterprises and small enterprises

Not due	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
-	521.44	0.10	-	0.23	-	521.77
290.90	1,790.27	1.97	1.63	26.34	-	2,111.11
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>290.90</b>	<b>2,311.71</b>	<b>2.07</b>	<b>1.63</b>	<b>26.57</b>	<b>-</b>	<b>2,632.88</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

**Note:**

As per Schedule III of the Companies Act, 2013 and notification number GSR 719 (E) dated November 16, 2007 and as certified by the management, the amount due to Micro and small enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under:

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.			
- Principal	531.67	364.58	521.77
- interest due thereon	-	-	1.32
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year			
- Principal amount	364.58	521.77	10.56
- Interest	-	1.32	0.45
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.			
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	1.32
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**23 Lease liabilities****A) Non current**

(i) Lease liability

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
278.82	124.65	180.70
<b>278.82</b>	<b>124.65</b>	<b>180.70</b>

**B) Current**

(i) Lease liability

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
109.89	56.05	44.48
<b>109.89</b>	<b>56.05</b>	<b>44.48</b>

**I Movement in lease liabilities during the year:****a. Lease liabilities**

-Non current  
-Current

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
278.82	124.65	180.70
109.89	56.05	44.48
<b>388.71</b>	<b>180.70</b>	<b>225.18</b>

**b. Balance at the beginning of the year**

Additions during the year

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
180.70	225.18	225.18
307.72	-	-
<b>488.42</b>	<b>225.18</b>	<b>225.18</b>

**Finance cost accrued during the year:**

- Statement of profit and loss account  
Cash outflow for leases

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
32.72	14.83	-
132.42	59.31	-
<b>388.71</b>	<b>180.70</b>	<b>225.18</b>

**Balance as at end of the year****c. Maturity analysis of lease liabilities:**

i. The table below provides details regarding the maturities of lease liabilities on discounted basis:

0-3 Months  
3-6 Months  
6-12 Months  
1-3 years  
3-5 years  
Above 5 years

As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
27.47	13.29	10.36
27.49	13.93	11.12
54.92	28.82	23.00
190.69	114.11	111.34
88.14	10.55	68.47
-	-	0.89
<b>388.71</b>	<b>180.70</b>	<b>225.18</b>

**Total**



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

ii. The table below provides details regarding off lease liabilities on undiscounted basis:

0-3 Months	34.36	16.49	14.16
3-6 months	33.94	16.91	15.02
6-12 months	66.15	33.91	30.13
1-3 years	215.82	124.00	129.65
3-5 years	91.05	10.82	71.58
Above 5 years	-	-	0.90
<b>Total</b>	<b>441.32</b>	<b>202.13</b>	<b>261.44</b>

d. Other disclosure

	Note no.			
Depreciation charge for right-of-use assets by class of underlying asset	33	119.54	58.52	-
Interest expense on lease liabilities.	32	32.72	14.83	-
The expense relating to short-term leases including leases with a lease term of one month or less	34	397.06	349.18	-
Payment of lease liabilities	23	132.42	59.31	-
Total cash outflow for leases.		<b>529.48</b>	<b>408.49</b>	-
Additions to right-of-use assets	7	307.71	-	-
Gains or (losses) arising from lease modification/closure		-	-	-
The carrying amount of right-of-use assets	7	359.54	171.37	229.89

i. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

ii. Lease contracts entered by the Group majorly pertains to buildings taken on lease to conduct its business in the ordinary course. The Group does not have any lease restrictions and commitment towards variable rent as per the contract.

iii. 6% to 7.5% of interest rate implicit in the lease or lessee's incremental borrowing rate used for the measurement of lease liabilities.

### II Disclosures for operating leases other than leases covered in Ind AS 116

i. The Group has entered into cancellable operating leases and transactions for leasing of accommodation for administrative building, office space and godown etc. The tenure of lease is generally one year.

Terms of lease include operating terms for renewal, increase in rent in future period and terms of cancellation.

Lease expenses/income recognised during the year

	See Note	Year ended March 31, 2025	Year ended March 31, 2024
<b>a. As a lessee -rent expenses</b>			
Administrative building, office space and godown	34	397.06	349.18

### 24 Other financial liabilities

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Unpaid dividends	9.96	10.38	11.28
Interest accrued on trade payables	-	-	1.32
Deposits from dealers (Refer sub-note below)	276.54	319.26	316.66
Employee related liabilities	497.57	492.75	528.16
Payables on purchase of property, plant and equipment	39.72	34.64	68.10
	<b>823.79</b>	<b>857.03</b>	<b>925.52</b>

Note:

Deposits from dealers carry interest @ 6% per annum and repayable on expiry/ termination of agreement.

### 25 Other current liabilities

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Statutory dues payable	119.46	106.22	106.46
Advances from customers	55.06	19.93	10.43
	<b>174.52</b>	<b>126.15</b>	<b>116.89</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
<b>26 Revenue from operations</b>		
i. <b>Sale of products</b>		
a. Manufactured goods	43,178.30	33,736.22
b. Traded goods	249.70	236.35
	<u>43,428.00</u>	<u>33,972.57</u>
ii. <b>Other operating revenues</b>	1,577.61	1,203.45
	<u>45,005.61</u>	<u>35,176.02</u>
<b>Notes:</b>		
<b>A. Revenue from contracts with customers disaggregated based on nature of product or service</b>		
a. <b>Revenue from sale of products</b>		
<b>Manufactured goods</b>		
- Filter and lubes	43,178.30	33,736.22
	<u>43,178.30</u>	<u>33,736.22</u>
<b>Traded goods</b>		
- Coolants	249.70	236.35
	<u>249.70</u>	<u>236.35</u>
b. <b>Other operating revenues</b>		
Export incentives	565.22	385.23
Sale of scrap	851.46	721.99
Sale of tools	-	17.47
Other recovery	160.93	78.76
	<u>1,577.61</u>	<u>1,203.45</u>
<b>Total revenue from operations</b>	<u>45,005.61</u>	<u>35,176.02</u>
<b>B. Revenue from contracts with customers disaggregated based on geography</b>		
a. Domestic - Product	21,951.72	19,522.23
b. Domestic - Other Operating Revenue	1,577.61	1,203.45
c. Exports - Product	21,476.28	14,450.34
	<u>45,005.61</u>	<u>35,176.02</u>
<b>C. Reconciliation of gross revenue from contracts with customers</b>		
Gross revenue from sale of products	43,750.80	34,294.12
Add: Cash discount and sales return etc	(322.80)	(321.55)
<b>Net revenue recognised from contracts with customers</b>	<u>43,428.00</u>	<u>33,972.57</u>
<b>D. Disclosure based on time</b>		
<b>Sale of products</b>		
Manufactured goods	43,178.30	33,736.22
Traded goods	249.70	236.35
Export incentives	565.22	385.23
Sale of scrap	851.46	721.99
Sale of tools	-	17.47
Other recovery	160.93	78.76
	<u>45,005.61</u>	<u>35,176.02</u>
<b>E. Export benefit and other incentives</b>		
On systematic basis when benefit accrued	565.22	385.23
	<u>565.22</u>	<u>385.23</u>
<b>27 Other income</b>		
Interest income		
- From banks on deposits	730.44	504.82
- On electricity deposits	1.00	0.39
- On Gas connection deposits	0.64	-
- Interest income on financials assets	1.07	0.41
- Others	1.67	-
Net gain on foreign currency transactions and translation	278.68	123.14
Other non-operating income		
- Sundry balances written back	75.21	34.79
- Profit on sale of property, plant and equipment	1.39	25.98
- Gain on sale or fair value of mutual funds (FVTPL)	15.85	1.49
- Insurance claim received	9.58	0.29
- Miscellaneous income	32.45	48.67
	<u>1,147.98</u>	<u>739.98</u>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
<b>28 Cost of materials consumed</b>		
Inventory at the beginning of the year	2,746.70	2,456.45
Add: Purchases during the year	19,678.81	15,956.51
	<b>22,425.51</b>	<b>18,412.96</b>
Less: Inventory at the end of the year	3,342.56	2,746.70
<b>Cost of materials consumed</b>	<b>19,082.95</b>	<b>15,666.26</b>
<b>29 Purchases of stock-in-trade (traded goods)</b>		
Coolants	515.58	405.41
	<b>515.58</b>	<b>405.41</b>
<b>30 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
<b>Inventories at the beginning of the year</b>		
- Finished goods (Including in transit)	2,517.06	2,400.99
- Work in progress	667.52	677.51
- Traded goods	28.27	34.43
	<b>3,212.85</b>	<b>3,112.93</b>
<b>Inventories at the end of the year</b>		
- Finished goods	2,738.04	2,517.06
- Work in progress	560.43	667.52
- Traded goods	19.84	28.27
	<b>3,318.31</b>	<b>3,212.85</b>
	<b>105.46</b>	<b>99.92</b>
<b>31 Employee benefits expenses</b>		
Salaries, wages and bonus	5,757.08	4,714.43
Contribution to provident fund and other funds	198.88	219.18
Gratuity expense (Refer Note 40)	74.85	61.84
Staff welfare expenses	83.19	67.06
	<b>6,114.00</b>	<b>5,062.51</b>
<b>32 Finance costs</b>		
Interest expense		
- On security deposits from dealers	16.57	18.74
- On others	0.16	0.10
Interest on delayed payment of income tax	24.57	2.56
Amortisation of prepaid security deposit	1.13	0.44
Interest on lease liabilities	32.72	14.83
Other borrowing costs	0.30	0.97
	<b>75.45</b>	<b>37.64</b>
<b>33 Depreciation and amortization expense</b>		
Depreciation on property, plant and equipment	1,311.95	1,177.98
Amortisation of intangible assets	39.62	41.03
Depreciation on right-of-use assets	119.54	58.52
	<b>1,471.11</b>	<b>1,277.53</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

## 34 Other expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	396.21	333.19
Consumption of packing materials	729.52	584.51
Job work charges	1,420.21	1,320.94
Power and fuel	979.06	820.11
Rent including lease rentals	397.06	349.18
Repairs and maintenance		
- Buildings	101.04	104.90
- Plant and machinery	567.43	459.60
- Others	178.14	138.50
Insurance	53.79	73.76
Rates and taxes	22.95	14.76
Legal and professional	65.63	64.12
Travelling and conveyance	177.61	157.12
Freight outward	681.55	621.46
Shipping and forwarding	574.22	337.69
Licence fee	200.41	189.19
Postage and courier	17.67	18.78
Printing and stationery	20.11	18.84
Communication expenses	13.67	11.68
Sales promotion	445.49	262.43
Payment to auditors (Refer note 'a' below)	12.06	9.84
Research and development expenses (Refer note 'b' below)	443.09	357.45
Cash discount	322.59	321.09
Bank charges	11.00	12.09
Corporate social responsibility expenses (Refer note 39)	109.75	96.12
Warranty expenses	7.85	11.87
Conventions and exhibitions	28.68	16.05
Balances written off	48.61	6.61
Loss due to fire (Refer note 41)	32.59	-
Provision for doubtful trade receivables	17.66	-
Miscellaneous expenses	154.92	98.26
	<b>8,230.57</b>	<b>6,810.14</b>

### Notes

#### a. Payment to auditors

##### As auditors:

For statutory audit

For tax audit

For other services

##### In other capacity:

For certification

Reimbursement of expenses

	7.50	7.50
	1.50	1.50
	2.50	-
	0.15	0.63
	0.41	0.21
	<b>12.06</b>	<b>9.84</b>

### Net (Income) / Expenditure

#### b. Research and development expenditure

##### Revenue expenditure

Salaries

Repairs and maintenance

Consumables and samples

Travelling

Miscellaneous

##### Capital expenditure

Plant and equipment

Furniture and fixture

Office equipment

Computers

	380.87	308.94
	32.29	32.74
	8.26	9.01
	7.44	3.31
	14.23	3.45
	<b>443.09</b>	<b>357.45</b>
	15.74	206.12
	1.47	-
	0.09	-
	0.74	-
	<b>18.04</b>	<b>206.12</b>

## 35 Earnings per share

#### a. Basic EPS

Profit for the year

Weighted average number of equity shares outstanding

Face value of per share

Basic earnings per share

No's

Rs.

Rs.

7,725.61

25,08,370.00

10.00

307.99

4,809.34

25,08,370.00

10.00

191.73

#### b. Diluted EPS

Profit for the year

Weighted average number of equity shares for calculation of diluted EPS

Face value of per share

Diluted earnings per share

No's

Rs.

Rs.

7,725.61

25,08,370.00

10.00

307.99

4,809.34

25,08,370.00

10.00

191.73



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
<b>36 Tax expense</b>		
Current tax expense	3,035.82	1,912.74
Deferred tax benefit	13.21	35.24
	<b>3,049.03</b>	<b>1,947.98</b>
Income tax for earlier years (net)	(5.25)	(0.89)
<b>Tax expenses for the year recognised in Profit and loss</b>	<b>3,043.78</b>	<b>1,947.09</b>
Tax expense recognised in other comprehensive income ('OCI')	12.97	12.10
	<b>12.97</b>	<b>12.10</b>
<b>Total</b>	<b>3,056.75</b>	<b>1,959.19</b>

### Reconciliation of tax expenses and accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024

Profit before tax	10,769.39	6,756.43
Applicable income tax rate	29.12%	29.12%
Estimated income tax expense	3,136.05	1,967.47
Tax effect of adjustments to reconcile expected income tax expense to reported		
Non taxable income/(expenses)	(2.49)	(3.17)
Income tax for earlier years	(5.25)	(0.89)
Others	(84.53)	(16.32)
<b>Income Tax expense in the Statement of Profit and Loss</b>	<b>3,043.78</b>	<b>1,947.09</b>

### 37 Contingent liabilities and commitments (to the extent not provided for)

#### a. Claims against the Group not acknowledged as debt

##### i. Disputed tax and other liabilities for:

(a) Excise duty	-	14.43	14.43
(b) Goods and services tax	77.02	64.69	-
	<b>77.02</b>	<b>79.12</b>	<b>14.43</b>

##### ii. Summary of amount paid under protest against above:

(a) Excise duty	-	2.50	2.50
(b) Goods and services tax	4.17	2.94	-
	<b>4.17</b>	<b>5.44</b>	<b>2.50</b>

#### Note

The Group has reviewed its disputed liabilities and proceedings and does not expect material impact on financial position of the Group. Further cash outflow in respects of the above matters are determinable only on receipt of judgements / decisions pending at various forums / authorities.

#### b. Guarantees excluding financial guarantees

Guarantees issued by bankers on behalf of Group. (These are covered by the charge created in favour of Group's banker by way of hypothecation of stock and trade receivables besides pledge of fixed deposits as margin money)

41.70	47.83	48.64
-------	-------	-------

<b>41.70</b>	<b>47.83</b>	<b>48.64</b>
--------------	--------------	--------------

#### c. Capital commitments

Estimated amount of contracts remaining to be executed on capital account and not provided

424.06	134.06	376.05
--------	--------	--------

<b>424.06</b>	<b>134.06</b>	<b>376.05</b>
---------------	---------------	---------------

d. The Group has other commitments, for purchase of goods and services and employee benefits, in the normal course of business.

e. There are no amount which were required to be transferred to Investor Education and Protection Fund by the Group

f. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 38 Assets pledged as security

The carrying amount of assets mortgaged as security for current and non-current borrowings are

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Current assets:</b>		
<b>Financial assets</b>		
<b>Trade receivables (net)</b>		
Amount as per books of accounts (A)	9,500.85	7,139.97
Amount as per bank statement (B)	9,446.52	6,928.34
Difference(A-B)	54.33	211.63
<b>Inventories (excluding in transit)</b>		
Amount as per books of accounts (A)	5,760.00	5,034.29
Amount as per bank statement (B)	5,792.60	5,034.29
Difference(A-B)	(32.60)	-
<b>Total current assets mortgaged as security</b>	<b>15,260.85</b>	<b>12,174.26</b>

#### Reasons for material discrepancies in the month of March 31, 2025 and March 31, 2024

The quarterly returns or statements filed by the Holding Company for working capital limits with banks are in agreement with the books of account of the Group except for statements filed for the quarter and year ended March 31, 2025 and March 31, 2024, where differences were noted between the amount as per books of account for quarter and amount as reported in the quarterly statements due to differences in case of trade receivables amounting to Rs. 54.33 and Rs. 211.63. The difference is primarily due to price settlement with the customers and recording of foreign exchange fluctuation at year end and differences in case of inventories amounting to Rs. 32.60 is primarily due to loss of inventory due to fire.

### 39 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Group, meeting the applicability threshold, needs to spend at least 2% of average net profit of the immediately preceding three financial year on Corporate Social Responsibility ('CSR') activities. The nature of CSR activities identified are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. The Group has formed a CSR committee as per the Act.

- (i) The amount spent by the Group on CSR activities is as below

	Year ended March 31, 2025	Year ended March 31, 2024
A. Gross amount required to be spent by the Group	109.68	96.12
<b>Total (A)</b>	<b>109.68</b>	<b>96.12</b>
B. Amount spent by the group:		
a. Expenditure/payments		
(i) YESS Charitable Trust #	3.00	1.50
(ii) B.Bhagwan Singh Elofic Charitable Trust #	7.00	6.62
(iii) Prime Minister's National Relief Fund	99.75	88.00
<b>Total expenditure</b>	<b>109.75</b>	<b>96.12</b>
C. Shortfall/(Excess) at the end of the year	(0.07)	-
D. Yess Charitable Trust and B.Bhagwan Singh Elofic Charitable Trust are related parties as per Indian Accounting Standard (Ind AS) 24.		

- (ii) Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance as at the beginning of the year	(0.05)	(0.05)	58.02
Amount required to be spent during the period	109.68	96.12	78.43
Amount spent during the year	109.75	96.12	136.50
<b>Shortfall/(excess) as at the closing of the year</b>	<b>(0.12)</b>	<b>(0.05)</b>	<b>(0.05)</b>

- (iii) Details of excess CSR expenditure under section 135(5) of the Act

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Balance excess spent as at the beginning of the year	(0.05)	(0.05)	58.02
Amount required to be spent during the period	109.68	96.12	78.43
Amount spent during the year	109.75	96.12	136.50
<b>Shortfall/(excess) as at the closing of the year</b>	<b>(0.12)</b>	<b>(0.05)</b>	<b>(0.05)</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 40 Employee benefit obligations

#### a. Defined Contribution Plan

Provident Fund and Other Funds : A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions for provident fund and pension as per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and other acts to the government. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service. The company's obligation is limited to the amounts contributed by it.

	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to provident fund and other funds		
a. Contribution to provident fund	163.56	176.98
b. Contribution to employee state insurance	31.31	38.07
c. Contribution to welfare fund	4.01	4.13
	<b>198.88</b>	<b>219.18</b>

#### b. Defined benefits plan

**Gratuity:** The Group provides gratuity benefits to its employees in accordance with the provisions of the Payment of Gratuity Act, 1972. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

##### (i) Principal actuarial assumptions

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Future salary increase	5.00%	5.00%	5.00%
Discount rate	6.75%	7.25%	7.50%
Mortality rates	100% of IALM (2012 -14)	100% of IALM (2012 -14)	100% of IALM (2012 -14)
Attributes of ages: withdrawal rate (%)			
up to 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
Retirement age (years)	60	60	60

##### (ii) Amount recognised in the Statement of Profit and Loss

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	69.18	60.10
Net interest cost	44.74	41.29
Expected return on plan asset	(39.07)	(39.55)
<b>Expense recognised in the statement of profit and loss</b>	<b>74.85</b>	<b>61.84</b>

##### (iii) Amount recognised in other comprehensive income (OCI)

Remeasurement on the net defined benefit liability		
Actuarial (gain) / loss for the year on defined benefit obligation	45.37	35.06
Actuarial (gain) / loss for the year on plan assets	(0.82)	6.49
<b>Amount recognised in other comprehensive income</b>	<b>44.55</b>	<b>41.55</b>
	<b>119.40</b>	<b>103.39</b>

##### Notes:

- The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' in the Statement of Profit and Loss.
- The remeasurement of the net defined benefit liability is Included in other comprehensive income
- The Group gratuity scheme is funded and 100% of the fund is managed by Insurance Company

##### (iv) Movements in the present value of the defined benefit obligation

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>(a) Liability at the beginning of the year</b>	<b>617.18</b>	<b>550.61</b>	<b>550.61</b>
Interest costs	44.74	41.30	-
Current service costs	69.18	60.10	-
Benefits paid	(41.10)	(69.89)	-
Actuarial (gain) / loss on obligations due to change in obligation	45.37	35.06	-
<b>Liability at the end of the year</b>	<b>735.37</b>	<b>617.18</b>	<b>550.61</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

(b) Fair value of plan assets at beginning of the year	578.82	545.55	545.55
Expected return on plan assets	39.07	39.55	-
Contributions	164.35	70.10	-
Benefits paid	(41.10)	(69.89)	-
Actuarial gain / (loss) on plan assets	0.82	(6.49)	-
Fair value of plan assets at end of the year	741.96	578.82	545.55

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Provision for gratuity (net)	-	38.36	5.06
Gratuity fund receivable (net)	6.59	-	-
<b>Total</b>	<b>6.59</b>	<b>38.36</b>	<b>5.06</b>

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Provision for gratuity	-	-	-
- Non-current	-	-	-
- Current	-	38.36	5.07
	-	38.36	5.07

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Gratuity fund receivable	-	-	-
- Non-current	-	-	-
- Current	6.59	-	-
	6.59	-	-

## (v) Experience adjustments

	Year ended March 31, 2025	Year ended March 31, 2024
Present value of DBO	735.37	617.18
Fair value of plan assets	741.96	578.82
Funded status	-	-
(Gain)/loss on obligation	10.88	20.42
Gain/(loss) on plan assets	0.82	(6.49)

## (vi) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption is as shown below:

	As at March 31, 2025	As at March 31, 2024
<b>A. Impact of the change in discount rate</b>		
Impact due to increase of 1 %	660.68	554.83
Impact due to decrease of 1 %	824.17	691.43
<b>B. Impact of the change in salary increase</b>		
Impact due to increase of 1 %	824.87	691.86
Impact due to decrease of 1 %	658.87	553.56
<b>C. Impact of the change in withdrawal rate</b>		
Impact due to increase of 1 %	747.13	630.71
Impact due to decrease of 1 %	721.87	601.64

## Notes:

- Sensitivities due to mortality and withdrawals are not material, hence impact of change not calculated
- Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.
- The above sensitivity analysis are without giving the impact of tax

## (vii) Maturity profile of defined benefit obligation

Financial year	As at March 31, 2025	As at March 31, 2024
0 to 1 Year	81.25	73.13
1 to 2 Year	11.62	9.97
2 to 3 Year	32.75	13.68
3 to 4 Year	21.88	28.26
4 to 5 Year	14.91	19.35
Above 5 years	572.96	472.79
	<b>735.37</b>	<b>617.18</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### Description of actuarial risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such group is exposed to various risks as follow:

- Salary increases: Change in rate of future salary increase in subsequent years will result in higher liability.
- Discount rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality and disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates in subsequent valuations can impact plan's liability.

### c. Actuarial assumptions for compensated absences are as below

	As at March 31, 2025	As at March 31, 2024
i. Discounting rate	6.75%	7.25%
ii. Future increase salary	5.00%	5.00%

### d. Expected contribution for the next year

	As at March 31, 2025	As at March 31, 2024
Expected contribution for the next year	80.82	71.65

41. A fire incident occurred at the Company's paper plant located at 11/7, Mathura Road, Faridabad, on January 13, 2025. Following the incident, the necessary survey and assessment were carried out, and the management assessed a total loss of Rs. 38.46 including GST of Rs. 5.87 on account of burnt stock.

An insurance claim for the assessed loss was duly filed in the subsequent financial year, after completing a proper assessment. The filing is supported by documentary evidence submitted to the insurance company.

### 42. Segment information

The Company is engaged in the manufacture and supply of automobile filters and lubes and has classified the operations as primary segment. Accordingly, there is no reporting requirements of primary segment. Geographical revenues are allocated based on the location of the customer. Geographical segments of the Company are India and Outside India. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

	India	Outside India	Total
<b>Revenue from external customers by location of customers</b>			
<b>Sale of products</b>			
Year ended March 31, 2025	21,014.84	22,413.16	43,428.00
Year ended March 31, 2024	(19,522.23)	(14,450.34)	(33,972.57)
<b>Other operating revenues</b>			
Year ended March 31, 2025	421.11	1,156.50	1,577.61
Year ended March 31, 2024	(445.39)	(758.06)	(1,203.45)
<b>Other income</b>			
Year ended March 31, 2025	300.05	113.11	413.16
Year ended March 31, 2024	(204.09)	(30.27)	(234.36)
<b>Total revenue</b>			
Year ended March 31, 2025	21,736.00	23,682.77	45,418.77
Year ended March 31, 2024	(20,171.71)	(15,238.67)	(35,410.38)
<b>Segment result</b>			
Year ended March 31, 2025	1,816.07	8,293.95	10,110.02
Year ended March 31, 2024	(2,032.38)	(4,256.07)	(6,288.45)
<b>Unallocable expenses (net)</b>			
Year ended March 31, 2025			75.45
Year ended March 31, 2024			(37.64)



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	India	Outside India	Total
<b>Revenue from external customers by location of customers</b>			
<b>Operating income</b>			
Year ended March 31, 2025			10,034.57
Year ended March 31, 2024			(6,250.81)
<b>Other income (net)</b>			
Year ended March 31, 2025			734.82
Year ended March 31, 2024			(505.62)
<b>Profit before tax</b>			
Year ended March 31, 2025			10,769.39
Year ended March 31, 2024			(6,756.43)
<b>Tax expense</b>			
Year ended March 31, 2025			3,043.78
Year ended March 31, 2024			(1,947.09)
<b>Profit after tax for the year</b>			
Year ended March 31, 2025			7,725.61
Year ended March 31, 2024			(4,809.34)
<b>Segment assets</b>			
As at March 31, 2025	29,000.08	8,887.31	37,887.39
As at March 31, 2024	(23,284.89)	(6,616.93)	(29,901.82)
As at April 01, 2023	(19,334.16)	(5,693.76)	(25,027.92)
<b>Unallocated assets</b>			
As at March 31, 2025			552.31
As at March 31, 2024			(136.46)
As at April 01, 2023			(134.79)
<b>Total assets</b>			
As at March 31, 2025			38,439.70
As at March 31, 2024			(30,038.28)
As at April 01, 2023			(25,162.71)
<b>Segment liabilities</b>			
As at March 31, 2025	2,996.31	1,871.42	4,867.73
As at March 31, 2024	(2,578.11)	(1,563.78)	(4,141.89)
As at April 01, 2023	(2,577.30)	(1,457.77)	(4,035.07)
<b>Unallocated liabilities</b>			
As at March 31, 2025			292.36
As at March 31, 2024			(249.79)
As at April 01, 2023			(204.65)
<b>Total liabilities</b>			
As at March 31, 2025			5,160.09
As at March 31, 2024			(4,391.68)
As at April 01, 2023			(4,239.72)
<b>Depreciation and amortization expense</b> (see note 'd' below)			
Year ended March 31, 2025	727.57	743.54	1,471.11
Year ended March 31, 2024	(757.18)	(520.35)	(1,277.53)
<b>Cost to acquire tangible and intangible fixed assets</b>			
Year ended March 31, 2025	1,700.56	-	1,700.56
Year ended March 31, 2024	(2,625.73)	(-)	(2,625.73)
<b>Non-cash expenses other than depreciation and amortisation</b>			
Year ended March 31, 2025	-	-	-
Year ended March 31, 2024	(-)	(-)	(-)

**Notes:**

- The unallocated expenses comprises finance costs and unallocated income comprises interest income
- Unallocated assets include investments, advance tax and tax deducted at source
- Unallocated liabilities include borrowings, deferred tax/current tax liabilities and unpaid dividend
- Other income, expenses and depreciation not directly allocable to segments are allocated to the segment based on proportionate sales in the segments.
- The measurement of segment results is consistent with that in the statement of profit and loss. Items included in other comprehensive income are not allocated to operating segments.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 43 Related party disclosures

#### a. List of related parties

##### i. Key management personnel

- a. Mr. M.B.Sahni
- b. Mr. K.D.Sahni
- c. Maj. Gen. J.S. Bedi (Retd.)

Managing Director  
Joint Managing Director  
Whole Time Director

##### ii. Close member of key managerial personnel

- a. Mr. Karam Sahni (Son of Mr. K.D.Sahni)
- b. Mr. Saheb Sahni (Son of Mr. M.B.Sahni)

Head OEM Business  
Head Excellence Department

##### iii. Entities over which executive directors or relatives are able to exercise control/significant influence

- a. Elofic Industries (India) (Partnership Firm)
- b. Mettler Auto Private Limited
- c. Jasmo Kamal & Company (Partnership Firm)
- d. YESS Charitable Trust
- e. B.Bhagwan Singh Elofic Charitable Trust



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### b. Transactions /balances outstanding with related parties

	Key management personnel		Close member of key managerial personnel		Entities over which executive directors or relatives are able to exercise control/significant influence		Total	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. Transactions during the year</b>								
<b>Rent paid</b>								
Elofic Industries (India) (Partnership Firm)	-	-	-	-	220.95	199.37	220.95	199.37
					220.38	198.80	220.38	198.80
Mettler Auto Private Limited	-	-	-	-	0.31	0.31	0.31	0.31
Jasmo Kamal & Company (Partnership Firm)	-	-	-	-	0.26	0.26	0.26	0.26
<b>Licence fees</b>								
Elofic Industries (India) (Partnership Firm)	-	-	-	-	200.41	189.19	200.41	189.19
					200.41	189.19	200.41	189.19
<b>Donation given</b>								
YESS Charitable Trust	-	-	-	-	10.00	8.12	10.00	8.12
B.Bhagwan Singh Elofic Charitable Trust	-	-	-	-	3.00	1.50	3.00	1.50
	-	-	-	-	7.00	6.62	7.00	6.62
<b>Consultancy</b>								
Mettler Auto Private Limited	-	-	-	-	14.04	12.66	14.04	12.66
	-	-	-	-	14.04	12.66	14.04	12.66
<b>Remuneration paid</b>								
Mr. M.B. Sahni	497.88	337.82	72.10	62.41	-	-	569.98	400.23
Mr. K.D. Sahni	222.78	144.47	-	-	-	-	222.78	144.47
Maj. Gen. J.S. Bedi (Retd.)	222.78	144.47	-	-	-	-	222.78	144.47
Mr. Karam Sahni	52.32	48.88	36.05	31.20	-	-	52.32	48.88
Mr. Saheb Sahni	-	-	36.05	31.21	-	-	36.05	31.20
	-	-	-	-	-	-	-	31.21
<b>Club fees</b>								
Mr. M.B. Sahni	1.91	1.99	-	-	-	-	1.91	1.99
Mr. K.D. Sahni	0.19	0.22	-	-	-	-	0.19	0.22
	1.72	1.77	-	-	-	-	1.72	1.77



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>B. Outstanding balances</b>			
<b>Trade payables</b>	<b>232.47</b>	<b>219.46</b>	<b>204.85</b>
Entities over which executive directors or relatives are able to exercise control/significant influence			
Elofic Industries (India) (Partnership Firm)	232.47	219.46	204.85
<b>Employee related liabilities</b>			
<b>Key Management Personnel</b>	<b>17.33</b>	<b>18.27</b>	<b>14.84</b>
Mr. M.B.Sahni	5.84	5.29	4.94
Mr. K.D.Sahni	6.15	7.49	4.94
Maj. Gen. J.S. Bedi (Retd.)	1.68	2.35	2.06
<b>Close member of key managerial personnel</b>			
Mr. Karam Sahni	1.83	1.57	1.45
Mr. Saheb Sahni	1.83	1.57	1.45

### Notes:

- All transactions with the 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 in cash within 12 month of reporting date. There have been no guarantees provided or received for any related party payables/receivables. No expenses has been recognized during the current year in respect of bad or doubtful debts/advances and further no specific provision for doubtful debts/advances has been made in respect of outstanding balances.
- Remuneration does not include expense in respect of gratuity as the same is determined on an actuarial basis for the Group as a whole.

### 44 Financial instruments

#### a. Categories of financial instruments

The carrying amount of the Group's financial instruments is as below:

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Financial asset</b>			
<b>I Measured at cost</b>	-	-	-
<b>II Measured at amortised cost</b>			
i. Other financial assets			
-Non-current	1,127.38	325.49	1,099.43
-Current	427.82	378.56	591.42
ii. Trade receivables	8,484.32	5,655.09	4,170.70
iii. Cash and cash equivalents	379.02	573.76	495.73
iv Bank balances other than cash and cash equivalents	11,198.10	8,802.12	4,835.52
v Loans			
- Current	10.55	6.57	6.74
<b>III Measured at fair value through Profit and Loss (FVTPL)</b>			
i. Investments			
-Current	439.37	23.52	22.03
	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Financial liabilities</b>			
<b>I Measured at amortised cost</b>			
i. Lease liabilities			
- Non current	278.82	124.65	180.70
- Current	109.89	56.05	44.48
ii. Trade payables	3,318.67	2,781.37	2,632.88
iii. Other current financial liabilities	823.79	857.03	925.52



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

**Level I:** includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, ETFs and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level II:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level III:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset are included in level 3.

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- i. Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- ii. The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use Unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value
- iii. The fair values of the remaining fair value through other comprehensive income "FVTOCI" financial assets are derived from quoted market prices in active markets.

### b. Fair value hierarchy

The disclosure of the financial instruments measured at fair value and valuation technique are as follows:

	Fair value hierarchy	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
<b>Financials assets</b>				
Investments in mutual fund	Level I	439.37	23.52	22.03
<b>Financials liabilities</b>		-	-	-

### c. Financials risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, lease liabilities and other financial liabilities and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include investment loans, trade and other receivables, cash and cash equivalents and other financial assets that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks.

The Group's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Group are accountable to the Board of Directors and Audit Committee. This process provides assurance to Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Group policies and Group risk objective.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### d. Financial risk management

The Group's senior management oversees the risk management framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

The risk management policies aims to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk
- Liquidity risk

#### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Group is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Group seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivatives for speculative purposes.

#### I. Currency risk

- a. The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.
- b. Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in Euro, USD, and GBP against the functional currencies of the Group. Any weakening of the functional currency may impact the Company's exports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.
- c. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The foreign currency exposures for the year ended are as follows:

Currency		As at March 31, 2025			As at March 31, 2024		
		Total	Hedged	Unhedged	Total	Hedged	Unhedged
Receivables	Rupees	8,715.55	-	8,715.55	6,258.83	-	6,258.83
	USD	101.84	-	101.84	75.08	-	75.08
	Rupees	490.09	-	490.09	460.81	-	460.81
	EURO	5.31	-	5.31	5.11	-	5.11
	Rupees	11.76	-	11.76	65.08	-	65.08
	GBP	0.11	-	0.11	0.62	-	0.62
Payables	Rupees	338.39	-	338.39	128.81	-	128.81
	USD	3.96	-	3.96	1.54	-	1.54
	Rupees	2.55	-	2.55	-	-	-
	EURO	0.03	-	0.03	-	-	-
Currency		As at April 01, 2023					
		Total	Hedged	Unhedged			
Receivables	Rupees	5,437.63	-	5,437.63			
	USD	66.14	-	66.14			
	Rupees	287.87	-	287.87			
	EURO	3.21	-	3.21			
	Rupees	36.16	-	36.16			
	GBP	0.35	-	0.35			
Payables	Rupees	210.62	-	210.62			
	USD	2.56	-	2.56			
	Rupees	23.76	-	23.76			
	EURO	0.27	-	0.27			



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### i. Foreign currency risk exposure (unhedged only)

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Financial assets	9,217	6,784.72	5,761.66
Financial liabilities	340.94	128.81	234.38
<b>Net exposure (Assets)</b>	<b>(8,876)</b>	<b>(6,655.91)</b>	<b>(5,527.28)</b>

### ii. Sensitivity

The details of the Group's sensitivity to a 1% increase and decrease in the Rs. against the relevant foreign currency ('USD'). 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Impact on profit or loss for the year	(88.76)	(66.56)	(55.27)
Impact on total equity as at the end of reporting year	(66.42)	(49.81)	(41.36)

This is mainly attributable to the exposure outstanding on Currency USD receivables and payables by the Group at the end of the reporting period. Impact on profit for the year are gross of tax.

### iii. The Group has open derivative positions as at March 31, 2025, March 31, 2024 and April 01, 2023 as at follows

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Receivables	-	167.56	-
Rupees	-	2.00	-
USD	-	-	-

### II. Interest rate risk

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group's cash flows as well as costs.

The Group is subject to variable interest rates on some of its interest bearing liabilities. The Group's interest rate exposure is mainly related to debt obligations. The Group also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short-term loans.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period as the Group uses the buyers credit and other credit instruments for short period of time whenever required. There is no credit utilised at the year end in current year and in previous year.

### III. Other price risks

The Group is exposed to equity price risks arising from equity investments.

Equity investments in unlisted entities are held for strategic rather than trading purposes. The Group does not actively trade these investments.

#### Equity price sensitivity analysis

The Group has invested in subsidiary. Hence no amount recognised in the statement of profit and loss as all amount of investment are carried at cost.

### B Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

The Group's exposure to customers is diversified and two customers contributes to more than 10% of outstanding trade receivable

### Reconciliation of loss allowance provision

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Opening balance	16.33	16.33	16.33
Additional provision made	17.66	-	-
Reversal of provision during the year	16.33	-	-
Provision adjusted against the amount written off	-	-	-
Closing provision	<b>17.66</b>	<b>16.33</b>	<b>16.33</b>

The provision for loss allowances of trade receivables have been made by the management on the evaluation of trade receivables. The management at each reporting period made an assessment on recoverability of balances and on the best estimate basis the provision for loss allowances have been created.

### C Liquidity risk management

a. 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 Group requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Group 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 Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group 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.

b. The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The tables include principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

#### Maturities of financial liabilities

	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
<b>As on March 31, 2025</b>					
<b>Non derivative</b>					
Trade payables	3,318.67	-	-	-	3,318.67
Lease liability	109.88	190.68	88.14	-	388.71
Other financial liabilities	823.79	-	-	-	823.79
	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
<b>As on March 31, 2024</b>					
<b>Non derivative</b>					
Trade payables	2,781.37	-	-	-	2,781.37
Lease liability	56.04	114.11	10.55	-	180.70
Other financial liabilities	857.03	-	-	-	857.03
	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
<b>As on April 01, 2023</b>					
<b>Non derivative</b>					
Trade payables	2,632.88	-	-	-	2,632.88
Lease liability	44.48	111.34	68.47	0.90	225.18
Other financial liabilities	925.52	-	-	-	925.52

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Maturities of financial assets

(Amount in 'Rupees Lakhs' unless otherwise stated)

	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
--	-------------	-----------	-----------	---------------------	-------

#### As on March 31, 2025

##### Non derivative

##### Other financial assets

- Current	427.82	-	-	-	427.82
- Non- current	-	1,118.38	9.00	-	1,127.38
Investments	439.37	-	.37	-	439
Trade receivables	8,484.32	-	-	-	8,484.32
Cash and cash equivalents	379.02	-	-	-	379.02
Bank balances other than cash and cash equivalent	11,198.10	-	-	-	11,198.10

##### Loans

- Current	10.55	-	-	-	10.55
-----------	-------	---	---	---	-------

#### As on March 31, 2024

##### Non derivative

##### Other financial assets

- Current	378.56	-	-	-	378.56
- Non- current	-	321.52	3.97	-	325.49
Investments	23.52	-	-	-	-
Trade receivables	5,655.09	-	-	-	5,655.09
Cash and cash equivalents	573.76	-	-	-	573.76
Bank balances other than cash and cash equivalent	8,802.12	-	-	-	8,802.12

##### Loans

- Current	6.57	-	-	-	6.57
-----------	------	---	---	---	------

	0-12 Months	1-3 years	3-5 years	More than 5 year	Total
--	-------------	-----------	-----------	---------------------	-------

#### As on April 01, 2023

##### Non derivative

##### Other financial assets

- Current	591.42	-	-	-	591.42
- Non- current	-	1,095.73	3.70	-	1,099.43
Investments	22.03	-	-	-	22.03
Trade receivables	4,170.70	-	-	-	4,170.70
Cash and cash equivalents	495.73	-	-	-	495.73
Bank balances other than cash and cash equivalent	4,835.52	-	-	-	4,835.52

##### Loans

- Current	6.74	-	-	-	6.74
-----------	------	---	---	---	------

#### e. Capital management

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The Group monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowing less cash and cash equivalents and current investments

	As at March 31, 2025	As at March 31, 2024	As at April 01, 2023
Net debt			
a. Lease liabilities	388.71	180.70	225.18
	<b>388.71</b>	<b>180.70</b>	<b>225.18</b>
b. Cash and cash equivalents	379.02	573.76	495.73
c. Current investments	439.37	23.52	22.03
	<b>818.39</b>	<b>597.28</b>	<b>517.76</b>
<b>Net debt</b>	<b>(429.68)</b>	<b>(416.58)</b>	<b>(292.58)</b>
<b>Total equity</b>	<b>33,279.61</b>	<b>25,646.60</b>	<b>20,922.99</b>
<b>Net debt to equity ratio</b>	<b>-1.29%</b>	<b>-1.62%</b>	<b>-1.40%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024 and March 31, 2023.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

- 45 The Board of Directors have recommended a final dividend of 50% (Rs. 5.00/- per Equity Share of Rs. 10/- each) for the financial year 2024-2025 subject to the approval of the shareholders in the ensuing Annual General Meeting of the Holding Company

46 Disclosure of financial ratios

Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance %	Reason for variance
Current ratio	Current assets	Current liabilities	6.07	5.29	15%	Not material
Debt-equity ratio	Total debt	Total equity	0.01	0.01	66%	Due to addition in lease liabilities.
Debt service coverage ratio	Net operating Income	Total debt service	0.28	0.24	17%	Not material
Inventory turnover ratio	Cost of goods sold	Average inventory	2.96	2.65	12%	Not material
Trade receivable turnover ratio	Net sales	Average trade receivables	6.37	7.16	-11%	Not material
Trade payable turnover ratio	Net purchases	Average trade payables	6.62	6.04	10%	Not material
Net capital turnover ratio	Net sales	Working capital	1.84	1.95	-6%	Not material
Net profit ratio	Profit after tax	Net sales	0.17	0.14	26%	Due to increase in the current year profit
Return on equity ratio	Profit after tax	Total equity	0.23	0.19	24%	Not material
Return on capital employed	Earning before interest and tax	Capital employed	0.32	0.26	23%	Not material
Return on investment	Earning before interest and tax	Total assets	0.28	0.23	25%	Not material

**Note:**

Where the variation is more than 25%, it is due to the inclusion of profitability / income of the current year and whereas there is no significant change in debts from previous year.

(i) Working of the ratios

Basis of ratios	Year ended March 31, 2025	Ratio	Year ended March 31, 2024	Ratio
<b>a. Current ratio</b>				
Current assets	29,309.69	6.07	22,260.16	5.29
Current liability	4,824.88		4,210.88	
<b>b. Debt equity ratio</b>				
Total debt (see note ii)	388.71	0.01	180.70	0.01
Total equity (equity share capital+ other equity)	33,279.61		25,646.60	
<b>c. Debt service coverage ratio</b>				
Net operating income (Profit after tax+Finance cost+Depreciation and amortisation expenses)	9,272.17	0.28	6,124.51	0.24
Total debt service (Long term debt+Short term debt+Capital lease obligation)	33,279.61		25,646.60	
<b>d. Inventory turnover ratio</b>				
Cost of goods sold	18,977.49	2.96	15,566.34	2.65
Average Inventory = (Opening stock + Closing stock) / 2	6,413.29		5,868.72	
<b>e. Trade receivables turnover ratio</b>				
Net sales (Total sales - Sales return)	45,005.61	6.37	35,176.02	7.16
Average trade receivables = (Opening debtors +Closing debtors) / 2	7,069.71		4,912.90	
<b>f. Trade payables turnover ratio</b>				
Total purchases (Net of purchase return)	20,194.39	6.62	16,361.92	6.04
Average trade payables = (Opening creditors + Closing creditors) / 2	3,050.02		2,707.13	
<b>g. Net capital turnover ratio</b>				
Net sales (Total sales - Sales return)	45,005.61	1.84	35,176.02	1.95
Working capital = Current assets - Current liabilities	24,484.81		18,049.28	
<b>h. Net profit ratio</b>				
Profit after tax	7,725.61	0.17	4,809.34	0.14
Net sales (Total sales - Sales return)	45,005.61		35,176.02	



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

Basis of ratios	Year ended March 31, 2025	Ratio	Year ended March 31, 2024	Ratio
<b>i. Return on equity ratio</b>				
Profit after tax	7,725.61	0.23	4,809.34	0.19
Total equity (Equity share capital+ other equity)	33,279.61		25,646.60	
<b>j. Return on capital employed</b>				
Earnings before interest and tax	10,844.84	0.32	6,794.07	0.26
Capital employed = Total assets - Current liabilities	33,614.82		25,827.40	
<b>k. Return on investment</b>				
Earnings before interest and tax	10,844.84	0.28	6,794.07	0.23
Total assets	38,439.70		30,038.28	
<b>(ii) Total Debt</b>				
			As at March 31, 2025	As at March 31, 2024
<b>a. Lease liability</b>				
Non-current			278.82	124.65
Current			109.89	56.05
			<b>388.71</b>	<b>180.70</b>

### 47 Transition to Ind AS

As mentioned in note 1.1, these consolidated financial statements for the year ended March 31, 2025, are the first consolidated financial statements of the Group prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. For periods up to and including the year ended March 31, 2024, the Group prepared its consolidated financial statements in accordance with "previous GAAP", including accounting standards notified under the Companies (Accounting Standards) Amendment Rules, 2021.

Accordingly, the Group has prepared consolidated financial statements which comply with Ind-AS applicable for periods ended on or after March 31, 2025, together with the comparative period data as at and for the year-ended March 31, 2024, as described in the summary of material accounting policies. In preparing these consolidated financial statements, the Group's opening balance sheet was prepared as at April 01, 2023, the Group's date of transition to Ind-AS. This note explains the principal adjustments made by the Group in restating its Previous GAAP consolidated financial statements, including the balance sheet as at April 01, 2023 and the consolidated financial statements as at and for the year ended March 31, 2024.

In preparing its Ind AS consolidated financial statements as at April 01, 2023 and in presenting the comparative information for the year ended March 31, 2024, the group has adjusted amounts reported previously in the consolidated financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the group in restating its consolidated financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows.

#### 1 Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

##### Transition elections

Explanation of the Ind AS 101 exceptions and exemptions to the full retrospective application of Ind AS applied by the Group.

In the Ind AS opening Balance Sheet as at April 01, 2023, the carrying amounts of assets and liabilities from the Previous GAAP as at March 31, 2023 are generally recognized and measured according to Ind AS in effect for the financial year ended as on March 31, 2025. For certain individual cases, however, Ind AS 101 provides for optional exemptions to the general principles of retrospective application of Ind AS. The Group has made use of the following exemptions in preparing its Ind AS opening Balance Sheet.

#### 1.1 Ind AS optional exemptions

##### (i) Property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, if any. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### (ii) Leases

During the transition to Ind AS 116, the Group has applied the modified retrospective approach, as permitted under the standard. This approach allows for the recognition of the cumulative effect of initially applying the standard at the date of initial application. In accordance with the transitional provisions of Ind AS 116, the Group has chosen the following exemptions and practical expedients:

**a) Exemption for short-term leases and low-value assets:** The Group has elected not to recognize right-of-use assets and lease liabilities for leases with a lease term of 12 months or less and leases of low-value assets, as permitted by Ind AS 116. These lease payments continue to be recognized as an expense on a straight-line basis over the lease term.

**b) Use of practical expedients:**

- Hindsight in determining lease term: The Group has used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

- Exclusion of initial direct costs: Initial direct costs were excluded from the measurement of the right-of-use asset at the date of initial application.

- Application of single discount rate: A single discount rate has been applied to a portfolio of leases with reasonably similar characteristics.

**c) Measurement of right-of-use assets:** Right-of-use assets were measured at an amount equal to the lease liability, adjusted by any prepaid or accrued lease payments, as permitted under the modified retrospective approach.

### 1.2 Ind AS mandatory exceptions

#### Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at April 01, 2023 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

#### Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

### 2 Reconciliation of total equity as at March 31, 2024 and April 01, 2023

Particulars	As at March 31, 2024	As at April 01, 2023
Equity under previous Indian GAAP	25,652.19	20,920.97
<b>GAAP adjustments:</b>		
Depreciation on right of use assets (Ind AS 116)	(58.52)	-
Depreciation on leasehold land	0.16	-
Finance cost on lease liability (Ind AS 116)	(14.83)	-
Reversal of actual rent (Ind AS 116)	59.31	-
Interest income on security deposit (Ind AS 109)	0.41	-
Amortisation of prepaid security deposit	(0.44)	-
Fair valuation of investment	3.52	2.03
Reversal of lease equalisation reserve	1.53	1.53
Deferred tax on adjustments made (Ind AS 12)	2.81	(1.54)
<b>Equity as per Ind AS</b>	<b>25,646.60</b>	<b>20,922.99</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### 3 First time Ind AS adoption reconciliations

(Amount in 'Rupees Lakhs' unless otherwise stated)

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS consisting of GAAP adjustments and reclassifications which management became aware about pursuant to errors made under previous GAAP, which have now been appropriately distinguished and presented separately from GAAP adjustments:

#### A. Effect of Ind AS adoption on the balance sheet as at March 31, 2024 and April 01, 2023

Particulars	Notes	As at April 01, 2023		As at March 31, 2024	
		IGAAP	Effects of transition to Ind-AS	Ind AS	Effects of transition to Ind-AS
<b>Assets</b>					
<b>Non-current assets</b>					
(a) Property, plant and equipment	B3	5,646.17	(4.71)	5,641.46	6,810.94
(b) Capital work-in-progress		563.29	-	563.29	95.24
(c) Other intangible assets		17.33	-	17.33	147.31
(d) Intangible assets under development		136.35	-	136.35	-
(e) Right to use assets	A1	-	229.89	229.89	171.37
(f) Financial assets		-	-	-	-
(i) Other financial assets	A2	1,101.07	(1.64)	1,099.43	325.49
(g) Income tax assets (net of provisions)		112.76	-	112.76	112.94
(h) Other non-current assets	A2	165.88	1.19	167.07	114.83
<b>Total non-current assets</b>		<b>7,742.85</b>	<b>224.73</b>	<b>7,967.58</b>	<b>7,778.12</b>
<b>Current assets</b>					
(a) Inventories		5,677.30	-	5,677.30	6,060.14
(b) Financial assets		-	-	-	-
(i) Investments	A5	20.00	2.03	22.03	23.52
(ii) Trade receivables		4,170.70	-	4,170.70	5,655.09
(iii) Cash and cash equivalents		495.73	-	495.73	573.76
(iv) Bank balances other than cash and cash equivalents		4,835.52	-	4,835.52	8,802.12
(v) Loans		6.74	-	6.74	6.57
(vi) Other financial assets		591.42	-	591.42	378.56
(c) Other current assets	A2	1,395.24	0.45	1,395.69	760.40
<b>Total current assets</b>		<b>17,192.65</b>	<b>2.48</b>	<b>17,195.13</b>	<b>22,260.16</b>
<b>Total assets</b>		<b>24,935.50</b>	<b>227.21</b>	<b>25,162.71</b>	<b>30,038.28</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
(a) Equity share capital	Refer note 2 above	250.84	-	250.84	250.84
(b) Other equity		20,670.13	2.02	20,672.15	25,395.76
<b>Total equity</b>		<b>20,920.97</b>	<b>2.02</b>	<b>20,922.99</b>	<b>25,646.60</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)						
Particulars	Notes	As at April 01, 2023		As at March 31, 2024		Ind AS
		IGAAP	Effects of transition to Ind-AS	IGAAP	Effects of transition to Ind-AS	
<b>Non-current liabilities</b>						
(a) Financial liabilities						
(i) Lease liabilities	A1	-	180.70	-	124.65	124.65
(b) Deferred tax liabilities (net)	A4	31.47	1.54	58.96	(2.81)	56.15
(c) Provisions	B4	0.26	(0.26)	1.67	(1.67)	-
<b>Total non-current liabilities</b>		<b>31.73</b>	<b>181.98</b>	<b>60.63</b>	<b>120.17</b>	<b>180.80</b>
<b>Current liabilities</b>						
(a) Financial liabilities						
(i) Lease liabilities	A1	-	44.48	-	56.05	56.05
(ii) Trade payables						
(A) Total outstanding dues of micro enterprises and small enterprises		521.77	-	364.58	-	364.58
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,146.52	(35.41)	2,416.79	-	2,416.79
(iii) Other financial liabilities						
(b) Other current liabilities		890.11	35.41	857.03	-	857.03
(c) Provisions	B3	116.89	-	126.15	-	126.15
(d) Current tax liabilities (net)		148.47	(1.27)	207.34	(0.32)	207.02
		159.04	-	183.26	-	183.26
<b>Total current liabilities</b>		<b>3,982.80</b>	<b>43.21</b>	<b>4,155.15</b>	<b>55.73</b>	<b>4,210.88</b>
<b>Total equity and liabilities</b>		<b>24,935.50</b>	<b>227.21</b>	<b>29,867.97</b>	<b>170.31</b>	<b>30,038.28</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### B. Effect of Ind AS adoption on the Statement of Profit and loss for the year ended March 31, 2024

	Particulars	Notes	For the year ended March 31, 2024		
			IGAAP	Effects of transition to Ind-AS	Ind AS
I	Revenue from operations		35,176.02	-	35,176.02
II	Other income	A2, A5	738.61	1.37	739.98
III	<b>Total income (I + II)</b>		<b>35,914.63</b>	<b>1.37</b>	<b>35,916.00</b>
IV	Expenses				
(a)	Cost of materials consumed		15,666.26	-	15,666.26
(b)	Purchases of stock-in-trade		405.41	-	405.41
(c)	Changes in inventories off nished goods, work-in-progress and stock-in-trade		(99.92)	-	(99.92)
(d)	Employee benefits expense	A3	5,104.06	(41.55)	5,062.51
(e)	Finance costs	A1, A2	22.37	15.27	37.64
(f)	Depreciation and amortization expense	A1	1,219.17	58.36	1,277.53
(g)	Other expenses	A1, B1, B2	6,869.91	(59.77)	6,810.14
	<b>Total expenses (IV)</b>		<b>29,187.26</b>	<b>(27.69)</b>	<b>29,159.57</b>
V	<b>Profit before tax (III - IV)</b>		<b>6,727.37</b>	<b>29.06</b>	<b>6,756.43</b>
VI	Tax expense				
(a)	Current tax		1,912.74	-	1,912.74
(b)	Deferred tax	A4	27.49	7.75	35.24
(c)	Tax adjustment of earlier years	B1	(0.89)	-	(0.89)
	<b>Net tax expense</b>		<b>1,939.34</b>	<b>7.75</b>	<b>1,947.09</b>
VII	<b>Profit for the year (V-VI)</b>		<b>4,788.03</b>	<b>21.31</b>	<b>4,809.34</b>
VIII	Other comprehensive income ('OCI')				
(a)	Items that will not be reclassified to profit or loss	A3	-	(41.55)	(41.55)
	- re-measurement of post employment benefit obligations				
0	- Income tax relating to items that will not be reclassified to profit and loss		-	12.10	12.10
	<b>Other comprehensive income for the year</b>		<b>-</b>	<b>(29.45)</b>	<b>(29.45)</b>
IX	<b>Total comprehensive income (VII+VIII)</b>		<b>4,788.03</b>	<b>(8.14)</b>	<b>4,779.89</b>
X	Earnings per equity share (face value of Rs. 10 per share)				
	Profit attributable to equity shareholders		4,788.03	21.31	4,809.34
	Weighted average number of equity shares for basic and diluted EPS		25,08,370	25,08,370	25,08,370
	<b>Total</b>		<b>25,08,370</b>	<b>25,08,370</b>	<b>25,08,370</b>
	<b>Basic and diluted EPS (Rs.)</b>		<b>190.88</b>	<b>0.85</b>	<b>191.73</b>

### C. Reconciliation of statement of cash flow for the year ended March 31, 2024

	Local GAAP*	Adjustments	Ind AS
Net cash flow from operating activities	4,506.40	263.50	4,769.90
Net cash flow from investing activities	(4,317.47)	(204.19)	(4,521.66)
Net cash used in financing activities	(98.94)	(59.31)	(158.25)
<b>Net increase in cash and cash equivalents</b>	<b>89.99</b>	<b>-</b>	<b>89.99</b>
Cash and cash equivalents as at April 01, 2023	495.73	-	495.73
Effect of exchange differences on balances with banks in foreign currency	(11.96)	-	(11.96)
<b>Cash and cash equivalents as at March 31, 2024</b>	<b>573.76</b>	<b>-</b>	<b>573.76</b>

\* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

### Footnotes to the reconciliation of equity as at April 01, 2023 and March 31, 2024 and profit or loss for the year ended March 31, 2024

#### A.1 Ind AS 116 implementation

At the date of transition, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Group has recognised right-of-use asset and a corresponding lease liability for leasehold buildings as on April 01, 2023.

As a result of applying Ind AS 116, during the year ended March 31, 2024, depreciation on the right-of-use assets and interest on lease liabilities have replaced lease expenses previously recognized under IGAAP in statement of profit and loss.

#### A.2 Financial assets at amortised cost

Under the previous GAAP, security deposits provided to lessors were recorded at their transaction value. However, under Ind AS 109, financial assets that are measured at amortised cost are required to be initially recognised at fair value and subsequently at amortised cost using the Effective Interest Rate (EIR) method.

As per this requirement, security deposits have been discounted and recorded at their amortised cost. The difference between the nominal value of the deposit and its fair value is recognised as part of the prepaid lease rent. This amount is then amortised on a straight-line basis over the lease term. Additionally, the interest on the security deposit is recognised over the lease period using the EIR method.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### A.3 Remeasurement of post employment benefits obligation

Under previous GAAP, the Group accounted for actuarial (gain)/loss on gratuity of Rs. 41.55 as part of employee benefits expense. Under Ind AS, the same has been reclassified to other comprehensive income. The tax impact of the same has also been adjusted accordingly from the Statement of Profit and Loss to Other Comprehensive Income.

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and tax thereon. The concept of other comprehensive income does not exist under previous GAAP.

### A.4 Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

In addition, the various transitional adjustments and restatements lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction in retained earnings.

### A.5 Financial assets at fair value through profit and loss (FVTPL)

Under the previous GAAP, current investment in mutual funds were recorded at their cost. However, under Ind AS 109, financial assets that are initially measured at cost are required to be subsequently measured at fair value.

## B. Reclassification done to comply with the presentation requirement of Schedule III of the Companies Act, 2013

- B.1 Under the previous GAAP, the lease equalization reserve, amounting to Rs. 1.27 as of the transition date and Rs. 0.32 as of March 31, 2024, was classified as a current provision. Upon transitioning to Ind AS, the amount of Rs. 1.27 was reclassified to retained earnings under other equity, while Rs. 0.32 was reversed through the profit and loss account for the year ended March 31, 2024.
- B.2 Under the previous GAAP, the lease equalization reserve, amounting to Rs. 0.26 as of the transition date and Rs. 1.67 as of March 31, 2024, was classified as a non-current provision. Upon transitioning to Ind AS, Rs. 0.26 was reclassified to retained earnings under other equity, while Rs. 0.14 was reversed through the profit and loss account for the year ending March 31, 2024.
- B.3 Under the previous GAAP, leasehold land amounting to Rs. 4.71 as of the transition date and Rs. 4.55 as of March 31, 2024, was classified under Property, Plant and Equipment. Upon transition to Ind AS, these amounts were reclassified to Right-of-Use assets in accordance with Ind AS 116.

## C. Statement of cash flows

The transition from Indian GAAP to Ind AS has not a material impact on the statement of cash flow except for the reclassification mentioned in C above. Refer reconciliation of statement of cash flows for the year ended March 31, 2024.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

48 The Company has incurred the following cost of research and development activities at its center at Faridabad

Financial year	Capital expenses	Revenue expenses
2009-10	3.86	39.75
2010-11	6.82	47.69
2011-12	73.06	55.02
2012-13	30.17	82.51
2013-14	79.80	102.34
2014-15	34.95	132.61
2015-16	17.37	133.23
2016-17	62.65	112.04
2017-18	35.23	150.35
2018-19	16.95	220.04
2019-20	16.27	233.23
2020-21	30.96	222.76
2021-22	7.01	258.07
2022-23	0.16	285.10
2023-24	206.12	357.45
2024-25	18.04	443.09

(Amount in 'Rupees Lakhs' unless otherwise stated)

49 The charges which yet to be satisfied with Registrar of Companies (ROC) as at March 31, 2025 are as follows:

Brief description of charges	Location of ROC	Amount	Date of creation / modification
Book debts	New Delhi	300.00	23.02.2024
Immovable properties	New Delhi	300.00	23.02.2024

During the year, the Group has not made any change in terms of its cash credi

50 Disclosure of additional Information as required by the Schedule III

a) As at and for the year ended March 31, 2025

Particulars	Net assets (i.e. Total assets minus total liability)		Share in profit	
	As a % of consolidated net assets	Amount	As a % of consolidated profit and loss	Amount
Holding Company				
Elofic Industries Limited	99.86%	33,233.29	96.54%	7,458.23
Foreign Subsidiary				
Elofic USA LLC	4.60%	1,529.99	0.73%	56.23
		34,763.28		7,514.46
Elimination on consolidation		(1,483.67)		211.15
Total		33,279.61		7,725.61

b) As at and for the year ended March 31, 2024

Particulars	Net assets (i.e. Total assets minus total liability)		Share in profit	
	As a % of consolidated net assets	Amount	As a % of consolidated profit and loss	Amount
Holding Company				
Elofic Industries Limited	101.02%	25,906.97	95.22%	4,579.27
Foreign Subsidiary				
Elofic USA LLC	5.59%	1,434.47	4.00%	192.60
		27,341.44		4,771.87
Elimination on consolidation		(1,694.84)		37.47
Total		25,646.60		4,809.34

c) As at and for the year ended April 01, 2023

Particulars	Net assets (i.e. Total assets minus total liability)	
	As a % of consolidated net assets	Amount
Holding Company		
Elofic Industries Limited	102.43%	21,432.40
Foreign Subsidiary		
Elofic USA LLC	5.84%	1,222.90
		22,655.30
Elimination on consolidation		(1,732.31)
Total		20,922.99



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in 'Rupees Lakhs' unless otherwise stated)

### 51 Other statutory information

- a. There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- b. No penalties were imposed by the regulator during the year during the financial year ended March 31, 2025.
- c. 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.
- d. The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- e. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- f. The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
- g. The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- h. The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - 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 to or on behalf of the Ultimate Beneficiaries.
- i. The Group have not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- j. The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- k. The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956
- l. The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Group

52 There are no subsequent event observed after the reporting period which have material impact on the Group's operation.

53 The Board of Directors of the Holding Company approved the consolidated financial statements for issuance by resolution passed at the board meeting held on May 31, 2025 and authorised the Directors to sign the consolidated financial statements

As per our report of even date attached

**For S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration No.: 000050N/N500045

**For and on behalf of the Board of Directors of**  
**Elofic Industries Limited**

**Bhaskar Sen**  
Partner  
Membership No.: 096985

Place: Gurugram  
Date: May 31, 2025

**K. D. Sahni**  
Joint Managing Director  
DIN: 00901216

Place: Faridabad  
Date: May 31, 2025

**M. B. Sahni**  
Managing Director  
DIN: 00906251

Place: Faridabad  
Date: May 31, 2025

**Maj. Gen. J.S. Bedi (Retd.)**  
Director  
DIN: 08583060

Place: Faridabad  
Date: May 31, 2025

**Adish Suri**  
Vice President -  
Finance

Place: Faridabad  
Date: May 31, 2025







**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]

CIN:	U74999HR1973PLC070262
Name of the Company:	Elofic Industries Limited.
Registered office:	14/4, Mathura Raod, Faridabad – 121003 (Haryana)

Name of the Member(s):

Registered address:

Email Id:

Folio No./Client Id:

DP ID:

I/We, being the Member (s) of ..... shares of the above named Company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

or failing him

2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 52<sup>nd</sup> Annual General Meeting of the Company, to be held on Friday, 4<sup>th</sup> day of July, 2025, at 3:00 P.M. at Hotel Delite Grand, A 5/B Neelam Bata Road, NIT Faridabad, Haryana – 121001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Particulars
1.	To consider and adopt; (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2025 together with the report of the Board of Directors and Auditors thereon; (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2025 and the report of Auditors thereon.
2.	To Declare Dividend for the financial year ended 31 <sup>st</sup> March, 2025.
3.	To appoint Director in place of Maj. Gen. Jatinder Singh Bedi (Retd.) (DIN: 08583060) who retires by rotation and being eligible offer himself for reappointment.
4.	Re-appointment of Statutory Auditors of the Company for second term of five years.
5.	Ratification of the remuneration of Cost Auditors of the Company for Financial year 2025-26.

Signed this..... day of..... 2025

Signature of shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



## ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Meeting Hall)

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company. I/we hereby record my/our presence at the at the 52<sup>nd</sup> Annual General Meeting of the Company on Friday, 4<sup>th</sup> day of July 2025, at 3:00 P.M. at Hotel Delite Grand, A 5/B Neelam Bata Road, NIT Faridabad, Haryana 121001.

Folio No./DP ID-Client ID \_\_\_\_\_

Full Name of the first named Member in Block Letters:

\_\_\_\_\_

No. of Shares held: \_\_\_\_\_

Name of Proxy/ Authorised Representative (if any) in Block Letters:

\_\_\_\_\_

Name of Joint Member(s) (if any) in Block Letters:

\_\_\_\_\_

Only Memembr of the Company and/or their Proxy / Authorised Representative will be allowed to attend the Meeting.

Signature of the Member/Proxy/Representative\*

\* Strike out whichever is not applicable.









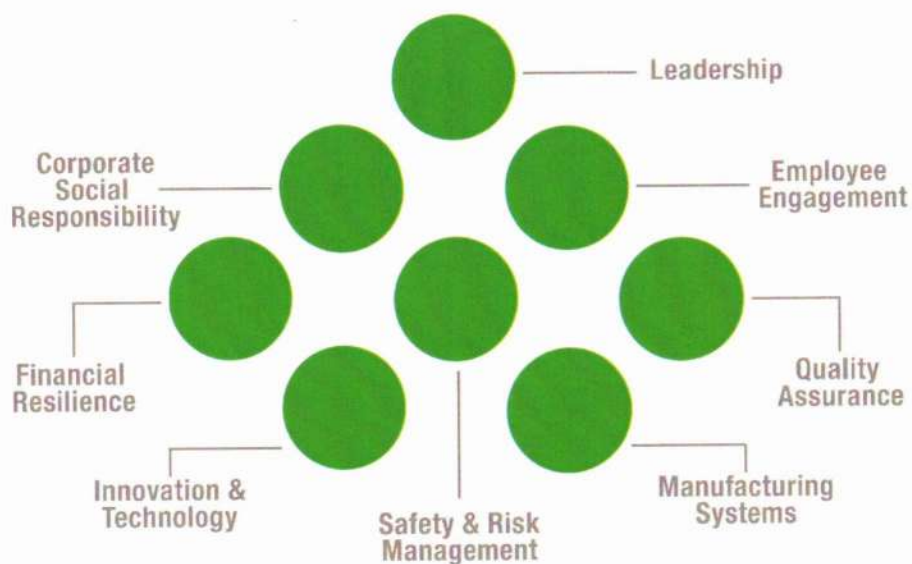
VENUE LOCATION OF THE MEETING









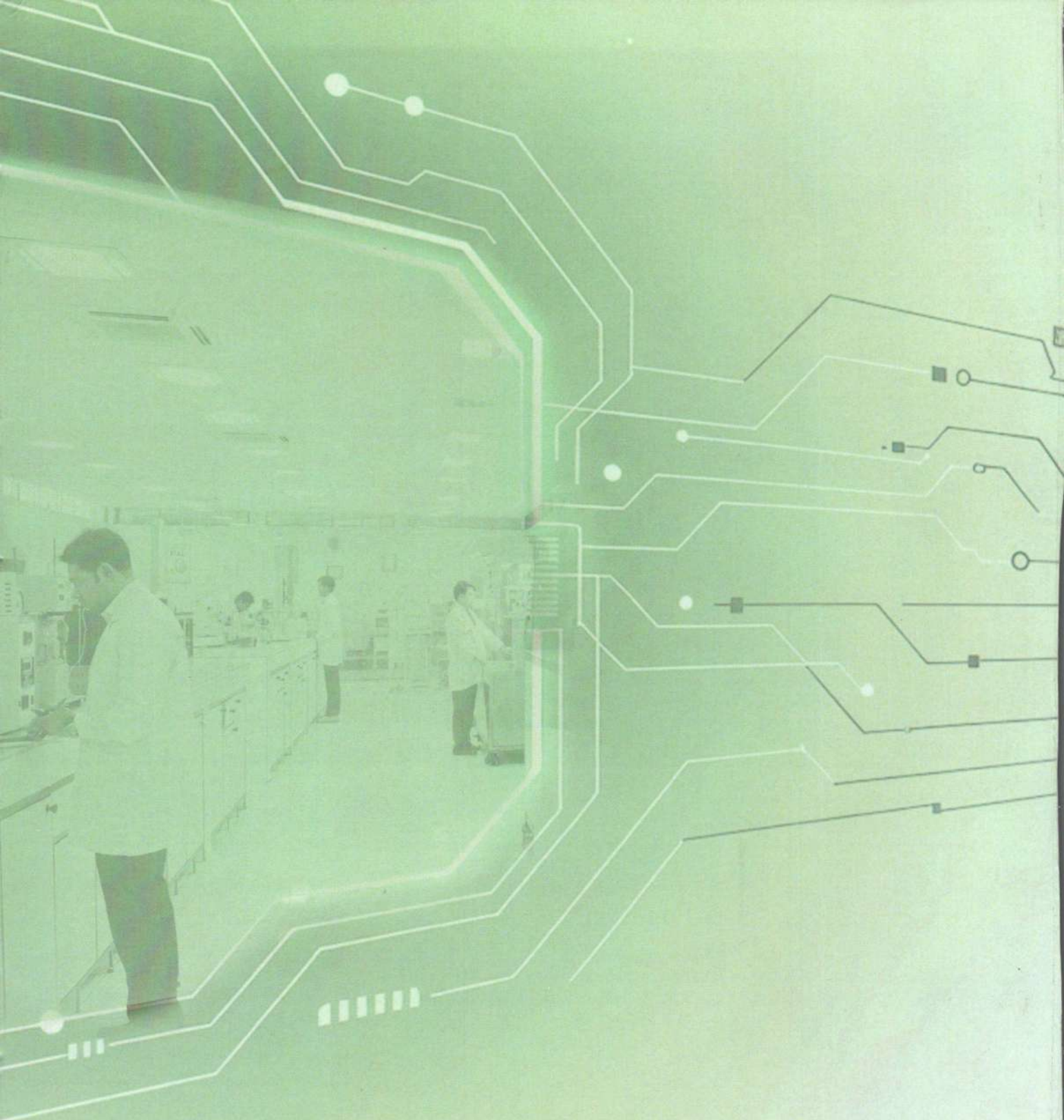


## 8 DOMAINS OF EXCELLENCE

The eight domains of excellence define Elofic as an entity that is driven by the collective energy of persistent evolution across eight focus areas of performance







*“What is a life worth, that cannot bring comfort to others”*

-Our Founder, Late Sh. Mohinder Singh Sahni



**ELOFIC INDUSTRIES LIMITED**

14/4, Mathura Road, Faridabad -121003, India

[www.elofic.com](http://www.elofic.com)