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KCPL KANARA CONSUMER PRODUCTS LIMITED
(FORMERLY KNOWN AS KURLON LIMITED)

ANNUAL REPORT 2025

Corporate & Registered Office : N-301, III Floor, North Block,
Front Wing, Manipal Centre, 47 Dickenson Road, Bengaluru - 560 042, India.

DIRECTOR'S REPORT

Dear Members,

The Board of Directors are pleased to present the Company's 63rd Annual Report and the Company's Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2025.

1. Financial summary or highlights/

Financial results of the Company for the year under review along with previous year's figures are given hereunder;

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	2024-2025	2023-2024	2024-2025	2023-2024
Revenue from operations	69.95	50.58	2,273.08	43,516.99
Other revenue	8,000.44	6,689.28	8,381.07	5,679.53
Total revenue	**8,070.39**	**6,739.86**	**10,654.15**	**49,196.52**
Profit Before Financial charges, tax and Depreciation	6,420.69	5,479	**5,063.48**	**1,200.97**
Less: Finance Charges	15.42	189.02	36.07	1,942.71
Less: Depreciation	241.32	298.41	385.78	2,032.52
Profit Before Tax and Exceptional Items	6,163.95	4,991.45	**5,485.33**	**(2,774.26)**
Less Exceptional items	(4,305.49)	(1,57,393.64)	**(4,200.00)**	**(154,728.98)**
Profit/Loss before Tax	**10,469.44**	**1,62,385.09**	**9,685.33**	**151,954.72**
Add/Less: Current Income Tax Less: (Excess)/Short Provision for Income Tax of earlier year Less: MAT Credit	1,494.41 0.00	36,436.52 44.30	1,500.31	36,628.15 46.36
Add/Less: Deferred tax	435.01	138.10	652.30	(1,257.42)
Profit/Loss after tax	**8,540.02**	**1,25,766.17**	**7,532.72**	**116,537.63**
Other comprehensive income/Loss	2.90	27.66	5.30	26.55
Total comprehensive income/Loss for the year	**8,542.92**	**1,26,072.90**	**7,538.02**	**116,427.46**
Surplus in statement of P & L carried to Balance Sheet	8540.02	1,25,449,85	1,16,650.43	122,477.35
Earnings per share (EPS).	59.49	846.93	52.49	783.05

*** Previous year figures have been regrouped / reclassified, wherever necessary, to confirm to the current year groupings / classifications.**

Performance of the Company's affairs:

During the current financial year, the Company's standalone revenue from operations amounted to **₹69.95 lakhs**, reflecting an increase from **₹50.58 lakhs** in the previous year. The profit/(loss) after tax, excluding other comprehensive income, declined significantly from **₹12,576.17 lakhs** in the previous year to **₹8,540.02 lakhs** in the current year. It is pertinent to note that the previous year's figures included exceptional gains arising from the sale of the subsidiary company, Kurlon Enterprise Limited, which was divested on October 20, 2023.

On a consolidated basis, the total revenue has declined from **₹49,196.52 lakhs** in the previous year to **₹10,654.15** lakhs in the current year. This significant reduction is primarily attributable to losses incurred by the subsidiary companies, Manipal Natural Private Limited and Manipal Software and E-Commerce Private Limited.

2. Dividend

Your Directors are pleased to recommend a Dividend of Rs 2.50/- (i.e. 25%) per equity share of Rs. 10/- each fully paid up as final dividend for the financial year ended March 31, 2025, payable to those Shareholders whose names appear in the Register of Members as on the Record Date. The dividend on Equity Shares is subject to the approval of the shareholders at the forthcoming Annual General Meeting (AGM) of the Company. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

3. **<u>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</u>**

As Company has not done any one-time settlement during the year under review hence no disclosure is required.

4. **<u>Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016;</u>**

There is no application made or any proceeding pending by or against the Company under the Insolvency and Bankruptcy Code, 2016 during FY 2024-25.

5. **<u>Transfer to Reserves</u>**

The Board of Directors have decided to retain the profit after distribution of dividend for the Financial Year 2025 in the Statement of Profit and Loss hence no amount is being recommended to transfer to General reserve.

6. **<u>Consolidated Financial Statement</u>**

Pursuant to Section 129(3) of the Companies Act, 2013 and IND AS 110 issued by Institute of Chartered Accountant of India, the Consolidated Financial Statements presented by the Company include the Audited Financial Statements received from Subsidiary Companies, as approved by its Boards.

7. **<u>Change in the Nature of Business</u>**

There has been no change in the nature of business during the financial year 2024-2025

8. **<u>Material changes and Commitments effecting the financial position of the Company between the end of the Financial Year and date of this report</u>**

There are no material changes and commitments affecting the financial position of the Company between the end of the Financial Year and the date of this report as listed below;

9. **<u>Indian Accounting Standards</u>**

Financial statements of the Company have been prepared in accordance with Indian Accounting Standard ("IND AS").

10. **<u>Share capital</u>**

During the year under the review, the Authorized Share Capital of the Company as on date of Balance Sheet is Rs. 35,00,00,000/- (Rupees Thirty-Five Crores Only) divided into 3,50,00,000 (Three Crores Fifty Lakhs Only) Equity Shares of Rs.10/- (Rupees Ten Only) each and The Paid up share capital of the Company as on date of balance sheet is Rs. 14,87,87,500/- (Rupees Fourteen Crores Eighty even lakhs Eightyseven thousand five hundred only) divided into 1,48,78,750 (One Crore Forty-Eight Lakhs Eighty Seventy-Eight thousand seven hundred and fifty) Equity Shares of Rs. 10/- each.

Buy-back of Securities

During the year under review, the Company successfully completed the buyback of 7,46,854 fully paid-up equity shares of face value ₹10 each, at a price of ₹1,300 per share. The buyback was carried out pursuant to the approval of the members by way of a special resolution passed through postal ballot on May 1, 2024.

The Company adopted the tender offer route for the buyback, with the tendering period commencing on June 5, 2024, and concluding on June 19, 2024. The extinguishment of the 7,46,854 equity shares bought back has been duly completed in accordance with the Companies Act, 2013.

Issue of Shares – Rights Issue

The Company offered equity shares to its existing shareholders by way of a Rights Issue at ₹10 per share, in the ratio of 1 equity share for every 19 equity shares held. The Rights Issue was open for subscription from February 27, 2025, to March 6, 2025. Pursuant to the offer, a total of 7,42,999 equity shares were allotted.

Consequently, the issued and paid-up share capital of the Company as on March 31, 2025, stands at ₹14,87,87,500 (Rupees Fourteen Crores Eighty-Seven Lakhs Eighty-Seven Thousand Five Hundred only), comprising 1,48,78,750 equity shares of ₹10 each.".

Issue of sweat equity shares

During the year the Company has neither issued any sweat Equity Shares nor shares with differential voting rights.

Sub-division of equity shares

No subdivision took place during the year under review.

Bonus Shares

The Company has not issued any bonus shares during the year under review.

Employee stock option scheme

The Company has not provided any Stock Option to its employee(s).

11. Name Change of the Company

There has not been any change in the name of the Company during the year under review.

12. Directors and Key Managerial Personnel

Following are the Directors and KMPs of the Company as on date of this report.

DIN/PAN	Directors and Key Managerial Personnel	Designation
00043298	Mr. T Sudhakar Pai	Managing Director
00030515	Mrs. Jaya S Pai	Director
02825199	Mrs. Deepa S. Pai	Director
06733156	Mrs. Jyothi Ashish Pradhan	Executive Director
00632775	Mr. K Venugopal Shetty	Independent Director
03268717	Mr. Santhosh Kamath	Independent Director
ABWPR3878C	Mr. Madhusudan Kudlugi Raghavendrarao	Chief Financial Officer
ANZPG8719L	Ms. Susheela	Company Secretary

None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013.

In accordance with the provisions of the Act, Mrs. Jaya S Pai, Director of the Company, retires by rotation at the ensuing Annual General Meeting. The Board of Directors on the recommendation of Nomination and Remuneration Committee ("NRC") has recommended their re-appointment.

Mrs. Deepa Pai (DIN:02825199) was reappointed as Non-Executive Director of the Company in previous Annual General Meeting of the Company, liable to be retire by rotation.

13. Declaration by Independent Director

The Independent Directors have submitted the declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence as provided in section 149 (6) of the Companies Act, 2013, as amended. The Board took on record the declaration and confirmation submitted by the Independent Directors regarding their meeting the prescribed criteria of Independence, after undertaking due assessment of the veracity of the same as required.

14. Board Meetings

The Meetings of the Board were held at regular intervals within a time gap of not more than 120 days between two consecutive Meetings. During the year under review 11 (Eleven) Meetings of the Board of Directors were held on 03.05.2024, 21.06.2024, 08.08.2024, 04.09.2024, 17.09.2024, 23.10.2024, 26.11.2024, 26.12.2024, 16.01.2025 and 14.03.2025 respectively.

The Agenda of the Meetings are circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated amongst the Members of the Board for their perusal.

15. Disclosure about receipt of commission or remuneration by Managing Director

In terms of the provisions of section 197(14) of the Act, Mr. T Sudhakar Pai, Managing Director of the Company received remuneration from the Company and did not received any commission or remuneration from the Subsidiary Companies.

16. Annual Evaluation of Board and its Committees

The Nomination and Remuneration Committee ("NRC") has laid down proper criteria and procedure to evaluate and scrutinize performance of the Chairperson, each Director (including Executive, Non-Executive and Independent Directors), of the Board as a whole and its Committee. The criteria include different aspects covered under Administrative, Strategic, Operational and Compliance headings.

As per laid down procedure, the Independent Directors would hold a separate meeting whenever necessary, to review the performance of the Chairman of the Company after taking into account the views of Executive and Non-Executive Directors. The substantial, and continuing, contribution of the Chairman in the growth of the Company has been highly commended. The Independent Directors also reviewed performance of every Executive and Non-Executive Director of the Board. The performance evaluation of each Independent Director was done by the entire Board (except the Independent Directors being evaluated).

The performance of each committee has been evaluated by its members and found to be satisfactory.

17. Familiarization Program for Independent Directors

The Company has put in place a Familiarization Program for Independent Directors to familiarize them with the Company, its businesses, their roles, rights, responsibilities & nature of industry in which Company operates. Directors are regularly updated on performance of the business of the Company, business strategy going forward and new initiative being taken/proposed to be taken by the Company through presentation by head of the Departments.

18. Deposit from Public

The Company has not accepted any deposits from the public within the meanings of Sections 73 to 76 of the Act and the rules framed thereunder to the extent notified.

19. Remuneration Policy

The Company follows a policy on remuneration of Directors and Senior Management Employees. The policy is approved by the Nomination and Remuneration Committee and the Board.

20. Details of Subsidiary/Joint Ventures/Associate Companies

The Company has following subsidiaries as on 31st March 2025.

SI. No.	Name of the Company	CIN/GLN	Subsidiary/Associate/ Joint Venture
1	Manipal Software & e-Commerce Private Limited	U72200KA2011PTC059084	Subsidiary
2	Manipal Natural Private Limited	U24290KA2019PTC130068	Subsidiary
3	Kanara Consulting and Service Management Private Limited	U67190MH2022PTC382693	Subsidiary

During the year, the Company contributed INR 25,00,000/-(Rupees Twenty five lakhs only) to Kanara Global Products LLP (LLPIN: ACJ-9389), which was incorporated on October 15, 2024. As of March 31, 2025, the Company holds a 99.99% partnership interest in the said LLP.

As required under the provisions of Section 129 of the Companies Act, 2013, read with Companies (Accounts) Rule, 2013, a statement containing salient features of the financial statements of subsidiaries is provided in the prescribed format AOC-1 as **Annexure-A** of the Board Report therefore not repeated to avoid duplication.

21. Directors' Responsibility Statement

Your Directors make the following statement in terms of Section 134(3) (c) & (5) of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them:-

a. that in the preparation of the annual accounts for the Financial Year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. that appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the State of Affairs as at March 31, 2025 and of the Profit of your Company for the Financial Year ended March 31, 2025;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

d. that the annual accounts for the Financial Year ended March 31, 2025 have been prepared on a going concern basis;

e. They have laid down Internal Financial Controls, which are adequate and are operating effectively.

f. That 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.

22. Report on Corporate Governance

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance practice as set out in the Act. The Company believes that the essence of Corporate Governance lies in the phrase 'Your Company'. It is 'Your' Company because it belongs to you – the shareholders. The Chairman and Directors are 'Your' fiduciaries and trustees. Their objective is to take the business forward in such a way that it maximizes 'Your' long-term value.

Your Company is committed to benchmarking itself with global standards for providing good Corporate Governance. It has put in place an effective Corporate Governance System in the Company not only for the good secretarial practice but to ensure that the businesses of the Company are being conducted in transparent manners.

23. Auditors and Auditors' report

Statutory Auditors
M/s.Nangia & Company LLP (Registration No. 002391C/N500069) were appointed as the Statutory Auditors of the Company to hold office for a period of 5 years at the Annual General Meeting held on 30th September 2024.

During the year, the Statutory Auditors have confirmed that they satisfy the independence criteria required under the Companies Act, 2013 and the Code of Ethics issued by the Institute of Chartered Accountants of India.

24. Audit Reports

The notes on Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report on standalone financials, does contain qualification, reservation, adverse remark or disclaimer and it is as follows:

"*We draw attention to note 7(a) to the accompanying Ind AS standalone financial statements which describes the management's assessment regarding recovery of loan, investment and advances recoverable in cash from one of its wholly owned subsidiary companies as of March 31, 2025, amounting to Rs 7,121.26 lakhs (net of provision for doubtful loans Rs. 613.20 lakhs), Rs. 601.00 lakhs and Rs. 314.61 lakhs respectively. Further, as stated in the aforesaid note, the recovery of loan, investment and advances recoverable in cash is dependent on the future profitability of aforementioned subsidiary company which is uncertain presently. Considering the aforesaid factors, we are unable to comment on the recoverability of loan, investment and advances recoverable in cash and consequent provision, if any, cannot be determined at the present.*"

The Directors of the Company are of the view that Manipal Natural Private Limited ("MNPL"), subsidiary Company is in the fourth year of commercial operations and expect the business to meet its objective in three to five years horizon, given the nature of the industry it operates. MNPL operates on global platform which takes three to six months for each customer related actions to fructify into profitable business. The current order book together with projections have been shared with the Auditors, which has been very encouraging.

25. Secretarial Auditor:

The provisions of Section 204 of the Companies act are not applicable to the Company hence your Company is not required to appoint Secretarial Auditor.

26. Cost Auditor:

During the year under the review, Cost audit is not applicable to the Company.

27. **Transfer to Investor Education and Protection Fund (IEPF)**

Pursuant to the provisions of the Act, read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('Rules'), the dividends, unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Accordingly, unclaimed dividends has already been transferred to the IEPF authority within stipulated time period, Further, the shares pertaining to which dividend remains unclaimed for a consecutive period of seven years from the date of transfer of the dividend to the Unpaid Dividend Account, as mandatorily required to be transferred to the IEPF Authority had also been transferred by the company within stipulated time period to IEPF authority established by the Central Government.

However, during the year under review, the Company has not transferred any amount to IEPF as no amounts were due to be transferred in respect of immediate previous 7 years.

Any shareholder whose unclaimed dividend and shares pertaining thereto, have been transferred to the IEPF Fund can claim their due amount from the IEPF Authority by making an electronic application in web-form IEPF-5. Upon submitting a duly completed form, shareholders are required to take print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer, at the Registered Office of the Company or to the share transfer agent (RTA) of the Company. The instructions for the web-form can be downloaded from the website of Ministry of Corporate Affairs at www.iepf.gov.in. Shareholders are also requested to contact the RTA for encashing the unclaimed dividend, if any, standing to the credit of their account for the subsequent dividend as and when declared by the company.

Any shareholders who wish to know the status of unclaimed dividend or shares can directly approach to the company or its RTA as the company does not have its own website to disclose list of unclaimed dividends and shares transferred to IEPF authority

28. **Loans, Guarantees and investments**

The particulars of Loans given, investments made, guarantees given and securities provided in accordance with the provisions of Section 186(4) of the Companies Act, 2013 during the year under review – **Refer Schedule 7 of the Balance Sheet.**

29. **Particulars of Contracts or Arrangements with related parties**

All related party transactions pursuant to Section 188(1) of the Act that were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by your Company with its Promoters, Directors, Key Managerial Personnel or other designated persons which might have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is also obtained from the Audit Committee for the related party transaction which are of repetitive nature.

The information on transactions with related parities pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given elsewhere in this report and the same forms part of this report. (For Related party transaction please refer to Note No.33 to the Standalone Financial Statement)

Form AOC-2, containing the note on the aforesaid related party transactions is annexed as **Annexure – C.**

30. **Risk Management System**

The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non-business risks. The Audit Committee and the Board periodically review the risks and suggest steps to be taken to manage/mitigate the same through a properly defined framework.

During the year, a risk analysis and assessment was conducted and no major risks were noticed, which may threaten the existence of the Company.

31. **Environment & Safety**

Since inception the Company has striven to embed environmental considerations in business decisions & continues its focus on Environmental Management System which is a structured and systematic process for achieving continuous improvement in environmental performance.

The Company integrates the consideration of environmental concerns and impacts into its decision making and activities by promoting environmental awareness among our employees and encouraging them to work in an environmentally responsible manner & communicate our environmental commitment to clients, customers, the public and encourage them to support it. It also strives to continually improve its environmental performance by minimizing the social impact and damage by periodically reviewing the policy in light of its current and planned future activities.

32. Vigil Mechanism/ Whistle Blower Policy

The Company has a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of Directors and employees who avail the mechanism. In exceptional cases, Directors and employees have direct access to the Chairperson of the Audit Committee.

33. Corporate Social Responsibility (CSR)

Your Company has constituted a Corporate Social Responsibility (CSR) Committee which works under the direct supervision of Mrs. Jaya S Pai, Director, who also acts as the Chairperson of the Committee. Mrs. Jyothi A Pradhan, Director and Mr. Kuthethoor Venugopal Shetty, Independent Directors of the Company, are members of the Committee. The Committee manages and overviews the CSR projects of your Company. The CSR activities are based on the CSR policy approved by the Board of directors of the Company. A brief outline of which is appended as Annexure **"B"** an integral part of this report.

34. Audit Committee

The Board has constituted an Audit Committee with Mr. Santhosh Kamath, Independent Director of the Company as Chairperson, Mr. Kuthethoor Venugopal Shetty, Independent Director and Mrs. Jyothi Ashish Pradhan, Executive Director of the Company as Members. There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board.

The details about Audit Committee and its terms of reference etc. have been given in Corporate Governance Report.

35. Nomination and Remuneration Committee ("NRC")

The Board has constituted a Nomination and Remuneration Committee with Mr. K Venugopal Shetty, Independent Director of the Company as Chairperson, Mr. Santhosh Kamath, Independent Director, Mrs. Jaya S Pai, Non- Executive Director of the Company as Members.

36. Shareholders / Investors Grievance Committee ("SRC")

The Board has constituted a Shareholders/ Investors Grievance Committee (SRC) with Mrs. Jyothi Ashsh Pradhan, Executive Director of the Company as Chairperson, and Mr. K Venugopal Shetty, Independent Director of the Company as Members.

37. Internal Audit and Control

Provisions of Section 138 of the Companies Act, 2013 is not applicable to the Company hence your Company is not required to appoint Internal Auditor.

38. Extract of Annual Return:

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, The annual return of the Company for FY 2024-25 will be filed to ROC within the prescribed time period. The same will be uploaded in www.kacpl.com .

39. Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

40. Significant and Material Orders

There are no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

41. Fraud Reporting (required by Companies Amendment Bill, 2014):

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013. Further, no case of Fraud has been reported to the Management from any other sources.

42. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWWA)

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

A policy on Prevention of Sexual Harassment at Workplace has been released by the Company. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. Three-member Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

No complaints pertaining to sexual harassment was reported during the year.

43. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and out go during the year are as follows:

A. Conservation of Energy

The Company accords great importance to conservation of energy. The Company is committed to optimizing use of energy in operations and also brings about continuous improvements in the efficiency of processes and products through use of energy efficient and renewable energy technology.

(i)	The steps taken or impact on conservation of energy	NA
(ii)	the steps were taken by the company for utilizing alternate sources of energy	NA
(iii)	the capital investment on energy conservation equipment's	NA

B. Technology absorption

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

Pursuant to Share Purchase Agreement entered with Sheela Foam Limited as on 17th July, 2024, the Company has sold its Gwalior Business to Kurlon Enterprise Limited. Hence, the Company is not having any factory as on 31st March, 2024.

C. Foreign exchange earnings and Outgo (standalone

		(Amount in Rs. Lacs)
	2024-2025	**2023-2024**
Total foreign exchange inflow	0.00	69.47
Total foreign exchange outflow	0.00	2564.77

44. Human Resources

Your Company assigns a great deal of importance to this most precious resource. It has a full-fledged Human Resource Department that seeks to attract and recruit the best possible talent and groom it to fulfill its vision for the future. The Directors wish to acknowledge the efforts all employees in raising the performance of the Company. Industrial relations throughout the year continued to remain cordial.

45. Acknowledgements

The Directors wish to place on record their sincere gratitude for the co-operation, guidance, support and assistance provided during the year by its Bankers, Registrars and Industries Dept. of Govt., Local Authorities, Suppliers, Contractors, Customers and Vendors. Your Directors also wish to express their deep sense of appreciation for the dedicated services rendered by the staff at all levels towards its successful operations. The Directors also thank the Shareholders of the Company for reposing their faith in the Company and for giving their dedicated and ever-willing support towards taking the Company forward on the path of progress and growth.

For and on behalf of the Board
For **Kanara Consumer Products Limited**
(Formerly known as “Kurlon Limited”**)**

Date: 23.05.2025	Sd/-	Sd/-
Place: Bangalore	(T. Sudhakar Pai)	(Kuthethoor Venugopal Shetty)
	Managing Director	Independent Director
	DIN: 00043298	DIN: 00632775

Annexure - A

FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A: Subsidiaries including step down subsidiaries

(Amounts in Lakhs)

Sl. No.	Particulars	(1)	(2)	(3)
1	Name of Subsidiary/step down subsidiary	MANIPAL NATURAL PRIVATE LIMITED	MANIPAL SOFTWARE AND E-COM PRIVATE LIMITED	KANARA CONSULTING AND SERVICE MANAGEMENT PRIVATE LIMITED (Formerly known as Kurlon Trading and Invest Management Private Limited)
2	Date of Incorporation	28/11/2019	09/06/2011	14/05/2022
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting Period	NA	NA	NA
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA	NA	NA
5	Share capital	151	65	0.10
6	Reserves & Surplus	(3,881.01)	(23.35)	(3,603.88)
7	Total Assets	4,558.46	60.03	39.14
8	Total Liabilities (Excluding Share capital & Reserve & Surplus)	8,200.27	17.99	3,642.92
9	Investments	-	-	-
10	Turnover/Income from operations	2,147.03	60.07	-
11	Profit/(Loss)before Tax	(971.20)	(145.72)	(1.21)
12	Provision for Taxation	105.32	0.64	-
13	Profit/(Loss) After Tax	(1,076.52)	(141.40)	(1.21)
14	Proposed Dividend	-	-	-
15	% of shareholding	100%	98.46%	100%

Notes:
1. Names of subsidiaries which are yet to commence operations – None

Part "B": Associates and Joint Ventures – NOT APPLICABLE

For and on behalf of the Board
For **Kanara Consumer Products Limited**
(Formerly known as "Kurlon Limited"**)**

Date: 23.05.2025
Place: Bangalore

Sd/-
(T. Sudhakar Pai)
Managing Director
DIN: 00043298

Sd/-
(Kuthethoor Venugopal Shetty)
Independent Director
DIN: 00632775

Annexure - B
ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline on CSR policy of the Company:** The Board of Directors (the 'Board') of "Kanara Consumer Products Limited **(**Form**erly** known as "Kurlon Limited"**)** has adopted a CSR policy, which includes:

a. To direct Company's CSR Programs, inter alia, towards achieving one or more of the following - enhancing environmental and natural capital; supporting rural development; promoting education including skill development; providing preventive healthcare, providing sanitation and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India and preserving and promoting sports.;

b. To develop the required capability and self-reliance of beneficiaries at the grass roots, in the belief that these are prerequisites for social and economic development.

c. To engage in affirmative action/interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons including from disadvantaged sections of society;

d. To pursue CSR Programs primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;

e. To carry out CSR Programs in relevant local areas to fulfill commitments arising from requests by government/regulatory authorities and to earmark amounts of monies and to spend such monies through such administrative bodies of the government and/or directly by way of developmental works in the local areas around which the Company operates;

f. To carry out activities at the time of natural calamity or engage in Disaster Management system;

g. To contribute to the Prime Minister' National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Caste, the Scheduled Tribes, other backward classes, minorities and women;

h. To contribute or provide funds to technology incubators located within academic institutions which are approved by the Central Government;

i. To contribute to any fund setup by the Central Government or State Government(s) including Chief Minister's Relief Fund, which may be recognized as CSR activity;

j. To promote sustainability in partnership with industry associations, like the Confederation of Indian Industry (CII), PHD, FICCI, etc. in order to have a multiplier impact.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Jaya S Pai	Chairperson, Non-independent Non-Executive Director	2	2
2	Mrs. Jyothi Ashish Pradhan	Member, Non-independent Executive Director	2	2
3	Mr. K Venugopal Shetty	Member, Independent, Non-Executive 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**
The web- link related to Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company is www.kacpl.com

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable**

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any are as follows;**

6.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Lakhs)	Amount required to be set- off for the financial year, if any (in Rs.)
1	2025-26	69.15	20.55
	Total	**69.15**	**20.55**

7. **Average Net Profit of the Company as per section 135((5),**

Year	Amount (in Lakhs)
2021-2022	(309.85)
2022-2023	438.63
2023-2024	4515.29
Total	**4644.07**
Average	**1548.02**

8. **Prescribed CSR Expenditure for FY 2024-25**

Particulars	Amount (in Lakhs)
a). Two percent of average net profit of the company as per section 135(5)	30.96
b). Surplus arising out of the CSR projects or programs or activities of the previous financial years.	(69.15)
c). Amount required to be set off for the financial year, if any	(20.55)
Total CSR obligation for the financial year (7a-7b).	**(38.19)**

9. **a). CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs.20,55,000	-	-	Manipal Academy of Health and Education	INR 20,55,000	27th March 2025

b). Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII To the Act.	Local area (Yes/ No)	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency
				State.	District.						
-	-	-	-	-	-	-	-	-	-	-	-

c). Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)	(8)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.	Amount spent for the project (in Rs.).	Mode of Implementation -Direct (Yes/No	Mode of Implementation - Through Implementing Agency

				State.	District.		)	Name	CSR registration Number.
1	Charitable purposes	Clause ii of Schedule VII	No	Goa	Goa	20,55,000	Yes	NA	NA

d). Amount spent in Administrative Overheads: **NA**
e). Amount spent on Impact Assessment, if applicable: **NA**
f). Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 20,55,000/-**
g). Excess amount for set off, if any: **Rs.89.70 lacs**

Particulars	**Amount (in Lakhs)**
(i). Two percent of average net profit of the company as per section 135(5)	1548.02
(ii). Total amount spent for the Financial Year	20.55
(iii). Excess amount spent for the financial year [(ii)-(i)]	20.55
(iv). Surplus arising out of the CSR projects or programs or activities of the previous financial years	69.15
(v). Amount available for set off in succeeding financial years [(iii)-(iv)]	89.70

10. a). Details of Unspent CSR amount for the preceding three financial years: **None**

Sl. No.	**Preceding Financial Year**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Amount spent in the reporting Financial Year (in Rs.).**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.**			**Amount remaining to be spent in succeeding Financial years. (in Rs.)**
				Name of the Fund	**Amount (in Rs.).**	**Date of transfer**	

b). Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **None**

Sl. 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.**
-	-	-	-	-	-	-	-	-

11. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year. (Asset-wise details). **NOT APPLICABLE**

i). Date of creation or acquisition of the capital asset(s).	**-**
ii). Amount of CSR spent for creation or acquisition of capital asset.	**-**
iii). Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	**-**
iv). Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	**-**

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

For and on Behalf of the Board
For **Kanara Consumer Products Limited**
(Form**erly** known as "Kurlon Limited"**)**

Date: 23.05.2025
Place: Bangalore

Sd/-	Sd/-
(T. Sudhakar Pai)	(Kuthethoor Venugopal Shetty)
Managing Director	Independent Director
DIN: 00043298	DIN: 00632775

Annexure D

Form 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 arm's length transactions under third proviso thereto

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

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2025 are as follows;

Name of related party	Nature of relationship	Nature of Transactions	Duration of contract	Salient Terms	Date of Board approval	Rs.in lakhs
The General Investment and Credit Corporation of India Limited	Entity significantly influenced by Director(s) and his relatives	Dividend Income	NA	NA	03.05.2024	1.13
Manipal Travels India P Ltd	Entity significantly influenced by Director(s) and his relatives	Travel Expenses	Running	N.A.	03.05.2024	46.64
Manipal Advertising Services P Ltd	Entity significantly influenced by Director(s) and his relatives	Advertising and Professional Expenses	Running	NA	03.05.2024	4.41
Manipal Natural Private Limited	Wholly owned subsidiary	Loan			As per resolution	1475.6

Note: Transactions like payment of managerial remuneration and Dividend are as per the terms approved by the shareholders. Transactions pertaining to rental, interest, legal and professional fees, directors sitting fees and tailoring and fabrication, loan, advances, dividend, advertisement expenses, sale and purchases are also entered in the ordinary course of business at an arm's length basis as per business requirements of the Company.

For and on Behalf of the Board
For **Kanara Consumer Products Limited**
(Form**erly** known as "Kurlon Limited"**)**

Date: 23.05.2025
Place: Bangalore

Sd/-
(T. Sudhakar Pai)
Managing Director
DIN: 00043298

Sd/-
(Kuthethoor Venugopal Shetty)
Independent Director
DIN: 00632775

S

INDEPENDENT AUDITOR'S REPORT

To the Members of Kanara Consumer Products Limited (formerly known as Kurlon Limited)

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Financial Statements of Kanara Consumer Products Limited (formerly known as Kurlon Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income/(loss), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (referred to as "Ind AS Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the 'Basis of Qualified Opinion' section of our report, the aforesaid Ind AS Standalone Financial Statements give the information required by the Companies Act, 2013, as amended (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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit including other comprehensive income/(loss), the changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to note 7(a) to the accompanying Ind AS standalone financial statements which describes the management's assessment regarding recovery of loan, investment and advances recoverable in cash from one of its wholly owned subsidiary companies as of March 31, 2025, amounting to Rs 7,121.26 lakhs (net of provision for doubtful loans Rs. 613.20 lakhs), Rs. 601.00 lakhs and Rs. 314.61 lakhs respectively. Further, as stated in the aforesaid note, the recovery of loan, investment and advances recoverable in cash is dependent on the future profitability of aforementioned subsidiary company which is uncertain presently. Considering the aforesaid factors, we are unable to comment on the recoverability of loan, investment and advances recoverable in cash and consequent provision, if any, cannot be determined at the present.

We conducted our audit of the Ind AS 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 Responsibility for the Audit of the Ind AS Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the Ind AS Standalone Financial Statements.

Prestige Obelisk, Level 4, No.3 Kasturba Road,
Bengaluru-560001, Karnataka, India

LLP Registration NO. AAJ-1379
Noida - New Delhi - Gurugram - Mumbai - Bengaluru - Chennai - Pune – Dehradun

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors' Report and Annexures thereto but does not include the Ind AS Standalone Financial Statements and our auditors' report thereon.

Our opinion on the Ind AS 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 Ind AS Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Ind AS 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 Ind AS Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income/(loss), changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Ind AS Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Ind AS Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's 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 Ind AS 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the Ind AS Standalone Financial Statements, including the disclosures, and whether the Ind AS 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 control 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. Except for the effects of the matters described in the Basis of Qualified Opinion paragraph, 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 effects of the matters described in the Basis of Qualified Opinion paragraph, the Company does not have servers physically located in India for the daily backup of the books of accounts and other books and papers maintained in electronic mode and for the matters stated in the paragraph (j)(vi) below on the reporting under Rule 11 (g);

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income/(Loss), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

   d. Except for the effects of the matters described in the Basis of Qualified Opinion paragraph, in our opinion, the aforesaid Ind AS Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. On the basis of the written representations received from the directors as on March 31, 2025, and 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 Qualification relating to the maintenance of accounts and other matters connected therewith are stated in the Basis of Qualified Opinion paragraph above and paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph (j) (vi) below on reporting under Rule 11(g);

   g. With respect to the adequacy of the internal financial controls with reference to these Ind AS Standalone Financial Statements and operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   h. The matters described in the Basis for Qualified Opinion paragraph and matters described under clause (i) (b), (i)(c) and (iii)(b) of statement on the matters specified in paragraphs 3 and 4 of the Order in "Annexure 1", in our opinion, may have adverse effect on the functioning of the Company;

   i. In our opinion, the managerial remuneration for the year ended March 31,2025 has been paid/provided by the company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act as applicable;

j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of 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 Ind AS Standalone Financial Statements –Refer Note 36 to the standalone financial statements;

(ii) The Company did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2025;

(iii) Following are the instances of delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025:

Financial year	Amount Involved (Rs' lakhs)	Date of Payment	Number of Day's delay
2007-2008	0.32	Not paid	Not paid
2008-2009	0.75	Not paid	Not paid
2010-2011	0.01	Not paid	Not paid

(iv) (a) The management has represented that, to the best of its knowledge and belief, except as disclosed in the note 43 to the Ind AS Standalone Financial Statements, 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, whether 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, as disclosed in the note 43 to the Ind AS Standalone Financial Statements, 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, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedures performed by us 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 (a) and (b), contain any material misstatement.

(v) As stated in note 15 (f) to the Ind AS Standalone Financial Statements, the final dividend for FY 2023-24 declared and paid by the company during the year , is in accordance with section 123 of the Act.

As stated in note 15 (f) to the Ind AS Standalone Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(vi) As stated in Note 43 to the Ind AS Standalone Financial Statements and according to the information and explanations given to us by the Company and based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and we are unable to comment whether the same has operated throughout the year for all relevant transactions recorded in the software in the absence of availability of audit log backups. The audit trail feature is not enabled at the database level insofar as it relates to SAP accounting software. We are unable to comment whether the audit trail feature being tampered or not during the year in the absence of availability of audit log backups.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No: 002391C/N500069

per **Vijaya Kumar Uppiretla**
Partner
Membership No: 255908

UDIN: 25255908BNFWFY1022

Place: Bengaluru
Date: May 23, 2025

"ANNEXURE 1" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Kanara Consumer Products Limited (formerly known as Kurlon Limited)** (the "Company") for the year ended March 31, 2025

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

(i)

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.

(c) According to the information and explanations given by the management, title deeds of the immovable properties included in property, plant and equipment are held either in the name of the company or in the erstwhile name of the Company except for certain properties namely Sy.No.437/3 (3 guntas), 438/1A (30 guntas), 438/1B (46 guntas), 438/2 (78 guntas) located at B.H Road, Arasikere, Hassan amounting to Rs 0.29 lakhs are held in the name of Late Mr. Tonse Ramesh Upendra Pai, Father of current Managing Director of the Company and in respect of immovable properties of land that have taken on lease and disclosed as Right-of-use assets in the Ind AS Standalone Financial Statements, the lease agreements are in the erstwhile name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use Assets) during the year ended March 31, 2025.

(e) As represented to us by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder as disclosed in Note 43 to the Ind AS Standalone Financial Statements.

(ii)

(a) The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventories when compared with books of account. There are no inventories lying with third parties.

(b) As disclosed in note 20 to the Ind AS Standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the Ind AS

Standalone Financial Statements, the quarterly returns/statements are not required to be filed by the company with such banks as the working capital limits are backed up by fixed deposits which are under lien. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii)

(a) During the year, the Company has provided loans and advances in the nature of loans to Companies and other parties as follows:

Particulars	Loans (Rs. In Lakhs)	Guarantee (Rs. In Lakhs)	Advances in the nature of loans (Rs. In Lakhs)
Aggregate amount granted/ provided during the year			
-Subsidiaries	1,528.90	-	314.61
- Others	1,930.00	-	-
Balance Outstanding (including principal and interest) as at March 31,2025 #			
-Subsidiaries	7,121.16	3,950	314.61
-Others	2,245.01	-	8.40

The aforesaid balance outstanding as at balance sheet date in respect of subsidiaries and others is net of provision made for doubtful recovery of loans given to subsidiaries and to others amounting to Rs. 8,790.65 Lakhs and net of provision made for doubtful recovery of advances in the nature of loans amounting to Rs. 4,573.37 Lakhs. Also refer Note 8 and 11 in the Ind AS Standalone Financial Statements and reporting under clause (iii) (b) below.

Apart from the above, the Company has not provided securities to Companies, firms Limited Liability partnerships or any other parties.

(b) The investments made, guarantees provided, loans granted, security given and the terms and conditions of the grant of all loans to Companies, firms, Limited Liability Partnerships or any other parties and advances in the nature of loans given to Companies and other parties (i.e. Employees) are not prejudicial to the Company's interest except for the loans Rs. 8790.65 lakhs, advances in the nature of loan Rs. 4,573.37 lakhs which has been provided since considered doubtful of recovery as of March 31,2025. Also refer Note 8 and 11 in the Ind AS Standalone Financial Statements as regard to interest rate, accrual of interest and terms of repayment.

(c) The Company has granted loans and advance in the nature of loans during the year to companies, or any other parties (i.e. Employees) where the schedule of repayment of principal and payment of interest has been stipulated. The aforesaid loans are repayable on demand along with interest and the company has not demanded the same during the year. Also refer Note 8 and 11 in the Ind AS Standalone Financial Statements and reporting under clause(iii)(b) above.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days. Also refer Note 8 and Note 11 in the Ind AS Standalone Financial Statements and reporting under clause(iii)(b) above.

(e) There were no loans or advance in the nature of loans granted to companies, Limited Liability Partnerships or any other parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. Also refer Note 8 and Note 11 in the Ind AS Standalone Financial Statements and reporting under clause(iii)(b) above.

(f) As disclosed in Note 8 and Note 11 in the Ind AS Standalone Financial Statements, the company has granted loans which are repayable on demand to the Companies, firms and other parties. Following are details of the aggregate amount of loans granted to related parties as defined in clause (76) of Section 2 of the Companies Act,2013:

Particulars	Related Parties (Rs. In Lakhs)
Aggregate amount of loans/advances in nature of loans -Repayable on demand (Gross Amount)	20,761.69
Percentage of loans/advances in nature of loans to the total loans	90.09%

Except for the above, the Company has not granted advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to any other parties. Also refer note 8 in the Ind AS Standalone Financial Statements.

(iv) Loans, investments, Guarantees and security in respect of which provisions of sections 185 and 186 of the companies Act, 2013 are applicable have been complied with by the company. Also refer reporting under clause (iii)(b) above.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(vii)

(a) Undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us and based on the audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they become payable.

(b) There are dues of goods and services tax, provident fund, employees' state insurance, income tax and other statutory dues which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Disputed (Rs. In lakhs) *	Period to which the amounts relate to	Forum where dispute is pending
Income Tax Act,1961	Income Tax	44.02	2014-15	High Court of Karnataka
Value Added Tax for Various States, Central Sales Act ,1956 and Entry Tax Act for various states	Value Added Tax, Sales Tax and Entry Tax	3.51	2004-05	High court Odisha
		48.71	2005-06	High Court of Kerela
		0.25	2014-15	Various State Appellate Tribunals/Boards/
		31.38	1997-98	
		3.64	2000-01	
		1.66	2004-05	
		19.73	2008-09	
		2.13	2010-11	
		1.10	1995-96	The joint commissioner / The deputy joint commissioner/ The assistant joint commissioner of Commercial taxes
		17.86	1996-97	
		4.73	1998-99	
		49.82	1999-00	
		44.04	2000-01	
		37.99	2003-04	
		17.50	2004-05	
		49.41	2005-09	
		10.83	2005-06	
		23.64	2006-07	
		192.93	2007-08	
		22.77	2008-09	
		98.47	2009-10	
		3.02	2010-11	
		163.75	2011-12	
		411.48	2012-13	
		424.32	2013-14	
		28.68	2014-15	
		37.25	2015-16	
		50.92	2016-17	
The Central Excise Act,1944	Excise duty	3,833.68	2013-14	High Court of Karnataka.

*Excluding amount paid under protest amounting to Rs. 233.72 lakhs

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix)

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the Ind AS Standalone Financial Statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On overall examination of the Ind AS Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any joint venture and associates.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any joint venture and associate companies. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)

(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi)

(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii)

(a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order are not applicable to the Company.

(b) The Company is not a nidhi Company as per the provisions of the Companies Act 2013. Therefore, the requirements to report on clause 3 (xii) (b) of the Order are not applicable to the Company.

(c) The Company is not a nidhi Company as per the provisions of the Companies Act 2013. Therefore, the requirement to report on clause 3 (xii) (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS Standalone Financial Statements, as required by the applicable accounting standards.

(xiv) (a)The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)

(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company for the financial year 2024-25.

(c) As represented to us by the management, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) As represented to us by the management, there is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) Based on our audit procedures and according to the information and explanations given to us, the Company has not incurred cash losses during the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 42 to the Ind AS Standalone Financial Statements, 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.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 135 of the Act. This matter has been disclosed in Note 37 to the Ind AS Standalone Financial Statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Companies Act. This matter has been disclosed in Note 37 to the Ind AS Standalone Financial Statements.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No: 002391C/N500069

per **Vijaya Kumar Uppiretla**
Partner
Membership No: 255908

UDIN: 25255908BNFWFY1022

Place: Bengaluru
Date: May 23, 2025

ANNEXURE '2' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT EVEN DATE ON THE IND AS STANDALONE FINNANCIAL STATEMENTS OF KANARA CONSUMER PRODUCTS LIMITED (FORMERLY KNOWN AS KURLON LIMIED)

Report on Internal Financial Controls 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 Ind AS Standalone Financial Statements of Kanara Consumer Products Limited (formerly knowns as Kurlon Limited) ("the Company") as of March 31,2025, in conjunction with our audit of Ind AS Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 its business, including adherence to the Company's policies, 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 the reliable financial information, as required under the Companies Act,2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial with reference to these Ind AS standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those standards and the Guidance Notes require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether adequate internal financial controls with reference to these Ind AS standalone financial statements was established and maintained as 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 these Ind AS standalone financial statements and their operating effectiveness. Our audit of internal financial controls with respect to Ind AS standalone financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS standalone 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 Ind AS standalone 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 these Ind AS standalone financial statements.

Meaning of Internal Financial Controls with Reference to these Ind AS Standalone Financial Statements

A Company's internal financial controls with reference to Ind AS standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of the Ind AS standalone financial statements for external purposes with accordance with generally accepted accounting principles. A company's internal financial controls with reference to Ind AS standalone 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 assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition , use , or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Ind AS Standalone Financial Statements

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

Opinion

In our opinion, the company has, in all material respects, adequate internal financial controls with reference to Ind AS Standalone Financial Statements and such internal financial controls with reference to Ind AS Standalone Financial Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No: 002391C/N500069

per **Vijaya Kumar Uppiretla**
Partner
Membership No: 255908

UDIN: 25255908BNFWFY1022

Place: Bengaluru
Date: May 23, 2025

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Standalone Balance Sheet as at March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

	Notes	March 31, 2025	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,280.16	5,400.93
Intangible assets	5	0.08	0.12
Right of use assets	6	3,469.91	3,509.08
Financial assets			
Investments	7	19,371.32	16,382.36
Loans	8	9,366.17	6,134.42
Other financial assets	9	318.70	980.90
Income tax assets (net)	10	2,725.49	1,850.10
Other non-current assets	11	2,402.15	1,881.94
		43,933.98	**36,139.85**
Current assets			
Inventories	12	1.63	11.78
Financial assets			
Investments	7	60,675.65	-
Trade receivables	13	0.68	0.26
Cash and cash equivalents	14	3,021.91	48,123.43
Other bank balances	14	23,360.48	39,516.16
Other financial assets	9	6,664.31	10,064.26
Other current assets	11	202.60	110.89
		93,927.26	**97,826.78**
Total		**137,861.24**	**133,966.63**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,487.88	1,488.26
Other equity	16	125,539.59	130,178.91
		127,027.47	**131,667.17**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	-	-
Deferred tax liabilities (net)	19	1,458.85	921.10
		1,458.85	**921.10**
Current liabilities			
Financial liabilities			
Borrowings	20	370.09	-
Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		341.69	1,222.92
Other financial liabilities	17	141.74	129.89
Provisions	18	12.61	11.94
Other current liabilities	22	8,508.79	13.61
		9,374.92	**1,378.36**
Total		**137,861.24**	**133,966.63**

Summary of material accounting policies 3

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

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limited)
CIN :U68100KA1962PLC001443

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Susheela Y Bungale
Company Secretary

Madhusudan K R
Chief Financial Officer

Place: Bengaluru
Date: May 23, 2025

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Standalone Statement of Profit and Loss for the year ended March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

	Notes	March 31, 2025	March 31, 2024
Continuing Operations			
Income			
Revenue from operations	23	69.95	50.58
Other income	24	8,295.29	6,689.28
Total income		**8,365.24**	**6,739.86**
Expenses			
Cost of raw material consumed	25	-	4.56
Changes in inventories of finished goods and work-in-progress	26	10.15	(11.78)
Employee benefit expense	27	313.96	194.46
Finance costs	28	15.42	189.02
Depreciation and amortisation expense	29	241.32	298.41
Other expenses	30	1,325.59	1,073.74
Total expenses		**1,906.44**	**1,748.41**
(Loss)/Profit before exceptional items and tax from continuing operations		**6,458.80**	**4,991.45**
Exceptional items	30(A)	(4,195.04)	(157,393.64)
(Loss)/Profit before tax from continuing operations		**10,653.84**	**162,385.09**
Tax expense			
Current tax	41	1,464.91	36,436.52
Tax relating to earlier years		-	44.30
Deferred tax charge/(credit)		538.72	138.10
Total tax expense		**2,003.63**	**36,618.92**
(Loss)/Profit for the year from continuing operations		**8,650.21**	**125,766.17**
Discontinued Operations			
Profit/(loss) before tax for the year from discontinued operations		-	393.73
Tax Income/ (expense) of discontinued operations		-	(114.65)
Profit/ (loss) for the year from discontinued operations		**-**	**279.08**
Profit/(loss) for the year		**8,650.21**	**126,045.25**
Other comprehensive income/(loss), net of tax			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gain/(loss) on defined benefit plan		3.87	39.02
Income tax effect		(0.97)	(11.36)
Total other comprehensive income/(loss), net of tax		**2.90**	**27.66**
Total comprehensive income/(loss) for the year, net of tax		**8,653.11**	**126,072.91**
Earnings per equity share :	31		
Earnings per equity share for continuing operations		**60.26**	**845.05**
Basic and Diluted [Nominal value of shares Rs. 10 (March 31, 2024 : Rs. 10)]			
Earnings per equity share for discontinued operations		**-**	**1.88**
Basic and Diluted [Nominal value of shares Rs. 10 (March 31, 2024 : Rs. 10)]			
Earnings per equity share		**60.26**	**846.93**
Basic and Diluted [Nominal value of shares Rs. 10 (March 31, 2024 : Rs. 10)]			
Summary of material accounting policies	3		

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

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limited)
CIN :U68100KA1962PLC001443

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Place: Bengaluru
Date: May 23, 2025

Susheela Y Bungale
Company Secretary

Madhusudan K R
Chief Financial Officer

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Standalone Cash Flow Statement for the year ended March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

	March 31, 2025	March 31, 2024
A. Cash flow from operating activities		
(Loss) / Profit before tax from Continuing operations	**10,653.84**	**162,385.09**
(Loss) / Profit before tax from discontinued operations		**393.73**
Non cash adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	241.32	466.63
Provision for doubtful advances	-	1,606.43
Provision written back/utilisation during the year	(36.15)	(7,174.97)
Interest income	(4,025.88)	(4,093.03)
Rental income	(306.53)	(1,656.94)
Gain on sale of investments	(978.16)	(14.44)
Dividend income	(7.90)	(646.87)
Gain on sale of investment in subsidiary	(4,158.89)	(130,859.15)
Liabilities no longer required written back during the year	-	(23,201.13)
Net gain on transfer of Property, Plant and Equipment as per the terms of SPA	-	(1,539.24)
Fair value gain on financial instruments measured through profit and loss account	(2,975.59)	(224.23)
Loss on sale of property, plant and equipment	0.67	39.61
Provision for doubtful loans	-	1,762.47
Finance cost	15.42	189.18
Loss on account of slump sale of Gwalior factory	-	2,001.76
Loss on sale of investment in subsidiaries	-	7.11
Operating cash flow before working capital changes	**(1,577.85)**	**(557.99)**
Working capital adjustments :		
Increase/(decrease) in trade payables	(881.23)	1,400.35
Increase/(decrease) in other financial liabilities	11.85	(591.61)
Increase/(decrease) in other liabilities	8,495.17	717.44
Increase/(decrease) in provisions	3.57	(21.53)
Decrease/(increase) in inventories	10.15	(116.22)
Decrease/(increase) in trade receivables	(0.42)	(235.43)
Decrease/(increase) in loans	(3,203.43)	(5,070.33)
Decrease/(increase) in other financial assets	8,403.97	(8,371.78)
Decrease/(increase) in other assets	(605.44)	(3,476.88)
Cash generated from/(used in) operating activities	**10,656.33**	**(16,323.98)**
Direct taxes paid (net of refunds)	(2,340.29)	(37,743.17)
Net cash generated from/(used in) operating activities (A)	**8,316.04**	**(54,067.15)**
B. Cash flow from investing activities		
Purchase of property, plant and equipment, including capital work in progress and capital advances	(1,576.62)	(87.78)
Dividend received	7.90	646.87
(Investment)/redemption in bank deposit	16,155.68	(39,501.17)
Proceeds from sale of investments in subsidiary (Net of related expenses) (Refer Note 30A)	-	155,094.27
Proceeds from sale of other investments	-	22,239.44
Investment in subsidiary	(25.00)	-
Investment in other securities	(59,685.86)	(44,923.06)
Rent received	328.60	1,656.51
Proceeds from sale of property, plant and equipment (Net of related expenses) (Refer Note 30A)	494.62	3,942.35
Proceeds from Slump sale of Gwalior Factory (Net of related expenses) (Refer Note 30A)	-	2,867.99
Movement in earmarked balances, net	-	(0.58)
Interest received	3,820.88	2,599.59
Net cash flow (used in)/generated from investing activities (B)	**(40,479.80)**	**104,534.43**
C. Cash flow from financing activities		
Net (repayment of)/proceeds from short-term borrowings	370.09	(2,242.53)
Interest paid	(15.42)	(201.49)
Dividend paid	(1,413.58)	-
Buy back of shares including tax	(11,878.85)	-
Net cash flow (used in)/generated from financing activities (C)	**(12,937.76)**	**(2,444.02)**
Net increase in cash and cash equivalents (A + B + C)	**(45,101.52)**	**48,023.26**
Cash and cash equivalents at the beginning of the year	48,123.43	100.17
Cash and cash equivalents at the end of the year	**3,021.91**	**48,123.43**

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Standalone Cash Flow Statement for the year ended March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

		March 31, 2025	March 31, 2024
Components of cash and cash equivalents as at end of the year			
Cash in hand		0.12	0.19
Balances with banks :			
In current accounts		77.79	623.24
Deposits with original maturity of less than three months		2,944.00	47,500.00
Total cash and cash equivalents (Refer Note 14)		**3,021.91**	**48,123.43**
Non-cash investing and financing activities			
Acquisitions to right-of-use assets (Refer Note 6)			-
Refer Note 20 for change in liabilities arising from financing activities			
Summary of material accounting policies	3		

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

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limited)
CIN :U68100KA1962PLC001443

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Susheela Y Bungale
Company Secretary

Madhusudan K R
Chief Financial Officer

Place: Bengaluru
Date: May 23, 2025

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Statement of Changes in Equity for year ended March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

(a) Equity share capital

Equity shares of Rs.10 each issued, subscribed and fully paid up	March 31, 2025		March 31, 2024	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	14,882,605	1,488.26	14,882,605	1,488.26
Less: Buy back during the year	(746,854)	(74.69)	-	-
Add: Rights issue during the year	742,999	74.30	-	-
At the end of the year	**14,878,750**	**1,487.87**	**14,882,605**	**1,488.26**

(b) Other equity

	Securities premium	Capital reserve	General reserve	Retained earnings	Capital redemption reserve	Total
Balance as at April 01, 2023	293.81	970.81	3,464.43	(623.05)	-	4,106.00
Profit for the year	-	-	-	126,045.25	-	126,045.25
Other comprehensive income/(loss)	-	-	-	27.66	-	27.66
Balance as at March 31, 2024	**293.81**	**970.81**	**3,464.43**	**125,449.86**	**-**	**130,178.91**
(Loss)/Profit for the year	-	-	-	8,650.21	-	8,650.21
Other comprehensive income/(loss)	-	-	-	2.90	-	2.90
Dividend paid	-	-	-	(1,413.58)	-	(1,413.58)
Utilised for buy back of shares (refer note 16(a))	-	-	-	(9,634.42)	-	(9,634.42)
Tax on buy back of shares (refer note 16(a))	-	-	-	(2,244.43)	-	(2,244.43)
Transfer to capital redemption reserve (refer note 16(a)	-	-	-	(74.68)	74.68	-
Balance as at March 31, 2025	**293.81**	**970.81**	**3,464.43**	**120,735.86**	**74.68**	**125,539.59**

Securities premium - This reserve is used to record premium on issue of shares and can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

General reserve - Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Retained earnings - Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.
Capital Redemption reserve: - Capital redemption reserve is created during the year on account of buy back of 7,46,854 shares (also refer note 16(a)).

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

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limited)
CIN :U68100KA1962PLC001443

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Susheela Y Bungale
Company Secretary

Madhusudan K R
Chief Financial Officer

Place: Bengaluru
Date: May 23, 2025

1. Corporate information

Kanara Consumer Products Limited (formerly known as Kurlon Limited) ("the Company") was incorporated under the name and style of "Karnataka Coir Products Limited" on February 09, 1962, and commenced commercial operations during October 1965. The name of the Company was changed to "Karnataka Consumer Products Limited" with effect from October 09, 1980. On December 08, 1995, the name of the company was changed from Karnataka Consumer Products Limited to "Kurlon Limited". Further, effective June 14,2023 the name of the Company has been changed to “Kanara Consumer Products Limited”. The Company operates in diverse areas such as Rubberized coir, Latex Foam, Polyurethane foam, Spring Mattresses, Furniture, Furnishings etc. The company also operates in real estate business as Developers, Builders, Managers, Operators, Hirers and Dealers of all kinds of immovable properties, including but not limited to that of lands, buildings, farms, cinemas, hotels and cold stores and carry on all incidental or allied activities and business as are usually carried on by Builders, Managers, Operators, Hirers and Dealers etc

The Company's standalone financial statements for the year ended March 31, 2025 were approved by Board of Directors on May 23, 2025

2. Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

This note provides a list of the material accounting policies adopted in the preparation of the standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The standalone financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS:
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

These standalone financial statements are presented in Indian Rupee, which is also functional currency of the Company. All the values are rounded off to the nearest lakhs, unless otherwise indicated.

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

(a) Measurement of fair values

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

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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 standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
-Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
-Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

-Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone 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.

(b) Current versus non-current classification

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

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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

The Company classifies all other liabilities as non-current. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(c) Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of income and expenses during the period. Actual results may differ from these estimates.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding estimate. Changes in estimate are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:
- Note 3.1 and Note 3.2 - Useful life of property, plant and equipment and intangible assets;
- Note 3.8 - Measurement of defined benefit obligations: key actuarial assumptions.
- Note 3.9 - Provision for income tax and valuation of deferred tax assets/liabilities.

All amounts in Rs. Lakhs, unless otherwise stated

- Note 3.14 - Valuation of financial instrument; and
- Note 3.15 - Lease classification and determination of lease term;

Assumption and estimation uncertainties:
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:
- Note 2(a) - Fair value measurement
- Note 3.3 - Impairment of financial assets
- Note 3.3 - Impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 3.9 - Recognition of deferred tax assets: based upon likely timing and the level of future taxable profits together with future tax planning strategies;
- Note 3.11 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

3. Material Accounting Policies

3.1. Property, plant and equipment

Recognition and measurement
Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalisation criteria's are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Capital work in progress is stated at cost, net of accumulated impairment loss if any.

Subsequent costs related to an item of property, plant and equipment are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are recognised in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

Asset description	Useful life in years as per Schedule II	Useful life as per Company
Buildings	30	30
Plant and equipment	15	10 and 15
Furniture and fixtures	10	10
Office equipment	5	5
Vehicles	8	8
Computers	3 and 6	3 and 6

The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

3.2. Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset description	Useful life in years
Computer software	6

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Subsequent costs related to intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

3.3. Impairment

Impairment of financial assets

In accordance with Ind AS - 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance
b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS - 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables or contract revenue receivables
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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.

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

Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash generating unit's (CGU's) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to other comprehensive income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or cash generating unit's (CGU's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.4. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.5. Foreign currency transactions

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

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

3.6. Revenue recognition

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

To recognize revenues, the Company applies the following five-step approach:
- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenues when a performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

Variable consideration
If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Trade receivable
A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Interest income
Interest income 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 discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividend income
Dividend income on investments is accounted when the right to receive the dividend is established, which is generally when shareholders approve the dividend. Dividend income is included under the head "Other income" in the statement of profit and loss account.

3.7. Interest income or interest expense

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

3.8. Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect

of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current financial liabilities in the balance sheet.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other long-term employee benefit obligations
The liabilities for leave balance are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations
The company operates the following post-employment schemes:
(a) defined benefit plans - gratuity, and
(b) defined contribution plans such as provident fund.

Gratuity obligations
The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently.

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

Defined contribution plan
Retirement benefit in the form of provident fund scheme, ESI, Superannuation, are the defined contribution plans. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to these schemes as an expenditure, when an employee renders the related service.

3.9. Income taxes

Income tax comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in the other comprehensive income.

Current tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or

substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:
- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the 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 items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about the facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in statement pf profit and loss.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.10. Earnings/(loss) per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period (including treasury share).

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, 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 of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

3.11. Provision and contingent liabilities

Provisions
Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

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

Contingent liabilities
A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the standalone financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

3.12. Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the Standalone Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.13. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.14. Financial instruments

Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at either at amortised cost, FVTPL or fair value in other comprehensive income (FVOCI). Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment
The Company makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed and information is provided to management. The information considered includes:
- the stated policies and objectives for each of such investments and the operation of those policies in practice.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

Financial assets
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.15. Leases

The Company has lease contracts for various buildings used in its operations. Lease terms generally ranges between 3 and 9 years.

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

The Company as a lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-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.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.3 for policy on impairment of non-financial assets.

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 (including in-substance 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. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) 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 because the interest rate implicit in the lease is not readily determinable. 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.

Short-term leases and leases of low-value assets
The Company applies the short-term lease recognition exemption to its short-term leases of 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 office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Extension and termination option
The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

The Company as a lessor
Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease.

3.16. Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
-Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.

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

3.17. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Company has only one reportable business segment, which is manufacture, purchase and sale of coir, foam and related products which constitutes a single business segment. Accordingly, the amounts appearing in the standalone financial statements relate to the company’s single business segment. Refer Note 32 for segment information and segment reporting.

3.18. Use of judgements, estimates and assumptions

The preparation of the standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. The areas involving significant estimates or critical judgements are:

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

The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates.

Further details about the gratuity obligations are given in Note 38.

(ii) Impairment of financial and non-financial assets:
The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company’s past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets company estimates asset’s recoverable amount, which is higher of an asset’s or Cash Generating Units (CGU’s) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

3.19. Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

3.20. Standards issued but not yet effective

There are no standards that are noticed and not yet effective as on that date.

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All amounts in Rs. Lakhs, unless otherwise stated

4. Property, plant and equipment

	Freehold Land	Buildings	Plant & Machinery	Furnitures & Fixtures	Office Equipments	Vehicles	Computer	Total	Capital Work in Progress
Cost									
At April 01, 2023	1,459.90	9,705.03	3,782.97	279.00	56.36	281.99	27.33	**15,592.58**	5.65
Additions	-	3.34	21.40	0.50	2.34	55.59	1.73	**84.90**	2.88
Disposals	(421.69)	(2,110.26)	-	-	-	(143.12)	-	**(2,675.07)**	-
Sale of Gwalior Factory - Discontinued operations (Refer note 30A and 44)	-	(2,402.32)	(3,536.65)	(227.11)	(53.44)	(7.01)	(21.65)	**(6,248.18)**	(8.53)
At March 31, 2024	**1,038.21**	**5,195.79**	**267.72**	**52.39**	**5.26**	**187.45**	**7.41**	**6,754.23**	**-**
Additions	-	1,500.98	21.00	13.03	0.40	36.45	4.76	**1,576.62**	-
Disposals	-	(300.70)	(262.42)	(45.70)	(2.01)	-	-	**(610.83)**	-
At March 31, 2025	**1,038.21**	**6,396.07**	**26.30**	**19.72**	**3.65**	**223.90**	**12.17**	**7,720.02**	**-**
Depreciation									
At April 01, 2023	-	2,582.44	1,613.49	202.10	35.44	185.58	20.13	**4,639.18**	-
Charge for the year	-	256.13	134.51	7.15	3.50	12.23	2.94	**416.46**	-
Disposals	-	(751.13)	-	-	-	(86.73)	-	**(837.86)**	-
Sale of Gwalior Factory - Discontinued operations (Refer note 30A and 44)		(901.89)	(1,705.79)	(196.20)	(35.84)	(6.66)	(18.10)	**(2,864.48)**	
At March 31, 2024	**-**	**1,185.55**	**42.21**	**13.05**	**3.10**	**104.42**	**4.97**	**1,353.29**	**-**
Charge for the year	-	158.55	17.32	5.34	0.66	18.59	1.65	**202.11**	-
Disposals	-	(45.03)	(54.82)	(14.41)	(1.27)	-	-	**(115.54)**	-
At March 31, 2025	**-**	**1,299.07**	**4.71**	**3.98**	**2.49**	**123.01**	**6.62**	**1,439.86**	**-**
Net block									
At March 31, 2024	**1,038.21**	**4,010.24**	**225.51**	**39.34**	**2.16**	**83.03**	**2.44**	**5,400.93**	**-**
At March 31, 2025	**1,038.21**	**5,097.00**	**21.59**	**15.74**	**1.16**	**100.89**	**5.55**	**6,280.16**	**-**

The Company does not have any projects under capital work-in-progress.

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All amounts in Rs. Lakhs, unless otherwise stated

5. Intangible assets

	Computer Software	Total
Cost		
At April 01, 2023	0.85	0.85
Additions	-	-
Disposals	-	-
Sale of Gwalior Factory - Discontinued operations (Refer note 30A and 44)	(0.37)	(0.37)
At March 31, 2024	**0.48**	**0.48**
Additions	-	-
Disposals	-	-
At March 31, 2025	**0.48**	**0.48**
Amortisation		
At April 01, 2023	0.61	0.61
Charge for the year	0.06	0.06
Disposals	-	-
Sale of Gwalior Factory - Discontinued operations (Refer note 30A and 44)	(0.31)	(0.31)
At March 31, 2024	**0.36**	**0.36**
Charge for the year	0.04	0.04
Disposals	-	-
At March 31, 2025	**0.40**	**0.40**
Net block		
At March 31, 2024	**0.12**	**0.12**
At March 31, 2025	**0.08**	**0.08**

The Company does not have any intangible assets under development.

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All amounts in Rs. Lakhs, unless otherwise stated

6. Right of use assets

	Leasehold Land	Total
Cost		
At April 01, 2023	4,480.92	**4,480.92**
Additions	-	-
Disposals	(647.42)	**(647.42)**
Sale of Gwalior Factory - Discontinued operations (Refer note 30A and 44)	(69.20)	**(69.20)**
At March 31, 2024	**3,764.30**	**3,764.30**
Additions	-	-
Disposals	-	-
At March 31, 2025	**3,764.30**	**3,764.30**
Amortisation		
At April 01, 2023	258.24	**258.24**
Charge for the year	50.11	**50.11**
Disposals	(41.53)	**(41.53)**
Sale of Gwalior Factory - Discontinued operations (Refer note 30A and 44)	(11.60)	**(11.60)**
At March 31, 2024	**255.22**	**255.22**
Charge for the year	39.17	**39.17**
Disposals	-	-
At March 31, 2025	**294.39**	**294.39**
Net block		
At March 31, 2024	**3,509.08**	**3,509.08**
At March 31, 2025	**3,469.91**	**3,469.91**

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All amounts in Rs. Lakhs, unless otherwise stated

7. Investment

	March 31, 2025		March 31, 2024	
	Nos.	Amount	Nos.	Amount
Measured at cost				
Non-current investments, unquoted				
Investments in equity instruments of subsidiaries and step down subsidiaries (all fully paid)				
Manipal Natural Private Limited (Shares of Rs. 10/- each fully paid)	1,510,000	601.00	1,510,000	601.00
Manipal Software & E-com Private Limited (Shares of Rs. 10/- each fully paid)	640,016	4.00	640,016	4.00
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited) (Shares of Rs. 10/- each fully paid)	1,000	0.10	1,000	0.10
Kanara global LLP	-	25.00	-	-
Total (A)	**2,151,016**	**630.10**	**2,151,016**	**605.10**
Investments in Associates				
Jitendra Harjivandas Securities Private Limited	-	-	2,575,900	2,129.65
Total (B)	**-**	**-**	**2,575,900**	**2,129.65**
Non Current Investments in other than equity instruments				
Maharashtra Apex Corporation Limited - Bonds	109,324	224.83	109,324	224.83
Maharashtra Apex Corporation Limited - Redeemable cumulative preference shai	82,200	33.30	80,100	12.75
Cyqure IndiaPrivate LimitedNcd (Non Covertible Debentures)	1,000	1,079.98	-	-
Debentures of HCF Tech Services	20,000	200	-	-
Debentures of Pirojsha	2,000	2,000	-	-
Total (C)	**214,524**	**3,538.11**	**189,424**	**237.58**
Measured at fair value through profit and loss				
Non-current investments, quoted				
Investments in equity				
Dhanlaxmi Bank	-	-	125,000	51.56
HDFC Bank	-	-	1,750	25.34
Maha Rashtra Apx	-	-	9,850	12.88
IDBI BANK LTD	-	-	3,360	2.72
Total (D)	**-**	**-**	**139,960**	**92.50**
Investments in Mutual Funds				
Aditya birla sun life arbitrage fund - regular plan growth	-	-	10,407,473	2,536.23
Axis arbitrage fund Growth	-	-	27,460,389	5,074.57
Nippon India Gold Bees	-	-	97,041	55.25
LIC MF	-	-	38,490,704	5,097.71
Total (E)	**-**	**-**	**76,455,607**	**12,763.76**
Non-current investments, unquoted				
Investments in equity				
Jitendra Harjivandas Securities Private Limited	2,575,900	2,129.65	-	-
The General Investment and Commercial Corporation Limited	25,000	23.75	25,000	23.75
National Stock Exchange Of Indi Ltd	150,000	2,472.40	-	-
ASK Investments Managers Ltd	44,500	500.63	-	-
Bridgeup Tech Private Limited	120	25.16	120	25.16
CCI Limited	1,000,000	41.00	1,000,000	41.00
Madish Style Bar Private Limited	60,000	6.00	60,000	6.00
The Zoroastrian Co-operative Bank Limited	100	0.03	100	0.03
Madshades Technologies Private Limited (Elephanta)	416	74.88	-	-
HCF Tech Services Private Limited	1,000	0.10	-	-
Pirojsha Consultants Private Limited	3,597	1,499.95	-	-
Tagbin Services Private Limited	108	100.19	-	-
Prabhudas Lilladher Advisory Services Private Ltd	197,650	500.05	-	-
Kurlon Enterprises Ltd	2,588	16.89	70,157	457.83
Alapasara Finvest Care Advisory Private Limited (Shares of Rs. 10/- each fully paid up)	5,000	117.54	5,000	5.00
Total (F)	**4,065,979**	**7,508.22**	**1,160,377**	**558.77**

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All amounts in Rs. Lakhs, unless otherwise stated

7. Investment Contd.

Investments in AIF				
Nuvama Absolute Return Strategy	-	2,750.00	-	-
Samvitti Capital Alpha Fund	-	494.17	-	-
Special Situation Fund	-	50.00	-	-
Rental Yield Plus	2,900	290.00	-	-
OTP Ventures Fund Scheme 1	100,000	100.00	-	-
Nextgen technology fund I	300,000	251.25	-	-
Ankur Cpaital Fund III	64,223	56.08	-	-
Vivriti Fixed Income Fd Cla1 - S23	1,001	102.80	-	-
Vivriti Fixed Income Fd Cla1 - S25	9,040	928.15	-	-
Neo Income Plus Fund	750,000	767.63	-	-
Neo Special Credit Opportunities Fund II	125,000	125.00	-	-
Tvs Shriram Growth Aif Trust Ii	12,500	125.00	-	-
ICICI Prudential Office yeild Optimiser Fund - AIF II	171,847	186.75	-	-
Credit-structured Income Portfolio Fund	5,888	588.80	-	-
Aequitas Far East Trust (Class A - Series 02-12-2024)	1,000	884.26	-	-
Total (G)	**1,543,400**	**7,699.89**	**-**	**-**
Total Non current investments H= (A+B+C+D+E+F+G)	**7,974,919**	**19,376.32**	**80,096,384**	**16,387.35**
Current investments,				
Measured at fair value through profit and loss				
Investments in equity instruments				
ACC Limited	600	11.66	-	-
Apollo Tyres Limited	1,700	7.24	-	-
Asian Paints Limited	400	9.36	-	-
Astral Limited	734	9.50	-	-
Axis Bank Limited	1,250	13.78	-	-
Bandhan Bank Limited	5,600	8.19	-	-
Container Corporation of India Limited	3,000	20.75	-	-
Dhanlaxmi Bank Limited	526,381	153.97	-	-
Exide Industries Limited	3,600	12.98	-	-
HDFC Bank Limited	1,650	30.17	-	-
Hero MotoCorp Limited	300	11.17	-	-
Hindustan Unilever Limited	600	13.55	-	-
IDFC First Bank Limited	15,000	8.24	-	-
IndusInd Bank Limited	3,500	22.74	-	-
LIC Housing Finance Limited	4,000	22.55	-	-
Maha Rashtra Apex Corporation Limited	11,262	11.69	-	-
Mahindra & Mahindra Financial Services Limited	4,000	11.32	-	-
Punjab National Bank	16,000	15.38	-	-
RBL Bank Limited	7,500	13.01	-	-
Reliance Industries Limited	2,000	25.50	-	-
State Bank of India	1,500	11.57	-	-
Tata Consultancy Services Limited	175	6.31	-	-
Tata Motors Limited	1,100	7.42	-	-
The Karnataka Bank Limited	10,500	18.46	-	-
Vedanta Limited	3,450	15.99	-	-
IDBI Bank Limited	3,360	2.61	-	-
Strides Pharma Science Limited	2,480	16.60	-	-
Kaynes Technology India Limited	324	15.38	-	-
Gokaldas Exports Limited	1,836	14.80	-	-
Transformers and Rectifiers (India) Limited	2,379	12.76	-	-
Force Motors Limited	127	11.49	-	-
PG Electroplast Limited	1,139	10.44	-	-
BSE Limited	174	9.53	-	-
Trent Limited	179	9.53	-	-
Bharat Electronics Limited	3,124	9.41	-	-
InterGlobe Aviation Limited	183	9.36	-	-
The Anup Engineering Limited	269	9.35	-	-
Polycab India Limited	180	9.27	-	-
Blue Star Limited	420	8.97	-	-
SRF Limited	303	8.91	-	-
Laurus Labs Limited	1,436	8.81	-	-
Sagility India Limited	20,395	8.75	-	-
Jash Engineering Limited	1,417	8.23	-	-
DAM Capital Advisors Limited	3,364	7.91	-	-
Techno Electric & Engineering Company Limited	783	7.86	-	-
TD Power Systems Limited	1,878	7.71	-	-
Amber Enterprises India Limited	104	7.50	-	-
Blue Jet Healthcare Limited	838	7.42	-	-
Mazagon Dock Shipbuilders Limited	274	7.24	-	-
Gravita India Limited	382	7.00	-	-
Hitachi Energy India Limited	55	6.96	-	-
MPS Limited	242	6.89	-	-

All amounts in Rs. Lakhs, unless otherwise stated

7. Investment Contd.

Investments in equity instruments Contd.				
CG Power and Industrial Solutions Limited	1,071	6.84	-	-
APL Apollo Tubes Limited	442	6.74	-	-
Waaree Energies Limited	279	6.71	-	-
Nuvama Wealth Management Limited	110	6.68	-	-
Arvind SmartSpaces Limited	945	6.67	-	-
360 One Wealth Asset Management Limited	694	6.54	-	-
K.P.R. Mill Limited	721	6.54	-	-
VA Tech Wabag Limited	447	6.50	-	-
Symphony Limited	579	6.49	-	-
Ami Organics Limited	259	6.32	-	-
KDDL Limited	193	6.31	-	-
Neuland Laboratories Limited	52	6.28	-	-
Inox Wind Limited	3,849	6.28	-	-
Shakti Pumps (India) Limited	638	6.26	-	-
CarTrade Tech Limited	377	6.20	-	-
Senores Pharmaceuticals Limited	1,071	6.11	-	-
Century Enka Limited	1,120	6.07	-	-
Sanghvi Movers Limited	2,459	6.00	-	-
Pearl Global Industries Limited	455	6.00	-	-
Pix Transmissions Limited	362	5.91	-	-
EMS Limited	900	5.56	-	-
Balu Forge Industries Limited	718	4.59	-	-
Manorama Industries Limited	404	4.29	-	-
V2 Retail Limited	241	4.14	-	-
Premier Explosives Limited	1,216	4.09	-	-
Salzer Electronics Limited	376	4.05	-	-
OneSource Specialty Pharma Limited	228	4.00	-	-
Newgen Software Technologies Limited	398	3.97	-	-
Garware Hi-Tech Films Limited	99	3.91	-	-
Jindal Drilling & Industries Limited	463	3.86	-	-
Shilchar Technologies Limited	72	3.79	-	-
Zen Technologies Limited	246	3.64	-	-
Genus Power Infrastructures Limited	1,377	3.60	-	-
Schneider Electric Infrastructure Limited	517	3.46	-	-
Apar Industries Limited	62	3.43	-	-
Banco Products (India) Limited	559	1.93	-	-
ICDS Limited	171,006	75.80	-	-
Unity Small Finance Bank Limited (Share Warrant)	40,000,000	10,000.00	-	-
Total (I)	**40,868,452**	**11,008.74**	**-**	**-**
Investments in Mutual Funds,ETF and InvIT				
DSP Multi Asset Allocation Fund - Dir-G	7,838,503	1,030.80	-	-
Canra Robeco Balanced Advantage Fund - Direct Growth-BA-DG	9,999,500	980.95	-	-
IIFL Derivatives Advantage Fund	23,603,916	2,567.21	-	-
Edelweiss Arbitrage Fund - Regular Plan Growth	11,197,497	2,132.00	-	-
Kotak equity arbitrage - Gr	5,800,628	2,139.47	-	-
ABSL arbitrage fund - Gr	4,505,473	1,177.41	-	-
ABSL Money Mangers fund Gr-DIRECT	280,580	1,031.61	-	-
SBI Arbitrage Opportunities Fund - Reg P G	6,422,972	2,136.03	-	-
Axis Arbitrage Fund Direct Growth	97,139,871	19,376.29	-	-
Axis Money Market Fund Direct Growth	106,360	1,506.02	-	-
UTI Money Market Fund - Direct Plan Growth	65,601	2,007.82	-	-
Nipon India Money Market fund - Direct Growth plan Growth Option	37,317	1,538.18	-	-
Sundaram Liquid Fund Direct Plan Growth	14,952	342.67	-	-
Sundaram Money Market Fund Direct Growth	13,563,886	2,007.39	-	-
FT Money Mkt -DP-Growth	987,714	502.04	-	-
FI Low Dur Dir Fund G	10,036,179	1,011.54	-	-
FI Arbitrage Fund -DP G	4,996,852	512.76	-	-
FI Ultra Short Dur Fund -DP G	4,999,750	522.70	-	-
DSP Savings Fund - Dir-G	8,868,201	4,721.93	-	-
National Highways Infra Trust Inv IT	750,000	1,012.65	-	-
Nippon India Mutual Fund ETF Gold Bees	2,007,041	1,409.44	-	-
Total (J)	**213,222,794**	**49,666.91**	**-**	**-**
Less : Allowance for impairment	-	(5.00)	-	(5.00)
Total Current investments K =(I+J)	**254,091,246**	**60,675.65**	**-**	**-**
Total Investments (H+K)	**262,066,165**	**80,046.97**	**80,096,384**	**16,382.35**
Aggregate value of unquoted investments		**19,371.32**		**3,526.10**
Aggregate book value of quoted investments		**60,675.65**		**12,856.26**
Aggregate market value of quoted investments		**60,675.65**		**12,856.26**

7. Investment (contd.)

(a) The Company has made investment of Rs 601.00 lakhs and given loans of Rs 7,121,26 (net of provision for doubtful loans Rs. 613.20 lakhs) lakhs to its wholly owned subsidiary, Manipal Naturals Private Limited ("Subsidiary Company") as of 31 March 2025. Furhter the Company has a receivable balance of Rs. 314.61 lakhs towards sale of assets and shared services. The Subsidiary Company has started its commercial operations from FY 2021-22. Currently, the subsidiary Company operations are in losses as its in initial years of business operations. Though there exists uncertainty on recovery of such loans and investments as at March 31, 2025, the management is confident of obtaining new revenue contracts and profitable operations in near future.

(b) Further Management has assessed the value in use of the other subsidiaries and other investment considering the expected volume of sales, margins earned, profitability and net worth of such companies. Based on the analysis Management is of the opinion that presently there is no impairment in the carrying value of the above investments.

8. Loans

	March 31, 2025	March 31, 2024
Unsecured, at amortised cost		
Loans		
- Subsidiaries (Refer Note 33)	7,121.16	5,645.56
- Other related parties (Refer Note 33)	200.00	
- Others	2,045.01	488.86
	9,366.17	**6,134.42**
Unsecured, credit impaired		
Loans		
- Subsidiaries (Refer Note 33)	5,185.18	4,255.64
- Other related parties (Refer Note 33)	3,367.37	3,192.70
- Others	238.09	10.38
Less : Allowance for doubtful loans	(8,790.65)	(7,458.72)
	-	-
	9,366.17	**6,134.42**

(a) The details of unsecured loans to subsidiaries/step down subsidiaries given for the purpose of working capital requirements are as follows :

Name of the subsidiary	Rate of interest	Due date of repayment	March 31, 2025		March 31, 2024	
			Gross	Allowance	Gross	Allowance
Manipal Natural Private Limited*	9.00%	On demand	7,734.36	613.20	5,645.56	-
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	9.00%	On demand	4,571.98	4,571.98	4,255.64	4,255.64
Total			**12,306.34**	**5,185.18**	**9,901.20**	**4,255.64**

Allowance for doubtful loans is made considering the financials position of the subsidiaries and step down subsidiaries and same has been shown as exceptional item (refer note 30(A)).
*Refer note 7(a).

(b) The details of unsecured loans to other related parties given for the purpose of working capital requirements are as follows :

Name of the company	Rate of interest	Due date of repayment	March 31, 2025		March 31, 2024	
			Gross	Allowance	Gross	Allowance
Alapasara Finvest Care Advisory Private Lin	8.00%	On demand	21.34	21.34	126.34	126.34
Manipal Nutraceutical Private Limited	9.00%	On demand	48.45	48.45	44.45	44.45
Manipal Academy of Health and Education Private Limited	9.00%	On demand	553.77	553.77	507.93	507.93
Manipal Educational Foundation	9.00%	On demand	1,974.91	1,974.91	1,811.85	1,811.85
Manipal Advertising Services Private Limite	9.00%	On demand	200.00	-	-	-
Sirar Solar Energies Private Limited	9.00%	On demand	137.44	137.44	127.26	127.26
Sirar Dhotre Solar Private Limited	9.00%	On demand	111.70	111.70	103.43	103.43
Sevalal Solar Private Limited	9.00%	On demand	121.10	121.10	102.33	102.33
Innovative Foam Limited	9.00%	On demand	398.66	398.66	369.11	369.11
Total			**3,567.37**	**3,367.37**	**3,192.70**	**3,192.70**

Allowance for doubtful loans is made considering the financials position of the subsidiaries and step down subsidiaries and same has been shown as exceptional item (refer note 30(A)).

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8. Loans Contd.

(c) The details of unsecured loans to other parties are as follows :

Name of the borrower	Rate of interest	Due date of repayment	March 31, 2025		March 31, 2024	
			Gross	Allowance	Gross	Allowance
Acqua Crest Foods Private Limited	24.00%	On demand	10.39	10.39	10.38	10.38
Great Town Trading Private Limited	24.00%	On demand	539.81	227.70	488.56	-
Amoha Traders Private Limited	13.00%	On demand	1,287.73	-	-	-
Zodiac JRD-MKJ Limited	24.00%	On demand	445.00	-	-	-
Others	-	On demand	0.18	-	0.30	-
Total			**2,283.11**	**238.09**	**499.24**	**10.38**

Allowance for doubtful loans is made considering the financials position of the said entities.

(d) The Company has granted various loans to its subsidiary and other companies to meet their working capital requirements which has been approved by the Board of Directors. The aforesaid loans are repayable on demand along with interest and management believes that these terms are not prejudicial to the Company's interests. The Company has not demanded the aforesaid loans along with interest during the year.

(e) Except as disclosed under note 8 above, there are no loans to Directors or other officers of the Company or any of them either severally or jointly with any other person or loans to any firm in which director is a partner.

9. Other financial assets

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, at amortised cost				
Interest accrued on fixed deposits	-	-	1,317.14	1,526.79
Interest accured on loans	-	-	4.65	-
Security deposits	99.95	78.65	-	-
Rent receivable	-	-	34.62	12.55
Deposits with remaining maturity for more than 12 months (Refer note 14)	218.75	902.25	-	-
Other advances recoverable in cash (Refer note (a) below)	-	22.67	5,233.60	8,524.92
- Less Provision for doubtful advances	-	(22.67)	-	-
Receivable towards share allotment	-	-	74.30	-
	318.70	**980.90**	**6,664.31**	**10,064.26**

a) Other advances recoverable in cash includes the following :

As detailed in note 30A, amountRs. 4,795.04 lakhs (March 31, 2024 Rs. 7,810.92 lakhs) receivable from M/s Sheela Foam Limited on account of sale of its investments in subsidiary M/s Kurlon Enterprise Limited.

10. Income tax assets (net)

	March 31, 2025	March 31, 2024
Advance income tax including tax deducted at source	41,201.05	38,859.79
Provision for current tax	(38,475.56)	(37,009.69)
	2,725.49	**1,850.10**

11. Other assets

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, considered good				
Capital advances (refer note (a) below)	1,231.89	35.50	-	-
Advance to suppliers				
- Related parties	-	-	-	18.05
- Others (Net of provision for doubtful advances)	-	-	138.28	36.35
Advance to employees	-	-	8.40	0.61
Advance recoverable in cash or kind (Refer note (b) below)	-	712.46	-	-
Prepaid expenses	-	-	51.47	51.10
Gratuity Fund	-	-	4.45	4.78
Balances with statutory/government authorities	1,170.26	1,133.98	-	-
	2,402.15	**1,881.94**	**202.60**	**110.89**
Unsecured, credit impaired				
Capital advances (refer note (a) below)	4,573.37	4,573.37	-	-
Less : Provision for doubtful advances	(4,573.37)	(4,573.37)	-	-
	-	-	-	-
Total	**2,402.15**	**1,881.94**	**202.60**	**110.89**

a) Capital advances includes the following :

i) During the year 2013-2014, the Company had paid an advance of Rs. 3,350.61 lakhs to Maharashtra Apex Corporation Limited (MACL) (a related party) for purchase of land. Further paid an advance of Rs. 1,222.76 lakhs during the FY 2023-2024. In an earlier year, the Honourable Karnataka High Court (The court) had vide its order dated October 08, 2004 stated that sale of land can be carried out only with it's permission. Subsequently, the court vide its order dated April 20, 2012 accorded its consent for the sale of land to Kurlon Limited. Considering the uncertainty and delay in transfer of land, the Company has created provision for doubtful advances in FY 2023-2024. Refer note 30(A).

b) As detailed in noted 30 (A), this amount represents balance receivable from its erstwhile subsidiary, Kurlon Enterprise Limited as of March 31, 2024 and is subject to reconciliation. The balance as of March 31, 2025 is Rs. NIL

All amounts in Rs. Lakhs, unless otherwise stated

12. Inventories (valued at lower of cost and net realizable value)

	March 31, 2025	March 31, 2024
Raw materials	-	-
Work in progress	-	-
Finished goods	1.18	11.78
Spares and consumables	0.45	-
	1.63	**11.78**

13. Trade receivables

	Current	
	March 31, 2025	March 31, 2024
Financial assets, at amortised cost		
Unsecured, considered good	0.68	0.26
Unsecured, credit impaired	-	-
	0.68	**0.26**
Provision for doubtful receivables	-	-
	0.68	**0.26**

Ageing of trade receivables

	Outstanding for following periods from the due date of payment						
	Not due	Less than 6	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
March 31, 2025							
Undisputed trade receivables - considered good	-	0.68	-	-	-	-	0.68
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**-**	**0.68**	**-**			**-**	**0.68**
March 31, 2024							
Undisputed trade receivables - considered good	-	0.26	-			-	0.26
Undisputed trade receivables - credit impaired	-	-	-			-	-
Disputed trade receivables - credit impaired	-	-	-			-	-
Total	**-**	**0.26**	**-**			**-**	**0.26**

14. Cash and bank balances

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Cash and cash equivalents				
Cash in hand	-	-	0.12	0.19
Balances with banks :				
In current accounts	-	-	77.79	623.24
Deposits with original maturity of less than three months			2,944.00	47,500.00
	-	**-**	**3,021.91**	**48,123.43**
Other bank balances				
Deposits with remaining maturity for less than 12 months	-	-	23,333.60	39,500.00
Deposits with remaining maturity for More than 12 months	218.75	902.25	-	-
Earmarked balances with banks	-	-	12.22	11.51
Unpaid dividend	-	-	14.66	4.65
	218.75	**902.25**	**23,360.48**	**39,516.16**
Less: Amount disclosed under other non- current financial assets (Refer note 9)	(218.75)	(902.25)		
	-	**-**	**26,382.39**	**87,639.59**

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All amounts in Rs. Lakhs, unless otherwise stated

15. Equity share capital

	March 31, 2025		March 31, 2024	
	Nos.	Amount	Nos.	Amount
Authorised shares				
Equity shares of Rs. 10/- each with voting rights	35,000,000	3,500.00	35,000,000	3,500.00
	35,000,000	**3,500.00**	**35,000,000**	**3,500.00**
Issued, subscribed and fully paid-up shares				
Equity shares of Rs. 10/- each with voting rights	14,135,751	1,413.58	14,882,605	1,488.26
	14,135,751	**1,413.58**	**14,882,605**	**1,488.26**

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

	March 31, 2025		March 31, 2024	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	14,882,605	1,488.26	14,882,605	1,488.26
Shsares bought back (Refer note 16(a))	(746,854)	(74.68)	-	-
Issued during the year	742,999	74.30	-	-
Outstanding at the end of the year	**14,878,750**	**1,487.88**	**14,882,605**	**1,488.26**

b. Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share 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.

c. Details of shareholders holding more than 5% shares in the Company

	March 31, 2025		March 31, 2024	
	Nos.	%	Nos.	%
Equity shares of Rs. 10/- each with voting rights				
Manipal Holding Private Limited	7,183,919	48.28%	7,183,919	48.27%
Maharashtra Apex Corporation Limited	6,013,334	40.42%	5,693,020	38.25%

d. Details of shares issued for consideration other than cash during the preceding five years

No shares have been issued for consideration other than cash during the preceding five years

e. Details of shares held by promoters

As at March 31, 2025

	No. of shares at the beginning of the year	Change during the year		No. of shares at the end of the year	% of total shares
		Buyback	Rights Issue		
Manipal Holdings Private Limited	7,183,919	-	-	7,183,919	48.28%
Maha Rashtra Apex Corporation Ltd	5,693,020	-	320,314	6,013,334	40.42%
General Investment And Commercial Corporation Limited	485,000	-	-	485,000	3.26%
Jaya Sudhakar Pai	384,163	336,556	208,404	256,011	1.72%
Metropolis Builders Pvt Ltd	167,036	-	-	167,036	1.12%
Manipal Home Finance Limited	32,350	-	-	32,350	0.22%
T Sudhakar Pai	29,217	29,107	208,404	208,514	1.40%
Tonse Sudhakar Pai on behalf of Family trust	12,570	12,570	-	-	0.00%
Mangala Investments Limited	646	-	-	646	0.00%
Rajmahal Trade & Investments Private Limited	501	-	-	501	0.00%
Commercial Corporation Of India Ltd.	1,024	-	-	1,024	0.01%
Manipal Stock & Share Brokers Ltd.	350	-	-	350	0.00%
Jai Bharath Mills Private Ltd.	250	-	-	250	0.00%
Jyothi Ashish Pradhan	1,800	1,800	-	-	0.00%
	13,991,846	**380,033**	**737,122**	**14,348,935**	**96.4%**

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15. Equity share capital (contd.)

As at March 31, 2024

	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Manipal Holdings Private Limited	7,183,919	-	7,183,919	48.27%	0.00%
Maha Rashtra Apex Corporation Ltd	5,693,020	-	5,693,020	38.25%	0.00%
General Investment And Commercial Corporation Limited	485,000	-	485,000	3.26%	0.00%
Jaya Sudhakar Pai	384,163	-	384,163	2.58%	0.00%
Metropolis Builders Pvt Ltd	167,036	-	167,036	1.12%	0.00%
Manipal Home Finance Limited	32,350	-	32,350	0.22%	0.00%
T Sudhakar Pai	29,217	-	29,217	0.20%	0.00%
Tonse Sudhakar Pai on behalf of Family trust	12,570	-	12,570	0.08%	0.00%
Mangala Investments Limited	646	-	646	0.00%	0.00%
Rajmahal Trade & Investments Private Limited	501	-	501	0.00%	0.00%
Commercial Corporation Of India Ltd.	500	524	1,024	0.01%	104.80%
Manipal Stock & Share Brokers Ltd.	350	-	350	0.00%	0.00%
Jai Bharath Mills Private Ltd.	250	-	250	0.00%	0.00%
Jyothi Ashish Pradhan	-	1,800	1,800	0.01%	100.00%
	13,989,522	**2,324**	**13,991,846**	**94.01%**	

f. Dividend made and proposed

	March 31, 2025		March 31, 2024	
	Dividend/Share	Rs.	Dividend/Share	Rs.
Dividend on equity shares declared and paid				
Final dividend for the year ended March 31, 2024 paid in financial year 2024-25: Rs 1413.58 Lakhs (for the year ended March 31, 2023 paid in financial year 2023-24: Rs.NIL)	10.00	1,413.58	-	-
Proposed dividend on equity shares				
Proposed dividend for the year ended March 31, 2025 : Rs. 371.97 lakhs (for the year ended March 31, 2024: Rs 1,413.58 lakhs)	2.50	371.97	10.00	1,413.58

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31. 2025. (Refer note 46)

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All amounts in Rs. Lakhs, unless otherwise stated

16. Other equity

	March 31, 2025	March 31, 2024
Securities premium account		
Balance at the beginning of the year	293.81	293.81
Add : Premium on issue of shares	-	-
Balance as at end of the year	**293.81**	**293.81**
Capital reserve		
Balance at the beginning of the year	970.81	970.81
Add : Transferred from statement of profit and loss	-	-
Balance as at end of the year	**970.81**	**970.81**
General reserve		
Balance at the beginning of the year	3,464.43	3,464.43
Add : Transferred from surplus in the statement of profit and loss	-	-
Balance as at end of the year	**3,464.43**	**3,464.43**
Retained earnings		
Balance at the beginning of the year	125,449.86	(623.05)
Add : (Loss)/Profit for the year	8,650.21	126,045.25
Less: utilised for buy back of equity shares (refer note (a) below)	(9,634.42)	-
Less: Tax paid on buy back of equity shares (refer note (a) below)	(2,244.43)	-
Add : Other comprehensive income/(loss) for the year	2.90	27.66
Less : Dividend paid	(1,413.58)	-
Less: Transferred to Capital Redemption Reserve (refer note (a) below)	(74.68)	-
Balance as at end of the year	**120,735.86**	**125,449.86**
Capital Redemption reserve (refer note (a) below)		
Balance at the beginning of the year	-	-
Transferred from Retained earning on account of buy back of shares	74.68	-
Balance as at end of the year	**74.68**	**-**
Total	**125,539.59**	**130,178.91**

Note (a): On May 01, 2024 the Company passed a resolution by its members for buy back of up to 2,369,230 fully paid up equity shares of face value Rs. 10/- (representing 15.98% of the total issued and paid up equity shares of the company) at a price of Rs. 1,300 per equity share ("Buy Back Offer Price"). Accordingly offer for buy back of shares were opened on June 5, 2024 and closed on June 19, 2024. Consequently, 746,854 fully paid up equity shares of face of Rs. 10/- each were bought back at Rs. 1300 per equity shares.

17. Other financial liabilities

	Current	
	March 31, 2025	March 31, 2024
Unsecured, at amortised cost		
Security deposits	81.63	66.00
Employee related liabilities	46.53	60.32
Unpaid dividend account	13.58	3.57
	141.74	**129.89**

18. Provisions

	Current	
	March 31, 2025	March 31, 2024
Provision for employee benefits		
Gratuity (Refer Note 38)	-	-
Leave encashment	12.61	11.94
	12.61	**11.94**

19. Deferred tax liabilities (net)

	March 31, 2025	March 31, 2024
Deferred tax liabilities	921.10	783.00
Deferred tax (assets)/liabilities	537.75	138.10
	1,458.85	**921.10**

Refer Note 41 for further details.

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20. Borrowings

	Current	
	March 31, 2025	**March 31, 2024**
Working capital loans From banks - Refer note (a)	370.09	-
Current maturities of long term debt	-	-
	370.09	**-**
Total	**370.09**	**-**

(a) The Company had obtained overdraft facilities from banks for working capital purpose and the outstanding balance as of March 31, 2025 is Rs. 370.09 lakhs (March 31, 2024 : Rs. Nil). The said facility is secured against fixed deposit of the Company.

The table below depicts changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes :

Reconciliation of liabilities arising from financing activities

	Beginning of the year	Cash flows (net)	Non cash adjustments	End of the year
March 31, 2025				
Loans from banks	-	370.09	-	370.09
Total	**-**	**370.09**	**-**	**370.09**
March 31, 2024				
Loans from banks	2,242.53	(2,242.53)	-	-
Total	**2,242.53**	**(2,242.53)**	**-**	**-**

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21. Trade payables

	March 31, 2025	March 31, 2024
At amortised cost		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 34)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	341.69	1,222.92
	341.69	**1,222.92**

Ageing of trade payables

	Outstanding for following periods from the due date of payment					
	Accrued expenses	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
March 31, 2025						
Undisputed trade payables - MSME	-	-	-	-	-	-
Undisputed trade payables - Non MSME	14.98	263.44	62.85	0.42	-	341.69
	14.98	**263.44**	**62.85**	**0.42**	**-**	**341.69**
March 31, 2024						
Undisputed trade payables - MSME	-	-	-	-	-	-
Undisputed trade payables - Non MSME	1,121.44	23.62	40.20	37.66	-	1,222.92
	1,121.44	**23.62**	**40.20**	**37.66**	**-**	**1,222.92**

22. Other liabilities

	Current	
	March 31, 2025	March 31, 2024
Contract liabilities - Advance from customers	1.08	1.08
Capital advances received (refer note (a) below)	7,100.90	-
Statutory dues payable	36.26	12.53
Others	1,370.55	-
	8,508.79	**13.61**

(a) During the year, the Company has received advance of Rs 71,00.90 lakhs towards sale of lease hold rights in Company's properties and execution of sale deed is pending as of 31 March 2025.

Contract liabilities are recognised as revenues when the Company performs under the contract (i.e. transfer of control of the related goods).

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All amounts in Rs. Lakhs, unless otherwise stated

23. Revenue from operations

(excluding discontinued operations, refer note 44)	March 31, 2025	March 31, 2024
Revenue from contracts with customers		
Other operating revenue		
Scrap sales	26.92	17.76
Agricultural products	43.03	32.82
Revenue from operations	**69.95**	**50.58**

(a) Timing of revenue from operations

	March 31, 2025	March 31, 2024
Goods transferred at a point in time	69.95	50.58
	69.95	**50.58**

(b) Reconciliation of amount of revenue recognised with contract price

	March 31, 2025	March 31, 2024
Revenue as per contract price	69.95	50.58
	69.95	**50.58**

(c) Movement in contract liabilities during the year *

	March 31, 2025	March 31, 2024
Opening balance	-	7,471.04
Less : Revenue recognised during the year	-	(7,471.04)
Add : Amount of consideration received during the year	-	-
	-	**-**

* Contract liabilities consists of advances received from customers towards supply of products.

24. Other income

(excluding discontinued operations, refer note 44)	March 31, 2025	March 31, 2024
Interest income		
- On fixed deposits	3,733.42	3,719.91
- On others	175.21	372.43
Fair value gain on Investment at fair value through profit or loss	2,975.59	223.02
Rental income	306.53	1,656.94
Gain on sale of investments	978.16	14.44
Dividend income	7.90	646.87
Share of income in LLP	108.95	-
Miscellaneous income	9.53	55.67
	8,295.29	**6,689.28**

25. Cost of raw materials consumed

(excluding discontinued operations, refer note 44)	March 31, 2025	March 31, 2024
Inventories at the beginning of the year		
Add: Purchases	-	4.56
Less: Inventories at the end of the year	-	-
Cost of raw materials consumed	**-**	**4.56**

26. Changes in inventories of finished goods and work-in-progress

(excluding discontinued operations, refer note 44)	March 31, 2025	March 31, 2024
Inventories at the end of the year		
Finished goods	1.63	11.78
Work in progress	-	-
Traded goods	-	-
	1.63	**11.78**
Inventories at the beginning of the year		
Finished goods	11.78	-
Work in progress	-	-
Traded goods	-	-
	11.78	**-**
	10.15	**(11.78)**

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All amounts in Rs. Lakhs, unless otherwise stated

27. Employee benefit expense

(excluding discontinued operations, refer note 44)	March 31, 2025	March 31, 2024
Salaries, wages and bonus	301.61	180.93
Gratuity expenses (Refer Note 38)	4.20	5.86
Contribution to provident and other funds	5.27	3.81
Staff welfare expenses	2.88	3.86
	313.96	**194.46**

28. Finance costs

(excluding discontinued operations, refer note 44)	March 31, 2025	March 31, 2024
Interest on borrowing	13.58	148.34
Other charges	1.84	40.68
	15.42	**189.02**

29. Depreciation and amortisation expense

(excluding discontinued operations, refer note 44)	March 31, 2025	March 31, 2024
Depreciation of property, plant and equipment	202.11	248.24
Amortisation of intangible assets	0.04	0.06
Depreciation of right of use assets	39.17	50.11
	241.32	**298.41**

30. Other expenses

(excluding discontinued operations, refer note 44)	March 31, 2025	March 31, 2024
Power and fuel	17.26	5.63
Rent	57.39	19.08
Buildings	82.83	50.79
Plant and machinery	0.23	3.62
Others	49.03	24.97
Rates and taxes	118.23	55.50
Expenditure on corporate social responsibility	20.55	100.12
Insurance expenses	25.63	59.83
Security expenses	30.59	5.51
Postage and telephone expenses	6.76	1.72
Payment to auditors *	10.00	12.62
Advertisement, promotion and selling expenses	19.70	8.71
Travelling and conveyance expenses	139.56	80.27
Legal and consultancy charges	547.81	499.02
Director's sitting fees	4.10	5.20
Loss on sale of Investments	88.58	-
Loss on sale of property, plant and equipment	0.67	31.68
Miscellaneous expenditure	106.67	109.47
	1,325.59	**1,073.74**

*** Payment to auditors (excluding goods and services tax)**

Audit services :		
Statutory audit	10.00	10.00
Limited Review	-	2.50
Out of pocket expenses	-	0.12
	10.00	**12.62**

30A. Exceptional Items

	March 31, 2025	March 31, 2024
Provision for doubtful advances (Refer note 11 and note (ii) below]	-	1,606.43
Provision for doubtful loans (Refer note (iii) below)		1,762.47
Provision written back/utilisation during the year [refer note (i)]	(28.65)	(7,174.97)
Provision for doubtful advances written back	(7.50)	-
Net Gain on sale of Investment in subsidiary - KEL [refer note (i) and (iv)]	(4,158.89)	(130,859.15)
Liabilities no longer required written back during the year [refer note (i)]	-	(23,201.13)
Loss on account of slump sale of Gwalior factory [refer note (i)]	-	2,004.84
Loss on sale of investment in subsidiaries [refer note (i)]	-	7.11
Net Gain on Transfer of Property Plant and Equipment as per the terms of SPA [refer note (i)]	-	(1,539.24)
	(4,195.04)	**(157,393.64)**

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Notes:

(i) With respect to balances for the year ended March 31, 2024

On October 20, 2023 the company had sold its investment in subsidiary M/s Kurlon Enterprise Limited (KEL) to M/s Sheela Foams Limited (SFL) as per the terms of Share Purchase agreement (SPA) dated July 17, 2023. Investment in held by the company's subsidiary Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited) (KCSM) were also sold to SFL as per the terms of SPA. The following are the key conditions precedent to SPA taken place during the year and affect of such items are disclosed as exceptional items as presented in the below table.

(a) Transfer of Gwalior factory related assets and liabilities to KEL (refer note 44).
(b) Below mentioned immovable properties have been transferred to KEL.
- Land and Building at Dabaspet
- Land and building at Uttarakhand
- Lease hold Land and building at Bhubaneshwar

(c) Disinvestment by KEL in certain subsidiaries which are engaged in the business generation of solar power.
(d) Settlement of outstanding dues to KEL on no debt/no cash basis.
(e) Settlement of dues to financial institutions by KCSM and release of shares held by KCSM in KEL.

The affect of the aforementioned transactions were shown as exceptional items and summary is presented below:

Particulars	Sale of Investment in Subsidiary - KEL (As per SPA)	Write back of balances payable to Subsidiary KEL (Net) (As per SPA)	Sale of Business unit (Gwalior Factory) (As per SPA)	Transfer of other Property Plant and Equipment (As per SPA)	Sale of Investment in Subsidiary - Solar entities (As per SPA)	Provision for Loan to subsidiary written back (As per SPA)	Provision for doubtful loans- (Refer note (iii) below)	Provision for doubtful advances - (Refer note (ii) below)
Gross Consideration/written back/settled	175,627.01	23,201.13	-	-	7.11	7,174.97	-	-
Less: Adjustment of sale consideration towards Other assets transferred as part of SPA	(7,845.56)	-	3,400.00	4,445.56	-	-	-	-
Total Income	**167,781.45**	**23,201.13**	**3,400.00**	**4,445.56**	**7.11**	**7,174.97**	**-**	**-**
Book value of Assets/investments written off	24,228.01	-	4,872.83	2,386.34	14.22	-	1,762.47	1,606.43
Gross Gain/(Loss)	**143,553.44**	**23,201.13**	**(1,472.83)**	**2,059.22**	**(7.11)**	**7,174.97**	**(1,762.47)**	**(1,606.43)**
<u>Less: Expenditure Incurred towards above exceptional items</u>								
i) Stamp duty and registration charges incurred by the Cor	6,008.44	-	532.01	519.98	-	-	-	-
ii) Loss incurred by the Company for the shares held by KCSM and transferred to SFL.	6,685.85	-	-	-	-	-	-	-
Total Expenditures	**12,694.29**	**-**	**532.01**	**519.98**	**-**	**-**	**-**	**-**
Net Gain (Loss)	**130,859.15**	**23,201.13**	**(2,004.84)**	**1,539.24**	**(7.11)**	**7,174.97**	**(1,762.47)**	**(1,606.43)**

(ii) During the previous year, the Company has provided for various doubtful advances given to various parties including capital advances amounting to Rs 1,222.76 lakhs (refer note 11) and others amounting to Rs 383.66 lakhs.

(iii) During the previous year, the Company has provided for various doubtful loans given to various related parties excluding interest (refer note 8(b)).

(iv) During FY 2024-25, the Company has received Rs. 4,158.89 lakhs (Net of selling and related expenses) from M/s Sheela Foam Limited towards aforementioned SPA.

31. Earnings/(loss) per share (EPS)

	March 31, 2025	March 31, 2024
Profit/(Loss) for the year		
Continuing Operations (a)	8,650.21	125,766.17
Discontinued Operations (b)	-	279.08
Total profit (c)	**8650.22**	**126045.25**
Weighted average number of equity shares for basic and diluted EPS (Numbers in Lakhs) (d)	143.54	148.83
Basic and diluted EPS for profit from continuing operations (a÷d) (Rs.)	60.26	845.05
Basic and diluted EPS for profit from discontinued operations (b÷d) (Rs.)	-	1.88
Basic and diluted EPS for continuing and discontinued operations (c÷d) (Rs.)	60.26	846.93

32. Segment reporting

The Company primarily is in the business of manufacture, purchase and sale of mattress, foam and related products. The Company does not distinguish revenues and expenses between different businesses in its internal reporting and reports costs and expenses by nature as a whole. The CODM reviews the results when making decision about allocating resources and assessing performance of the Company as a whole and hence, the Company has only one reportable segment. The Company operates and manages its business as a single segment. As the Company's long-lived assets are all located in India and the Company's revenues are derived from India, no geographical information is presented.

33. Related party disclosure

Names of related parties and related party relationships

Names of related parties where control exists irrespective of whether transactions have occurred or not

Subsidiary Companies/LLP's	Kurlon Enterprise Limited (Up to October 20, 2023) Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited) Manipal Software and E-com Private Limited Manipal Natural Private Limited Kanara Global Products LLP (From October 17, 2024)
Step down subsidiaries	Kurlon Retail Limited (Up to October 20, 2023) Komfort Universe Products and Services Limited (Up to October 20, 202 Belvedore International Limited (Up to October 20, 2023) Kanvas Concepts Private Limited (Up to October 20, 2023) Starship Value Chain and Manufacturing Private Limited (Formerly Starship Manufacturing and Services Private Limited) (Up to October 20, 2023) Sevalal Solar Private Limited (Up to October 13, 2023) Sirar Solar Energies Private Limited (Up to October 13, 2023) Sirar Dhotre Solar Private Limited (Up to October 13, 2023) Starship Global VCT LLP (Up to October 20, 2023) Home Komfort Retail LLP (Acquired by Belvedore International Limited w.e.f September 01, 2022)
Enterprises owned or significantly influenced by key management personnel /Directors and their relatives	Manipal Education Foundation Maharsatra Apex Asset Management company Limited Manipal Advertising Services Private Limited Manipal Stock and Share Brokers Limited Innovative Foam Limited Manipal Holdings Private Limited Maharastra Apex Corporation Limited Manipal Home Finance Limited General Investment and Commercial Corporation Limited Metropolis Builders Private Limited Manipal Home Finance Limited Mangala Investments Limited Jitendra Harjivandas Securities Private Limited Manipal Nutraceutical Private Limited Manipal Travels Private Limited Manipal Crimson Estate and Properties Private Limited Manipal Springs Limited CCI Limited Jai Bharat Mills Private Limited Jayamahal Trade and Investments Private Limited Manipal Rajmahal Hotels Limited Sevalal Solar Private Limited (W.e.f October 13, 2023) Sirar Solar Energies Private Limited (W.e.f October 13, 2023) Sirar Dhotre Solar Private Limited (W.e.f October 13, 2023)

All amounts in Rs. Lakhs, unless otherwise stated

0. Related party disclosure (contd.)

Directors and Key Management Personnel (KMP)	Mr. Tonse Sudhakar Pai, Managing Director Ms. Jaya Sudhakar Pai, Director Ms. Deepa Sudhakar Pai, Director Ms. Jyothi Ashish Pradhan, Director Mr. Kuthethoor Venugopal Shetty, Independent Director Mr. Santhosh Kamath, Independent Director Mr. ASPI Nariman Katgara, Director (Up to February 29, 2024) Mr. Jamsheed Minoo Panday, Director (Up to February 29, 2024) Mr. Madhusudan K R, Chief Financial Officer Mrs. Susheela Y Bungale, Company Secretary
Relative of Directors and Key Management Personnel (KMP)	Mr. Jahangir Jamsheed Panday, Relative of Director (Up to February 29, 2024) Ms. Feroza Jamsheed Panday, Relative of Director (Up to February 29, 2024)

The Transactions that have been entered in to with related parties during the year are as follows :
(including discontinued operations, refer note 44)

	March 31, 2025	March 31, 2024
Sale of products		
Kurlon Enterprise Limited	-	4,540.14
Komfort Universe Products and Services Limited	-	202.69
	-	**4,742.83**
Rental Income		
Kurlon Enterprise Limited	-	1,489.33
Eldorado Share Services Private Limited	-	7.50
Starship Global VCT LLP	-	26.43
Maharsatra Apex Asset Management company Limited	-	4.80
	-	**1,528.06**
Share of Income in Limited Liability Partnership		
Kanara Global Products LLP	108.95	-
	108.95	**-**
Dividend Income		
Kurlon Enterprise Limited	-	646.87
General Investment and Commercial Corporation Limited	1.13	-
	1.13	**646.87**
Purchases		
Kurlon Enterprise Limited	-	1,087.16
	-	**1,087.16**

	March 31, 2025	March 31, 2024
Interest Income		
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	360.44	436.61
Manipal Natural Private Limited	613.20	241.56
Manipal Academy of Health & Education	45.84	41.76
Manipal Education Foundation	163.07	91.23
Innovative Foam Limited	29.54	8.48
Sevalal Solar Private Limited	8.78	6.03
Sirar Solar Energies Private Limited	10.18	3.54
Sirar Dhotre Solar Private Limited	8.27	2.76
Manipal Nutraceutical Private Limited	4.00	3.68
	1,243.32	**835.65**
Sale of Assets		
Manipal Natural Private Limited	282.76	-
	282.76	**-**
Legal and professional expenses		
Jamsheed Minoo Panday	-	12.00
Feroza Jamsheed Panday	-	18.00
Jahangir Jamsheed Panday	-	12.00
Jyothi Ashish Pradhan	18.75	-
ASPI Nariman Katgara	-	4.80
	18.75	**46.80**
Advertisement and Sales Promotion Expenses		
Manipal Advertising Services Private Limited	4.41	2.24
	4.41	**2.24**

All amounts in Rs. Lakhs, unless otherwise stated

33. Related party disclosure (contd.)

Director sitting fees		
Jaya Sudhakar Pai	1.10	1.00
Jyothi Ashish Pradhan	0.10	1.00
Jamsheed Minoo Panday	-	0.20
Kuthethoor Venugopal Shetty	1.10	1.00
ASPI Nariman Katgara	-	0.20
Santhosh Kamath	1.10	0.80
Narendra Kudva	-	0.70
Deepa Sudhakar Pai	0.70	0.30
	4.10	**4.10**
Slump sale of Gwalior Factory (Refer note 30A and 44)		
Kurlon Enterprise Limited	-	3,400.00
	-	**3,400.00**
Purchase of Investment in subsidiary		
Kurlon Enterprise Limited	-	14.07
	-	**14.07**
Managerial remuneration		
Tonse Sudhakar Pai	12.90	19.36
Jyothi Ashish Pradhan	52.09	-
Susheela Y Bungale	10.90	1.41
Mr. Madhusudan K R,	37.01	32.82
	112.90	**53.59**
Tailoring & fabrication charges		
Eldorado Share Services Private Limited	-	120.97
Maharsatra Apex Asset Management company Limited	-	83.06
	-	**204.03**
Travel and conveyance expenses		
Manipal Travels Private Limited	46.65	16.16
	46.65	**16.16**
Dividend paid		
Manipal Holdings Private Limited	718.39	-
Maha Rashtra Apex Corporation Limited	569.30	-
General Investment And Commercial Corporation Limited	48.50	-
Metropolis Builders Private Limited	16.70	-
Manipal Home Finance Limited	3.24	-
Mangala Investments Limited	0.06	-
Rajmahal Trade & Investments Private Limited	0.05	-
Commercial Corporation Of India Limited*	0.10	-
Manipal Stock & Share Brokers Limited*	0.04	-
Jai Bharath Mills Private Limited*	0.03	-
	1,356.41	**-**
Expense to be reimbursed by Related Parties		
Manipal Natural Private Limited	15.42	8.22
Manipal Software and E-Com Private Limited	3.17	-
	18.59	**8.22**

The balances receivable from and payable to related parties as at year end are as follows :

	March 31, 2025	March 31, 2024
Investment in subsidiaries		
Kurlon Enterprise Limited (Refer Note 30A)	-	-
Manipal Natural Private Limited	601.00	601.00
Manipal Software & E-com Private Limited	4.00	4.00
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	0.10	0.10
Kanara Global Products LLP	25.00	-
	630.10	**605.10**
Investment in Bonds		
Maharastra Apex Corporation Limited	224.83	224.83
	224.83	**224.83**
Investment in Redeemable cumulative preference shares		
Maharastra Apex Corporation Limited	33.30	12.75
	33.30	**12.75**
Investment in equity instruments		
Jitendra Harjivandas Securities Private Limited	2,129.65	2,129.65
Commercial Corporation of India Limited	41.00	41.00
General Investment & Commercial Corporation Limited	23.75	23.75
	2,194.40	**2,194.40**

All amounts in Rs. Lakhs, unless otherwise stated

33. Related party disclosure (contd.)

Loans to subsidiaries		
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	4,571.98	4,255.64
Manipal Natural Private Limited	7,734.36	5,645.56
	12,306.34	**9,901.20**
Loans other related parties		
Manipal Academy of Health and Education Private Limited	553.77	507.93
Manipal Educational Foundation	1,974.91	1,811.85
Innovative Foam Limited	398.66	369.11
Alapasara Finvest Care Advisory Private Limited	21.34	126.34
Manipal Advertising Services Private Limited	200.00	
Manipal Nutraceutical Private Limited	48.45	44.45
Sevalal Solar Private Limited	121.11	102.33
Sirar Solar Energies Private Limited	137.44	127.26
Sirar Dhotre Solar Private Limited	111.70	103.43
	3,567.38	**3,192.70**
Loss allowance on loans given to related parties		
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	4,571.98	4,255.64
Manipal Natural Private Limited	613.20	-
Innovative Foam Limited	398.66	369.11
Alapasara Finvest Care Advisory Private Limited	21.34	126.34
Manipal Nutraceutical Private Limited	48.45	44.45
Manipal Academy of Health and Education Private Limited	553.77	507.93
Manipal Educational Foundation	1,974.91	1,811.85
Sevalal Solar Private Limited	121.11	127.26
Sirar Solar Energies Private Limited	137.44	102.33
Sirar Dhotre Solar Private Limited	111.70	103.43
	8,552.56	**7,448.34**
Provision for impairment of equity instruments (Refer note 7)		
Alapasara Finvest Care Advisory Private Limited	5.00	5.00
	5.00	**5.00**
Capital advance paid (refer note 11)		
Maharastra Apex Corporation Limited	4,573.37	4,573.37
	4,573.37	**4,573.37**
Provision for doubtful advance		
Maharastra Apex Corporation Limited	4,573.37	4,573.37
	4,573.37	**4,573.37**
Advances recoverable in cash		
Manipal Software & E-com Private Limited	3.17	4.09
Manipal Natural Private Limited	314.61	-
	317.78	**4.09**

	March 31, 2025	**March 31, 2024**
Corporate Guarantees given on behalf of related parties		
Manipal Natural Private Limited	3,950.00	3,950.00
	3,950.00	**3,950.00**

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Others

The Company has passed resolution for providing Corporate Guarantee of Rs. 4,567 lakhs to Maha Rashtra Apex Corporation Limited, which is yet to be executed.

34. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	March 31, 2025	March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	3.85	3.85
The amount of further interest remaining due and payable even in the succeeding years, until such date when the	3.85	3.85

The information given above is to the extent such parties have been identified by the Company on the basis of information disclosed by the suppliers.

35. Leases

Short-term leases and lease of low-value assets

The Company also has certain leases with lease terms of 12 months or less and leases of properties with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Rental expenses of Rs. 57.39 lakhs (March 31, 2024: Rs. 21.82 lakhs) have been recognised in the statement of profit and loss.

36. Contingent liabilities and capital commitments

Contingent liabilities

	March 31, 2025	March 31, 2024
Claims against the Company not acknowledged as debts		
- Sales tax disputed demands under appeal not provided	1,801.52	1,801.52
- Income tax disputed under appeal not provided	44.02	44.02
- Central Excise disputed under appeal not provided	3,833.68	3,833.68
- Corporate Guarantee given by the Company to Bankers on behalf of the third parties	3,950.00	3,950.00

The Company is contesting these demands and the management, based on the advise from its tax consultants, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for these demands raised as of March 31, 2025. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

37. Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The primary function of the Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time. The CSR policies focus on enhancing the quality of life and economic well being of the communities in accordance with the Schedule VII of the Companies Act, 2013.

	March 31, 2025	March 31, 2024
Gross amount required to be spent by the Company during the year	30.96	1.48

Amount spent during the year ended March 31, 2025

	In cash	Yet to be paid in cash	Total
Construction/acquisition of assets	-	-	-
On purpose other than above	20.55	-	20.55

Amount spent during the year ended March 31, 2024

	In cash	Yet to be paid in cash	Total
Construction/acquisition of assets	-	-	-
On purpose other than above	100.12	-	100.12

In case of Section 135(5) (Other than ongoing projects)

	March 31, 2025	March 31, 2024
Opening balance	(98.55)	0.09
Amount required to be spent during the year	30.96	1.48
Amount spent during the year	20.55	100.12
Closing balance	(88.14)	(98.55)

The Company does not have any ongoing project as per section 135(6) of the Companies Act, 2013.

38. Employee benefits

Defined contribution plans

The Company makes contributions for qualifying employees to Provident Fund, Employee state insurance and labour welfare fund. During the year, the Company recognised Rs. 5.08 lakhs (March 31, 2024 : Rs 15.84 lakhs) towards Provident fund contributions, Rs 0.18 lakhs (March 31, 2024 : Rs 1.79 lakhs) towards Employee State Insurance scheme contributions and Rs. Nil (March 31, 2024 : Rs NIL) lakhs towards Labour Welfare fund.

Post-employment obligation - Gratuity

The Company has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972 ('Gratuity Act') under which an employee who has completed five years of service is entitled to specific benefit. The amount of benefit provided depends on the employee's length of service and salary at retirement/termination date.

The following tables summarises the amounts recognised in the standalone financial statements :

Balance Sheet

	March 31, 2025	March 31, 2024
Defined benefit obligation	18.39	18.05
Plan assets	22.84	22.84
Net liability	**(4.45)**	**(4.78)**
Current	**(4.45)**	**(4.78)**
Non-current	**-**	**-**

Changes in the present value of defined benefit obligation

	March 31, 2025	March 31, 2024
Balance at the beginning of the year	18.05	109.68
Service cost	4.55	3.78
Interest cost	1.30	8.16
Remeasurements - Actuarial loss/(gain)	(5.52)	(103.57)
Benefit paid	-	-
Balance at end of the year	**18.38**	**18.05**

Changes in the fair value of plan assets

	March 31, 2025	March 31, 2024
Balance at the beginning of the year	22.84	59.41
Contributions made	-	22.71
Interest income	1.65	5.27
Payments	-	-
Actuarial gain/(loss)	(1.65)	(64.55)
Balance at end of the year	**22.84**	**22.84**

Statement of profit and loss

	March 31, 2025	March 31, 2024
Service cost	4.55	3.78
Interest cost net of income	(0.35)	2.89
Total	**4.20**	**6.67**

Other comprehensive (income)/loss

	March 31, 2025	March 31, 2024
Remeasurements - Actuarial loss/(gain)	(5.52)	(103.57)
Remeasurements - Actuarial gain/(loss) on plan asset	1.65	64.55
Total	**(3.87)**	**(39.02)**

Principal assumptions used in determining defined benefit obligation

	March 31, 2025	March 31, 2024
Discount rate	6.61%	7.21%
Expected return on plan assets	7.21%	7.44%
Salary escalation	10% for 5 years 7% thereafter	10% for 5 years 7% thereafter
Employee turnover	10.00%	10.00%

The categories of plan assets as a percentage of the fair value of total plan assets are as follows :

	March 31, 2025	March 31, 2024
Investment with insurance companies	100.00%	100.00%

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

All amounts in Rs. Lakhs, unless otherwise stated

Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumptions, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date

	March 31, 2025	March 31, 2024
Discount rate		
1% increase	(1.01)	(0.58)
1% decrease	1.12	0.61
Salary escalation		
1% increase	1.06	0.58
1% decrease	(0.97)	(0.56)
Employee turnover		
1% increase	(0.27)	-
1% decrease	0.28	-

Maturity profile of defined benefit obligation

	March 31, 2025	March 31, 2024
Within 1 year	1.45	0.71
1-2 year	0.75	1.01
2-3 year	3.93	0.62
3-4 year	0.40	3.42
4-5 year	0.38	0.31
5-10 years	4.52	2.73
10 years onwards	6.97	9.25

The average duration of the defined benefit obligation at the end of the reporting year is 9.65 years (March 31, 2024 : 10.32 years).

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All amounts in Rs. Lakhs, unless otherwise stated

39. Financial instruments

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying values and fair value measurement hierarchy of the Company's financial assets and financial liabilities are as below :

	March 31, 2025		March 31, 2024	
	Carrying value	**Fair value**	**Carrying value**	**Fair value**
Financial assets measured at fair value through profit and loss				
Non current assets				
Investments	15,208.11	15,208.11	13,410.02	13,410.02
	15,208.11	**15,208.11**	**13,410.02**	**13,410.02**
Financial assets measured at amortised cost				
Non-current assets				
Investments	4,163.21	4,163.21	2,972.33	2,972.33
Loans	9,366.17	9,366.17	6,134.42	6,134.42
Other financial assets	318.70	318.70	980.90	980.90
Current assets				
Investments	60,675.65	60,675.65	-	-
Trade receivables	0.68	0.68	0.26	0.26
Cash and cash equivalents	3,021.91	3,021.91	48,123.43	48,123.43
Other bank balances	23,360.48	23,360.48	39,516.16	39,516.16
Other financial assets	6,664.31	6,664.31	10,064.26	10,064.26
	107,571.11	**107,571.11**	**107,791.76**	**107,791.76**
Financial liabilities measured at amortised cost				
Current liabilities				
Borrowings	370.09	370.09	-	-
Trade payables	341.69	341.69	1,222.92	1,222.92
Other financial liabilities	141.74	141.74	129.89	129.89
	853.52	**853.52**	**1,352.81**	**1,352.81**

40. Financial risk management objectives and policies

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse and set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company's Board of Directors is assisted in its oversight role by the internal audit who undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Board of Directors. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(a) Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates which will affect the Company's income or the value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency payables.

i. Currency risk
The Company's exposure to foreign currency risk at the end of reporting period in INR , are as follows :

	Currency	March31, 2025	March 31, 2024
Financial assets			
Investments	USD	884.26	-
Net exposure to foreign currency		**884.26**	**-**

ii. Interest rate risk
Interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company's borrowings are at fixed interest rate.

All amounts in Rs. Lakhs, unless otherwise stated

40. Financial risk management objectives and policies (contd.)

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables, loans and other assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating review and individual credit limits are defined in accordance with this assessment. The Company regularly monitors its outstanding customer receivables.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Cash and cash equivalents and other bank balances are neither past due nor impaired. Cash and cash equivalents include short-term highly liquid fixed deposits with banks which having maturity less than three months.

Since the company collects amounts prior to fulfilment of performance obligation, no allowances for expected credit loss created as on March 31, 2025 and March 31, 2024.

	Investments		Loans and other advances		Capital Advances	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
At the beginning of the year	5.00	5.00	7,458.72	6,773.11	4,573.37	3,350.61
Allowance created/(reversed) during the year	-	-	1,331.93	685.61	-	1,222.76
At the end of the year	**5.00**	**5.00**	**8,790.65**	**7,458.72**	**4,573.37**	**4,573.37**

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below provides details regarding the undiscounted contractual maturities of financial liabilities :

	Less than 1 year	1 to 5 years	More than 5 years	Total
March 31, 2025				
Borrowings	370.09	-	-	370.09
Trade payables	14.98	326.71	-	341.69
Other financial liabilities	141.74	-	-	141.74
Total	**526.81**	**326.71**	**-**	**853.52**
March 31, 2024				
Borrowings	-	-	-	-
Trade payables	1,222.92	-	-	1,222.92
Other financial liabilities	129.89	-	-	129.89
Total	**1,352.81**	**-**	**-**	**1,352.81**

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no significant liquidity risk is

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All amounts in Rs. Lakhs, unless otherwise stated

41. Income tax

Income tax expense in the statement of profit and loss consists of :

Statement of profit or loss	March 31, 2025	March 31, 2024
Current tax	1,464.91	36,551.18
Deferred tax charge/(credit)	538.72	138.10
Income tax expense/(credit) related to current year	**2,003.63**	**36,689.28**
Tax relating to earlier years		44.30
Income tax expense/(credit) reported in the statement of profit and loss	**2,003.63**	**36,733.58**
Income tax recognised in other comprehensive income/(loss)		
- Tax arising on income and expense recognised in other comprehensive income/(loss)	(0.97)	(11.36)
Total	**(0.97)**	**(11.36)**

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian income tax rate to profit before taxes is as follows :

	March 31, 2025	March 31, 2024
Profit/(loss) before tax	10,653.84	162,778.82
Enacted income tax rate in India	25.17%	29.12%
Computed expected tax expense/(credit)	2,681.36	47,401.19
Effect of :		
Disallowance of capital expenditure debited to statement of profit and loss	-	981.02
Tax effect on exempt income (Share of profit in LLP)	(27.42)	-
Effect of change in rate of Defered tax balances	(125.01)	-
Tax charge on disallowance of corporate social responsibility expenditure	5.17	29.15
Tax effect on differential tax rates charged on capital gains	(561.66)	(9,632.28)
Tax charge on write back of provisions	(9.10)	(2,089.35)
Others	40.29	43.85
Total income tax expense	**2,003.63**	**36,733.58**

Deferred tax

Deferred tax relates to the following :

	Balance Sheet		Statement of Profit and Loss	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Property, plant and equipment	(713.16)	(860.51)	(147.35)	57.50
Fair value gain of Financial asset	(752.55)	(64.94)	687.61	64.94
Gross deferred tax liability	**(1,465.71)**	**(925.45)**	**540.26**	**122.44**
Deferred tax asset				
Section 43B disallowance	6.86	-	(6.86)	-
Provision for gratuity	-	-	-	13.99
Others		4.35	4.35	1.67
Net deferred tax liability (net)	**(1,458.85)**	**(921.10)**	**537.75**	**138.10**
Net deferred tax credit/(charge)			**537.75**	**138.10**

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All amounts in Rs. Lakhs, unless otherwise stated

42. Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance exceeding 25% as compared to the preceding period
Current ratio	Current assets	Current liabilities	10.02	70.97	-86%	Decrease in ratio is due to long term investments made by the company out of the liquied funds available
Debt equity ratio	Total debt	Shareholder's equity	0.00	-	0%	
Debt service coverage ratio	Earnings for debt service = Net profit/(loss)s after taxes + Non cash operating expenses	Debt service = Interest and lease payments + Principal repayments	232.26	NA	0%	Due to new borrowings made by the company during the year
Return on equity ratio	Net profit/(loss)s after taxes – Preference dividend	Average shareholder's equity	0.07	1.75	-96%	Previous years ratio was effected by the trasfer of undertaking and sale of investment (Refer note 30A)
Inventory turnover ratio	Cost of goods sold	Average inventory	1.51	5.27	-71%	Previous years ratio was effected by the trasfer of undertaking and sale of investment (Refer note 30A)
Trade payable turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	1.69	3.33	-49%	The decrease is due to reduciton in operations of the company after sale of undertaking during the prvious
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.00	0.05	-98%	Decreased due to reduction in operation of the company after the sale of undertaking during the previous year (Refer note 30A)
Net profit/(loss) ratio	Net profit/(loss)	Net sales = Total sales - Sales return	22.98	25.92	-11%	
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + Total debt + Deferred tax	0.08	1.23	-93%	Previous years ratio was effected by the trasfer of undertaking and sale of investment (Refer note 30A)
Return on investment	Interest (Finance income) + profit/(loss) on sale of investment	Investment	0.11	4.86	-98%	Previous years ratio was effected by the trasfer of undertaking and sale of investment (Refer note 30A)

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43. Other statutory information

(i) The Company do not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company has balance with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956:

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding		Relationship with the Struck off company, if any.
		As at March 31, 2025	As at March 31, 2025	
Great Town Trading Private Limited	Loan given	539.81	488.56	None

(iii) The Company do not have any charges or satisfaction which is yet to be registered with the Registrar of Companies ("ROC") beyond the statutory period.
(iv) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
(v) The Company have 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 :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) except as described below:

Name of the intermediary to which the funds are advanced	Date of funds invested	Amount of funds invested	Date on which funds are further advanced or loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further advanced or loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
March 31, 2025					
Manipal Academy of Health and Education Private Limited	Various Dates	45.84	Various Dates	45.84	Manipal Educational Foundation.
		45.84		**45.84**	
March 31, 2024					
Manipal Academy of Health and Education Private Limited	Various Dates	48.76	Various Dates	48.76	Manipal Educational Foundation.
		48.76		**48.76**	

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries except as described below:

Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited) (KTIMPL), one of the wholly owned subsidiaries of the Company, had availed loans from the financial institutions (Bajaj Finance Limited and Kotak Mahindra Investments Limited) amounting to Rs. 20,000 lakhs for purchase of shares of Kurlon Enterprise Limited, a subsidiary of the Company from India Business Excellence Fund. The Company had provided guarantee for such sanctioned loans and mortgaged certain immovable properties as securities. As on March 31, 2025, KTIMPL has outstanding balance ofRs. Nil. (as on March 31, 2024 Nil) to such financial institutions. During the FY 2023-24, KTIMPL has transferred its shares held in Kurlon Enterprise Limited to Sheela Foam Limited for consideration of Rs. 13,314.17 lakhs. Accordingly, the Company has provided for the expected shortfall arising on account of repayment of liabilities by KTIMPL as provision for guarantee loss to meet its guarantee obligations as of March 31, 2023. As detailed in Note 30(A), during the previous financial year, the company has accounted for the actual realised loss in respect of aforesaid transactions (including the settlment of loans to financial institutions) after reversing the provisions made in earlier years and guarantees has been withdrawn.

(vi) The Company have 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 :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company have not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company have not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
(ix) The Company has its servers physically located in India and does not have system for daily backup of books of accounts in electronic mode. The management is taking steps to ensure that there is a backup server in India and process for daily backup is defined as required under applicable provisions of the Companies Act, 2013.

(x) The Company registered in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level in relation to SAP accounting software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

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All amounts in Rs. Lakhs, unless otherwise stated

44. Discontinued operations

During the previous financial year, on October 20, 2023 the Company has transferred one of the factory situated at Gwalior along with related assets and liabilities as a Going concern to M.s Kurlon Enterprise Limited as pert of the Share Purchase Agreement dated July 17, 2023 (Refer Note 30A). As a result the operations of Gwalior factory were classified as discontinued operations during the year. The business represented the Company's mattress manufacturing segment. Being a discontinued operation, that segment is no longer presented in the segment note.

The result of operations up to the date of transfer of Gwalior factory business for the year is presented below:

	March 31, 2025	March 31,
Revenue from contracts with customers	-	4812.79
Other Income	-	44.82
Expenses	-	(4,295.50)
Finance costs	-	(0.16)
Depreciation	-	(168.22)
Profit/(loss) before tax from a discontinued operation	**-**	**393.73**
Tax (expenses)/income:	-	(114.65)
Profit/(loss) for the period from a discontinued operation	**-**	**279.08**

* *Up to October 20, 2023*

The company had transferred all assets and liabilities pertaining to Discontinued operations to M/s Kurlon enterprise Limited on October 20, 2023 Hence there are no assets and liabilities attributable to discontinued operations held by the company as on March 31, 2024.

Earnings Per Share	March 31, 2025	March 31, 2024
Basic and Diluted EPS for the year from discontinued operation	NA	1.88

45. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Company's capital management is to maximize the shareholders 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 may issue new shares. The Company includes within net debt, borrowings net of cash and cash equivalents and other bank balances.

	March 31, 2025	March 31, 2024
Borrowings	370.09	-
Less: Cash and cash equivalents and other bank balances	(26,382.39)	(87,639.59)
Net debt (A)	**(26,012.30)**	**(87,639.59)**
Equity	127,027.47	131,667.17
Total equity capital (B)	**127,027.47**	**131,667.17**
Total debt and equity (C)=(A)+(B)	**101,015.17**	**44,027.58**
Gearing ratio (A)/(C)	**0.00%**	**0.00%**

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

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46. The Board of Directors of the Company proposed a final dividend of Rs. 2.5 per share for the financial year 2024–25 at the board meeting held on May 23, 2025.

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C/N500069

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limit
CIN :U68100KA1962PLC001443

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Susheela Y Bungale
Company Secretary

Madhusudan K R
Chief Financial Officer

Place: Bengaluru
Date: May 23, 2025

All amounts in Rs. Lakhs, unless otherwise stated

1. Corporate information

Kanara Consumer Products limited (formerly known as Kurlon Limited) (referred to as "the Holding Company) together with its subsidiaries (collectively referred to as the "Group"). The Holding Company was incorporated under the name and style of "Karnataka Coir Products Limited" on February 09, 1962 and commenced commercial operations during October 1965. The name of the Holding Company was changed to "Karnataka Consumer Products Limited" with effect from October 09, 1980. On December 08, 1995 the name of the Holding company was changed from Karnataka Consumer Products Limited to "Kurlon Limited", to fully reflect all its business activities in diverse areas such as Rubberized coir, Latex Foam, Polyurethane foam, Spring Mattresses, Furniture, Furnishings etc. Further with effect from June 14, 2023, the name of the Holding Company was changed to Kanara Consumer Products Limited from "Kurlon Limited". The Holding Company also operates in real estate business as Developers, Builders, Managers, Operators, Hirers and Dealers of all kinds of immovable properties, including but not limited to that of lands, buildings, farms, cinemas, hotels and cold stores and carry on all incidental or allied activities and business as are usually carried on by Builders, Managers, Operators, Hirers and Dealers etc

The Group in addition to the Holding Company comprises the following consolidated entities:

Sl. No	Name of the Subsidiary	Country of incorporation	Parent entity	% of Ownership interest as at March 31, 2025	% of Ownership interest as at March 31, 2024
1	Manipal Software & E-Commerce Private Limited	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	98.46%	98.46%
2	Manipal Natural Private Limited	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	100%	100%
3	Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	100%	100%
4	Kanara Global Products LLP (Formed on October 17, 2024)	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	100%	-
5	Kurlon Enterprises Limited*	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	-	- (Refer note below)
6	Kurlon Retail Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
7	Belvedore International Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
8	Komfort Universe Products and Services Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
9	Starship Value chain and Manufacturing Private Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
10	Kanvas Concepts Private Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
11	Sevalal Solar Private Limited#	India	Kurlon Enterprises Limited	-	- (Refer note below)
12	Sirar Dhotre Solar Private Limited#	India	Kurlon Enterprises Limited	-	- (Refer note below)
13	Sirar Solar Energies Private Limited#	India	Kurlon Enterprises Limited	-	- (Refer note below)

*On October 20, 2023 the company had sold its investment in subsidiary M/s Kurlon Enterprise Limited (KEL) to M/s Sheela Foams Limited (SFL) as per the terms of Share Purchase agreement (SPA) dated July 17, 2023. Accordingly the Holding Company lost control on KEL and its subsidiaries (Except Sevalal Solar Private Limited, Sirar Dhotre Private Limited and Sirar Solar Private Limited) with effect from October 20, 2023.
#On October 13, 2023 the investment in three subsidiaries namely, Sevalal Solar Private Limited; Sirar Dhotre Private Limited and Sirar Solar Private Limited were sold by the Holding Company.
The Holding Company has acquired 1,980,900 shares in Jitendra Harjivandas Securities Private Limited on March 26, 2024 and increased its stake in the total paid equity shares in Jitendra Harjivandas Securities Private Limited to 48.76%. However the financial statements of Jitendra Harjivandas Securities Private Limited is not included the above consolidated financial statements of the Holding Company for the year ended March 31, 2024. During the year the stake of the Holding company in Jitendra Harjivandas Securities Private Limited reduced to 19.22%. Hence the financial statements of Jitendra Harjivandas Securities Private Limited not consolidated as on March 31, 2025.

The Group's Consolidated financial statements for the year ended March 31, 2025 were approved by Board of Directors on _______ . The Holding company has prepared the consolidated financial statements of based on the audited financial statements of all the subsidiaries.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The Consolidated financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

These consolidated financial statements are presented in Indian Rupee, which is also functional currency of the Group. All the values are rounded off to the nearest lakhs, unless otherwise indicated.

The Group has prepared the Consolidated financial statements on the basis that it will continue to operate as a going concern.

(a) Measurement of fair values

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

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

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

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

consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
-Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated 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.

(b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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

The Group classifies all other liabilities as non-current. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(c) Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the period. Actual results may differ from these estimates.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding estimate. Changes in estimate are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 3.1 - Business combination: Whether the Group has de facto control over an investee;
- Note 3.2 and Note 3.3 - Useful life of property, plant and equipment and intangible assets;
- Note 3.9 - Measurement of defined benefit obligations: key actuarial assumptions.
- Note 3.10 - Provision for income tax and valuation of deferred tax assets/liabilities.
- Note 3.15 - Valuation of financial instrument; and
- Note 3.16 - Lease classification and determination of lease term;

Assumption and estimation uncertainties:
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:
- Note 2(a) - Fair value measurement
- Note 3.4 - Impairment of financial assets
- Note 3.4 - Impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 3.10 - Recognition of deferred tax assets: based upon likely timing and the level of future taxable profits together with future tax planning strategies;
- Note 3.12 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

3. Summary of material accounting policies

3.1. Business Combination:

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in Other Comprehensive Income ("OCI") and accumulated in equity as capital reserve if there exist clear evidence of the underlying reason for classifying the business combination as resulting in bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the consolidated statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently, and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.

If business combination is achieved in stages, any previous held equity interest in the acquiree is re-measured to its acquisition date fair value and any resulting gain or loss is recognised in consolidated statement of profit and loss or OCI, as appropriate.

Business combinations (common control business combinations)

Business combinations arising from transfer of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative presented period or, if later, at the date that the common control was established; for this purpose comparatives are revised.

The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

Basis of consolidation

Subsidiaries and controlled trust

Subsidiaries and controlled trust are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries and controlled trust are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The financial statements of the subsidiaries and controlled trust are consolidated on a line by line basis. Intra-group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Non-controlling interest ("NCI")
NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's interest in the subsidiary that do not result in a loss of control are accounted for as equity transactions.

Goodwill
Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired ("net assets") exceeds the cost of business acquisition, the excess of net assets over cost of business acquisition is recognised immediately in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Loss of control
When the Group loses control over a subsidiary or a controlled trust, it derecognizes the assets and liabilities of the subsidiary or the controlled trust, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated statement of profit and loss.

Equity accounted investee
The Group's interest in equity accounted investees comprise interests in associate. An associate is an entity in which Group has significant influence, but no control or joint control over the financial and operating policies. Interest in associate are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit and loss and OCI of equity- accounted investees until the date on which significant influence ceases.

Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

3.2. Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalisation criteria's are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Capital work in progress is stated at cost, net of accumulated impairment loss if any.

Subsequent costs related to an item of property, plant and equipment are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are recognised in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.
Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

All amounts in Rs. Lakhs, unless otherwise stated

Asset description	Useful life in years as per Schedule II	Useful life as per Group
Buildings	30	30
Plant and equipment	15	10 and 15
Furniture and fixtures	10	10
Office equipment	5	5
Vehicles	8	8
Computers	3 and 6	3 and 6

The useful lives have been determined based on managements' internal technical assessment, which in certain instances are different from those specified by Schedule II to the Act, in order to reflect the actual usage of the assets.

The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

3.3. Goodwill and Other Intangible assets

Recognition and measurement

Goodwill

Goodwill being the excess of the aggregate consideration transferred over the net identifiable assets acquired and liabilities assured, is stated at cost, less impairment, if any. Any goodwill that arises from business combination is tested for impairment annually.

Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset description	Useful life in years
Computer software	6

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Subsequent costs related to intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

3.4. Impairment

Impairment of financial assets

In accordance with Ind AS - 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance
b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS - 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables or contract revenue receivables
The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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.

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

Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's cash generating unit's (CGU's) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to other comprehensive income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or cash generating unit's (CGU's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.5. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.6. Foreign currency transactions

i) Functional and presentation currency:
Items included in the consolidated financial statements of the group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The group financial statements are presented in Indian rupee (INR), which is functional and presentation currency of the Group.

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

3.7. Revenue recognition

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

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

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

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

Variable consideration
If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Others
- The Group accounts for variable consideration like volume discounts, rebates, returns and pricing incentives to customers as reduction of revenue on a systematic and rationale basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range possible consideration depending on which method better predicts the amount of consideration to which the Group may be entitled.

- Revenues are shown net of allowances /returns, goods and service tax and applicable discounts and allowances.

- The Group typically provides warranties for general repairs of defects that existed at the time of sale. These assurance- type warranties are accounted under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Trade receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Interest income

Interest income 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 discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

3.8. Interest expense

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

3.9. Employee benefits

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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The liabilities for leave balance are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The group operates the following post-employment schemes:
(a) defined benefit plans - gratuity, and
(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently.

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

Defined contribution plan
Retirement benefit in the form of provident fund scheme, ESI, Superannuation, are the defined contribution plans. The Group has no obligation, other than the contribution payable. The Group recognizes contribution payable to these schemes as an expenditure, when an employee renders the related service.

3.10. Income taxes

Income tax comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in the other comprehensive income.

Current tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the 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 items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in statement of profit and loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.11. Earnings/(loss) per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders by the weighted average number of equity shares outstanding during the period (including treasury share).

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, 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 effects of all dilutive potential equity shares.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

3.12. Provision and contingent liabilities

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

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

Provisions for warranty-related cost are recognized when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of warranty- related costs is revised annually.

Contingent liabilities
A contingent liability is a possible obligation that arises from past events and whose existence 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 or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the consolidated financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

3.13. Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.14. Cash flow statement

Cash flows are reported using the indirect method, whereby net (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

3.15. Financial instruments

Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at either at amortised cost, FVTPL or fair value in other comprehensive income (FVOCI). Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of the investments.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment
The Group makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed and information is provided to management. The information considered includes:
- the stated policies and objectives for each of such investments and the operation of those policies in practice.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:
- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at FVTOCI
If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss , even on sale of the investments.

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.16. Leases

The Group has lease contracts for various buildings used in its operations. Lease terms generally ranges between 3 and 9 years.

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

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-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.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.3 for policy on impairment of non-financial assets.

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 (including in-substance 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 (unless they are incurred to produce inventories) 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 because the interest rate implicit in the lease is not readily determinable. 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.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of 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 office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Extension and termination option
The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

The Group as a lessor
Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease.

3.17. Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
-Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
-Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

3.18. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Group has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Group has only one reportable business segment, which is manufacture, purchase and sale of coir, foam and related products which constitutes a single business segment. Accordingly, the amounts appearing in the consolidated financial statements relate to the Group’s single business segment. Refer Note 36 for segment information and segment reporting.

3.19. Use of judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. The areas involving significant estimates or critical judgements are:

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

The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates.

Further details about the gratuity obligations are given in Note 42 .

(ii) Deferred taxes
Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all the deductible temporary differences, carry forward of unused tax credits and unused tax losses, however the same is restricted to the extent of the deferred tax liabilities unless it is probable that sufficient taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. In the absence of reasonable certainty over recoverability of deferred taxes on carry forward losses no deferred tax assets have been recognised up to the reporting date.

(iii) Impairment of financial and non-financial assets:
The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets group estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

3.20. Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is certain to expect ultimate collection.

3.21. Changes in accounting policies and disclosures – New and amended standards

The Group applied for the first time the following standards and amendments, which are effective for annual periods beginning on or after April 1, 2022, as per the Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 notified by the Ministry of Corporate Affairs:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

(a) Definition of Accounting Estimates – Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.
The amendments had no impact on the Group's consolidated financial statements.

(b) Disclosure of Accounting Policies – Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

(c) Deferred Tax related to Assets and Liabilities arising from Single Transaction – Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.
As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet.
The aforesaid amendments are not expected to have any material impact on the Group's consolidated financial statements.

3.22. Standards issued but not yet effective

There are no standards that are noticed and not yet effective as on that date.

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INDEPENDENT AUDITOR'S REPORT

To the members of Kanara Consumer Products Limited (formerly known as Kurlon Limited)

Report on the Audit of the consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Financial Statements of Kanara Consumer Products Limited (formerly known as Kurlon Limited)("the Holding Company"), and its subsidiaries (the Holding Company, and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss, including the statement of Other Comprehensive Income/(loss), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according the explanation given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ('the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group as at March 31, 2025, their consolidated profit including other comprehensive income/(loss), their consolidated cash flows and the consolidated changes in equity 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) as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditore'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 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Information

The Holding company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board Report but does not include the consolidated financial statements and our auditor's report thereon.

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 such other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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, consolidated financial performance including other comprehensive income/(loss) and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Accounting Standards) Rules 2015, as amended. 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the 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 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 Board of Directors of the Holding Company as aforesaid.

In preparing the Consolidated Financial Statements, the respective 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 management 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 Responsibility 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 audit's report that includes our opinion. Reasonable assurance is a high level of assurance but is not guarantee that an audit conducted in accordance with the 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 the SAs, we exercise professional judgment and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to 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 the management.

- Conclude on the appropriateness of management's 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 Group'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 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- 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 statements 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 entities included in the consolidated financial statements, which have been audited by other auditors such other auditors 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide 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 Matters

a) We did not audit the financial statements and other financial information, in respect of four subsidiaries, whose financial statements include total assets of Rs. 4,969.46 lakhs as on March 31, 2025, and total revenues of Rs 2,243.78 lakhs and net cash outflows of Rs 95.80 lakhs (without giving effect to elimination of intercompany transactions) for the year ended on that date. These financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, 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 the other auditors and the financial statements and other financial information certificate by the management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary companies as noted in the 'Other Matters Paragraph' we give in the 'Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matters' paragraph we report, to the extent applicable, that:

    a. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except that the Holding Company and three of its subsidiary companies does not have server physically located in India for the daily back up of the books of account and other books and papers maintained in electronic mode and for the matters stated in the paragraph (j)(vi) below on the reporting under Rule 11 (g);

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income/(Loss), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the 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 Accounting Standards specified under Section 133 of the Act, read with companies (Indian Accounting Standards) Rules 2015, as amended;

e. The modification relating to the maintenance of accounts and other matters connected therewith are stated in the paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph (j) (vi) below on reporting under Rule 11(g);

f. On the basis of the written representations received from the directors of the Holding Company and three subsidiary Companies as on March 31, 2025, taken on record by the Board of Directors of the Holding Company and such subsidiary Companies, none of the directors of the Holding Company and subsidiary Companies is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act;

g. With respect to the adequacy of the internal financial controls with reference to these consolidated financial statements of the Holding Company and its subsidiary companies, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

h. In our opinion and based on the consideration of reports of other statutory auditors of subsidiaries, the managerial remuneration for the year ended March 31, 2025 has been paid/provided by the Holding Company and its subsidiaries to their directors in accordance with provisions of section 197 read with Schedule V to the Act to the extent applicable; and

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 explanation given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of subsidiaries as noted in the 'Other Matter' paragraph;

(i) The consolidated financial statements disclose the impact of pending litigations on consolidated financial position of the Group- Refer note 40 to the consolidated financial statements;

(ii) The Group did not have any long-term contacts including derivative contracts for which there were any material foreseeable losses;

(iii) Following are the instances of delay in transferring amounts required to be transferred to the Investor Education and Protection Fund ('IEPF") by the Group;

Financial year	Amount Involved (Rs' lakhs)	Date of Payment	Number of Day's delay
2007-2008	0.32	Not paid	Not paid
2008-2009	0.75	Not paid	Not paid
2010-2011	0.01	Not paid	Not paid

(iv) (a) The respective managements of the Holding Company and its subsidiaries which are companies whose financial statements have been audited under the Act have represented to us and its other auditors of such subsidiaries, respectively, that to the best of its knowledge and belief, except as disclosed in the note 47 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sourced or kind funds) by the Holding Company or any of such subsidiaries 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, whether, 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 any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective managements of the Holding Company and its subsidiaries which are companies and whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively, that to the best of its knowledge and belief, as disclosed in the note 47 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries and

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstance performed by us and that performed by the auditors of the subsidiaries and whose financial statements haven audited under Act, nothing has come to our or other auditor's notice that has caused us or the other auditor's to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(v) As stated in note 15 (f) to the Consolidated Financial Statements, the final dividend for FY 2023-24 declared and paid by the Holding Company during the year , is in accordance with section 123 of the Act.

As stated in note 15(f) to the consolidated financial statements the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(vi) As stated in note 47 to the Consolidated financial statements, the respective managements of the Holding Company and its subsidiaries which are companies and whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries, the Holding Company and its subsidiaries has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and we are unable to comment whether the same has operated throughout the year for all relevant transactions recorded in the software in the absence of availability of audit log backups. The audit trail feature is not enabled at the database level insofar as it relates to accounting softwares. We are unable to comment whether the audit trail feature being tampered or not during the year in the absence of availability of audit log backups.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No: 002391C/N500069

per **Vijaya Kumar Uppiretla**
Partner
Membership No: 255908

UDIN: 25255908BNFWFZ8462

Place: Bengaluru
Date: May 23, 2025

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date on the Consolidated Financial Statements of Kanara Consumer Products Limited (formerly known as Kurlon Limited)

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

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No.	Name	CIN	Holding Company/Subsidiary	Clause number of the CARO report which is qualified
1	Kanara Consumer Products Limited	U17214KA1962PLC001443	Holding Company	3(i)(b), (i)(c), 3(iii)(a), (iii)(b), iii(f) 3(vii)(b),
2	Manipal Natural Private Limited	U24290KA2019PTC130068	Subsidiary	3(xvii)
3	Manipal Software and E-Com Private Limited	U72200KA2011PTC059084	Subsidiary	3(i)(b), 3(iii)(a) (iii)(f)
4	Kanara Consulting & Service Management Private Limited (formerly known as Kurlon Trading & Invest Management Private Limited)	U67190MH2022PTC382693	Subsidiary	3(xvii)

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No: 002391C/N500069

per **Vijaya Kumar Uppiretla**
Partner
Membership No: 255908

UDIN: 25255908BNFWFZ8462

Place: Bengaluru
Date: May 23, 2025

ANNEXURE '2' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KANARA CONSUMER PRODUCTS LIMITED (FORMERLY KNOWN AS KURLON LIMITED)

Report on Internal Financial Controls 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 Kanara Consumer Products Limited (formerly known as Kurlon Limited) ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's Internal Financial Controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those standards and the Guidance Notes require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether adequate internal financial controls with reference to these consolidated financial statements was established and maintained as 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with respect to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 standalone 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 consolidated financial statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

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

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

Opinion

In our opinion, the Holding Company, has maintained, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

a) Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to consolidated financial statements insofar as it relates to three subsidiary companies is based on the corresponding report of the auditors of such companies.

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration No: 002391C/N500069

per **Vijaya Kumar Uppiretla**
Partner
Membership No: 255908

UDIN: 25255908BNFWFZ8462

Place: Bengaluru
Date: May 23, 2025

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Consolidated Balance Sheet as at March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

	Notes	March 31, 2025	March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	4	8,054.75	7,043.96
Capital work-in-progress	4	153.51	153.51
Other Intangible assets	5	22.82	26.58
Right of use assets	6	3,469.91	3,509.09
Financial assets			
Investments	7	18,741.22	15,777.26
Loans	8	2,245.01	489.94
Other financial assets	9	432.92	987.16
Income tax assets (net)	10	2,725.82	1,890.55
Other non-current assets	11	2,504.47	1,952.33
		38,350.43	**31,830.38**
Current assets			
Inventories	12	1,309.49	1,363.39
Financial assets			
Investments	7	60,825.00	-
Trade receivables	13	548.47	214.42
Cash and cash equivalents	14	3,080.72	48,278.04
Other bank balances	14	23,360.48	39,516.16
Loans	8	-	-
Other financial assets	9	6,303.83	10,067.98
Other current assets	11	891.92	667.67
		96,319.91	**100,107.66**
Total		**134,670.34**	**131,938.04**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,487.88	1,488.26
Other equity	16	121,454.16	127,206.40
Non controlling interest	17	4.65	2.81
		122,946.69	**128,697.47**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	22	-	-
Lease liabilities	18	-	-
Other financial liabilities	19	0.39	-
Provisions	20	13.65	6.91
Deferred tax liabilities (net)	21	1,541.01	890.19
		1,555.05	**897.10**
Current liabilities			
Financial liabilities			
Borrowings	22	559.56	330.87
Lease liabilities	18	-	-
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		204.82	181.69
Total outstanding dues of creditors other than micro enterprises and small enterprises		632.44	1,600.10
Other financial liabilities	19	141.74	129.89
Provisions	20	20.33	30.49
Other current liabilities	24	8,574.31	70.43
Liabilities for current tax (net)	25	35.40	-
		10,168.60	**2,343.47**
Total		**134,670.34**	**131,938.04**

Summary of material accounting policies 3

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date
For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C / N500069

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limited)
CIN: U68100KA1962PLC001443

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Madhusudan K R
Chief Financial Officer

Susheela Y Bungale
Company Secretary

Place: Bengaluru
Date: May 23, 2025

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Consolidated Statement of Profit and Loss for the year ended March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

	Notes	March 31, 2025	March 31, 2024
Income			
Revenue from operations	26	2,273.08	43,516.99
Other income	27	8,381.07	5,679.53
Total income		**10,654.15**	**49,196.52**
Expenses			
Cost of raw material consumed	28	1,560.39	24,280.41
Purchase of traded goods	29	-	479.93
Changes in inventories of finished goods, work-in-progress and traded goods	30	56.21	(1,428.07)
Employee benefit expense	31	800.02	4,958.83
Finance costs	32	36.07	1,942.71
Depreciation and amortisation expense	33	385.78	2,032.52
Other expenses	34	2,330.35	19,704.45
Total expenses		**5,168.82**	**51,970.78**
Profit/(Loss) before tax		**5,485.33**	**(2,774.26)**
Exceptional items	34A	(4,200.00)	(154,728.98)
Profit/(Loss) before tax		**9,685.33**	**151,954.72**
Tax expense			
Current tax	45	1,500.31	36,628.15
Tax relating to earlier years		-	46.36
MAT Credit		-	-
Deferred tax charge/(credit)		652.30	(1,257.42)
Total tax expense/(credit)		**2,152.61**	**35,417.09**
Profit/(Loss) for the year		**7,532.72**	**116,537.63**
Profit/(Loss) for the year attributable to :			
Owners of the Company		7,534.89	116,538.41
Non-controlling interest		(2.16)	(0.78)
Other comprehensive income/(loss), net of tax			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gain/(loss) on defined benefit plan		6.27	(91.18)
Income tax relating to items that will not be reclassed to profit or loss		(0.97)	26.22
Total other comprehensive income/(loss)		**5.30**	**(64.96)**
Total comprehensive income/(Loss)		**7,538.02**	**116,472.67**
Total comprehensive income/(Loss)			
Owners of the Company		7,540.18	116,473.45
Non-controlling interest		(2.16)	(0.78)
Earnings/(loss) per equity share :			
Basic and Diluted [Nominal value of shares Rs. 10 (March 31, 2024 : Rs. 10)]	35	52.49	783.05
Summary of material accounting policies	3		

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C / N500069

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limited)
CIN: U68100KA1962PLC001443

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Madhusudan K R
Chief Financial Officer

Susheela Y Bungale
Company Secretary

Place: Bengaluru
Date: May 23, 2025

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Consolidated Cash Flow Statement for the year ended March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

	March 31, 2025	March 31, 2024
A. Cash flow from operating activities		
(Loss) before tax	**9,685.33**	**151,954.72**
Non cash adjustment to reconcile (loss) before tax to net cash flows		
Depreciation and amortisation expense	385.78	2,032.52
Provision for doubtful advances	-	1,612.76
Provision for bad and doubtful debts	-	1,085.26
Provision Written back	-	(7,174.97)
Provision for doubtful loans	-	1,827.43
Loss on account of slump sale of Gwalior Factory	-	2,004.84
Provision for warranty	-	100.14
Interest expenses	36.07	1,942.71
Loss on sale of property, plant and equipment	0.67	1,177.55
Impairement of goodwill	-	2,103.16
Provision for slow moving Inventory	-	5.56
Fair value loss / (gain) on mutual fund at fair value through profit or loss	(2,975.60)	(223.02)
Interest income	(3,929.49)	(4,080.43)
Rental income	(306.53)	(330.27)
Dividend Income	(8.00)	-
Gain on sale of investment in subsidiary	-	(130,873.59)
Liabilities no longer required written back	-	(23,267.02)
Adjustment due to sale of subsidiary	-	-
Profit on sale of property, plant and equipment	-	(1,539.24)
Operating cash flow before working capital changes	**2,888.24**	**(1,641.91)**
Movements in working capital :		
Increase/(decrease) in trade payables	(944.53)	(10,781.79)
Increase/(decrease) in other financial liabilities	12.24	(7,252.40)
Increase/(decrease) in other liabilities	8,503.88	(1,138.01)
Increase/(decrease) in provisions	1.87	(1,892.40)
Decrease/(increase) in inventories	53.90	188.53
Decrease/(increase) in trade receivables	(334.05)	1,985.85
Decrease/(increase) in loans	(1,755.07)	(2,052.18)
Decrease/(increase) in other financial assets	4,137.41	(5,039.05)
Decrease/(increase) in other assets	(776.38)	1,371.32
Share of NCI	2.16	-
Cash generated from operating activities	**11,789.67**	**(26,252.04)**
Direct taxes paid (net of refunds)	(2,300.18)	(36,095.40)
Net cash generated from/(used in) operating activities (A)	**9,489.49**	**(62,347.44)**
B. Cash flows from investing activities		
Purchase of property, plant and equipment, including capital work in progress and capital advances	(1,848.89)	(268.88)
Deposits matured / (made) during the year (net)	16,155.67	(39,499.95)
Proceeds from sale of long term investment		180,717.48
Investment in other securities	(60,813.36)	(15,094.40)
Sale of investments in mutual funds	-	-
Rent received	284.46	329.84
Proceeds from sale of property, plant and equipment (Net of related expenses) (Refer Note 34A)	494.75	7,845.56
Movement in earmarked balances, (net)	-	547.74
Interest received	4,132.36	2,593.41
Dividend Income	8.00	-
Net cash flow generated from/(used in) investing activities (B)	**(41,587.00)**	**137,170.80**
C. Cash flows from financing activities		
Net (repayment of)/proceeds from short-term borrowings	228.70	(24,323.36)
Repayment of lease liabilities	-	(1,097.23)
Interest paid	(36.07)	(1,816.15)
Dividend paid	(1,413.57)	-
Less : Buy Back Including tax on buyback of shares	(11,878.86)	-
Net cash flow generated from/(used in) financing activities (C)	**(13,099.80)**	**(27,236.74)**

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Consolidated Cash Flow Statement for the year ended March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

	March 31, 2025	March 31, 2024
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(45,197.32)**	**47,586.62**
Cash and cash equivalents at the beginning of the year	48,278.04	691.42
Cash and cash equivalents at the end of the year	**3,080.72**	**48,278.04**
Components of cash and cash equivalents as at end of the year		
Cash in hand	1.01	0.45
Balances with banks :		
In current accounts	124.94	771.80
Deposits with original maturity less than three months	2,954.77	47,505.79
Total cash and cash equivalents (Refer Note 14)	**3,080.72**	**48,278.04**
Non-cash investing and financing activities		
Acquisitions to right-of-use assets (Refer Note 6)	-	-
Refer Note 22 for change in liabilities arising from financing activities		

Summary of material accounting policies (Refer note 3)

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C / N500069

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limited)
CIN: U68100KA1962PLC001443

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Madhusudan K R
Chief Financial Officer

Susheela Y Bungale
Company Secretary

Place: Bengaluru
Date: May 23, 2025

Kanara Consumer Products Limited (formerly known as Kurlon Limited)
Statement of Changes in Equity for year ended March 31, 2025
All amounts in Rs. Lakhs, unless otherwise stated

(a) Equity share capital

Equity shares of Rs.10 each issued, subscribed and fully paid up	March 31, 2025		March 31, 2024	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	14,882,605	1,488.26	14,882,605	1,488.26
Less: Buy back during the year	(746,854.00)	(74.68)	-	-
Add: Rights issue during the year	742,999.00	74.30	-	-
At the end of the year	**14,878,750**	**1,487.88**	**14,882,605**	**1,488.26**

(b) Other equity

	Attributable to the equity holders of the Holding Company							
	Securities premium	Capital reserve	General reserve	Retained earnings	Capital Redemption reserve	Total	Non-controlling interests	Total equity
Balance as at April 01, 2023	**293.81**	**1,286.76**	**4,558.39**	**12,628.03**	-	**18,766.99**	**2,505.62**	**21,272.61**
Profit for the year	-	-	-	116,537.63	-	116,537.63	-	116,537.63
Other comprehensive income/(loss) for the year	-	-	-	(64.96)	-	(64.96)	-	(64.96)
Transfer to non-controlling interest	-	-	-	0.78	-	0.78	(0.78)	-
Less: Due to sale of subsidiary (Refer note 50)		(315.95)	(1,093.96)	(6,624.13)		(8,034.04)	(2,502.03)	(10,536.07)
Balance as at March 31, 2024	**293.81**	**970.81**	**3,464.43**	**122,477.35**	**-**	**127,206.40**	**2.81**	**127,209.21**
Profit for the year	-	-	-	7,532.72	-	7,532.72	-	7,532.72
Less : Utilised for buy back of shares (refer note 16(a))	-	-	-	(9,634.42)	-	(9,634.42)	-	(9,634.42)
Less : Tax on buy back of shares (refer note 16(a))	-	-	-	(2,244.43)	-	(2,244.43)	-	(2,244.43)
Add : Other comprehensive income/(loss) for the year	-	-	-	5.30	-	5.30	-	5.30
Less : Non-controlling interest	-	-	-	2.16	-	2.16	(2.16)	-
Less : Dividend paid	-	-	-	(1,413.57)	-	(1,413.57)	-	(1,413.57)
Less : Transferred to Capital Redemption Reserve	-	-	-	(74.68)	74.68	-	-	-
Add : Acquisition of non controlling interest during the year	-	-	-	-	-	-	4.00	4.00
Balance as at March 31, 2025	**293.81**	**970.81**	**3,464.43**	**116,650.43**	**74.68**	**121,454.16**	**4.65**	**121,458.81**

Securities premium - This reserve is used to record premium on issue of shares and can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

General reserve - Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Retained earnings - Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Capital Redemption reserve: - Capital redemption reserve is created during the year on account of buy back of 7,46,854 shares (also refer note 16(a)).

The accompanying notes are an integral part of the Consolidated financial statements

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C / N500069

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limit
CIN: U68100KA1962PLC001443

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Madhusudan K R
Chief Financial Officer

Susheela Y Bungale
Company Secretary

Place: Bengaluru
Date: May 23, 2025

All amounts in Rs. Lakhs, unless otherwise stated

1. Corporate information

Kanara Consumer Products limited (formerly known as Kurlon Limited) (referred to as "the Holding Company) together with its subsidiaries (collectively referred to as the "Group"). The Holding Company was incorporated under the name and style of "Karnataka Coir Products Limited" on February 09, 1962 and commenced commercial operations during October 1965. The name of the Holding Company was changed to "Karnataka Consumer Products Limited" with effect from October 09, 1980. On December 08, 1995 the name of the Holding company was changed from Karnataka Consumer Products Limited to "Kurlon Limited", to fully reflect all its business activities in diverse areas such as Rubberized coir, Latex Foam, Polyurethane foam, Spring Mattresses, Furniture, Furnishings etc. Further with effect from June 14, 2023, the name of the Holding Company was changed to Kanara Consumer Products Limited from "Kurlon Limited". The Holding Company also operates in real estate business as Developers, Builders, Managers, Operators, Hirers and Dealers of all kinds of immovable properties, including but not limited to that of lands, buildings, farms, cinemas, hotels and cold stores and carry on all incidental or allied activities and business as are usually carried on by Builders, Managers, Operators, Hirers and Dealers etc

The Group in addition to the Holding Company comprises the following consolidated entities:

Sl. No	Name of the Subsidiary	Country of incorporation	Parent entity	% of Ownership interest as at March 31, 2025	% of Ownership interest as at March 31, 2024
1	Manipal Software & E-Commerce Private Limited	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	98.46%	98.46%
2	Manipal Natural Private Limited	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	100%	100%
3	Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	100%	100%
4	Kanara Global Products LLP (Formed on October 17, 2024)	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	100%	-
5	Kurlon Enterprises Limited*	India	Kanara Consumer Products Limited (formerly known as Kurlon Limited)	-	- (Refer note below)
6	Kurlon Retail Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
7	Belvedore International Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
8	Komfort Universe Products and Services Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
9	Starship Value chain and Manufacturing Private Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
10	Kanvas Concepts Private Limited*	India	Kurlon Enterprises Limited	-	- (Refer note below)
11	Sevalal Solar Private Limited#	India	Kurlon Enterprises Limited	-	- (Refer note below)
12	Sirar Dhotre Solar Private Limited#	India	Kurlon Enterprises Limited	-	- (Refer note below)
13	Sirar Solar Energies Private Limited#	India	Kurlon Enterprises Limited	-	- (Refer note below)

*On October 20, 2023 the company had sold its investment in subsidiary M/s Kurlon Enterprise Limited (KEL) to M/s Sheela Foams Limited (SFL) as per the terms of Share Purchase agreement (SPA) dated July 17, 2023. Accordingly the Holding Company lost control on KEL and its subsidiaries (Except Sevalal Solar Private Limited, Sirar Dhotre Private Limited and Sirar Solar Private Limited) with effect from October 20, 2023.
#On October 13, 2023 the investment in three subsidiaries namely, Sevalal Solar Private Limited; Sirar Dhotre Private Limited and Sirar Solar Private Limited were sold by the Holding Company.
The Holding Company has acquired 1,980,900 shares in Jitendra Harjivandas Securities Private Limited on March 26, 2024 and increased its stake in the total paid equity shares in Jitendra Harjivandas Securities Private Limited to 48.76%. However the financial statements of Jitendra Harjivandas Securities Private Limited is not included the above consolidated financial statements of the Holding Company for the year ended March 31, 2024. During the year the stake of the Holding company in Jitendra Harjivandas Securities Private Limited reduced to 19.22%. Hence the financial statements of Jitendra Harjivandas Securities Private Limited not consolidated as on March 31, 2025.

The Group's Consolidated financial statements for the year ended March 31, 2025 were approved by Board of Directors on May 23, 2025 . The Holding company has prepared the consolidated financial statements of based on the audited financial statements of all the subsidiaries.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The Consolidated financial statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

These consolidated financial statements are presented in Indian Rupee, which is also functional currency of the Group. All the values are rounded off to the nearest lakhs, unless otherwise indicated.

The Group has prepared the Consolidated financial statements on the basis that it will continue to operate as a going concern.

(a) Measurement of fair values

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

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

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

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

consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
-Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the Consolidated 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.

(b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:
- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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

The Group classifies all other liabilities as non-current. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(c) Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of income and expenses during the period. Actual results may differ from these estimates.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding estimate. Changes in estimate are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Judgements:

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Note 3.1 - Business combination: Whether the Group has de facto control over an investee;
- Note 3.2 and Note 3.3 - Useful life of property, plant and equipment and intangible assets;
- Note 3.9 - Measurement of defined benefit obligations: key actuarial assumptions.
- Note 3.10 - Provision for income tax and valuation of deferred tax assets/liabilities.
- Note 3.15 - Valuation of financial instrument; and
- Note 3.16 - Lease classification and determination of lease term;

Assumption and estimation uncertainties:

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:
- Note 2(a) - Fair value measurement
- Note 3.4 - Impairment of financial assets
- Note 3.4 - Impairment test of non-financial assets; key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 3.10 - Recognition of deferred tax assets: based upon likely timing and the level of future taxable profits together with future tax planning strategies;
- Note 3.12 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

3. Summary of material accounting policies

3.1. Business Combination:

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in Other Comprehensive Income ("OCI") and accumulated in equity as capital reserve if there exist clear evidence of the underlying reason for classifying the business combination as resulting in bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction cost are expensed as incurred, except to the extent related to debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in the consolidated statement of profit and loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently, and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the consolidated statement of profit and loss.

If business combination is achieved in stages, any previous held equity interest in the acquiree is re-measured to its acquisition date fair value and any resulting gain or loss is recognised in consolidated statement of profit and loss or OCI, as appropriate.

Business combinations (common control business combinations)

Business combinations arising from transfer of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative presented period or, if later, at the date that the common control was established; for this purpose comparatives are revised.

The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved and they appear in the consolidated financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

Basis of consolidation

<u>Subsidiaries and controlled trust</u>

Subsidiaries and controlled trust are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries and controlled trust are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The financial statements of the subsidiaries and controlled trust are consolidated on a line by line basis. Intra-group balances and transactions, and any unrealised income and expenses arising from intra group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Non-controlling interest ("NCI")
NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's interest in the subsidiary that do not result in a loss of control are accounted for as equity transactions.

Goodwill
Goodwill represents the cost of business acquisition in excess of the Group's interest in the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. When the net fair value of the identifiable assets, liabilities and contingent liabilities acquired (“net assets”) exceeds the cost of business acquisition, the excess of net assets over cost of business acquisition is recognised immediately in capital reserve. Goodwill is measured at cost less accumulated impairment losses.

Loss of control
When the Group loses control over a subsidiary or a controlled trust, it derecognizes the assets and liabilities of the subsidiary or the controlled trust, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the consolidated statement of profit and loss.

Equity accounted investee
The Group’s interest in equity accounted investees comprise interests in associate. An associate is an entity in which Group has significant influence, but no control or joint control over the financial and operating policies. Interest in associate are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of profit and loss and OCI of equity- accounted investees until the date on which significant influence ceases.

Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group’s interest in the investee.

3.2. Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalisation criteria's are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities.

Capital work in progress is stated at cost, net of accumulated impairment loss if any.

Subsequent costs related to an item of property, plant and equipment are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are recognised in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.
Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

All amounts in Rs. Lakhs, unless otherwise stated

Asset description	Useful life in years as per Schedule II	Useful life as per Group
Buildings	30	30
Plant and equipment	15	10 and 15
Furniture and fixtures	10	10
Office equipment	5	5
Vehicles	8	8
Computers	3 and 6	3 and 6

The useful lives have been determined based on managements' internal technical assessment, which in certain instances are different from those specified by Schedule II to the Act, in order to reflect the actual usage of the assets.

The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

3.3. Goodwill and Other Intangible assets

Recognition and measurement

Goodwill

Goodwill being the excess of the aggregate consideration transferred over the net identifiable assets acquired and liabilities assured, is stated at cost, less impairment, if any. Any goodwill that arises from business combination is tested for impairment annually.

Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The Group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset description	Useful life in years
Computer software	6

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Subsequent costs related to intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

3.4. Impairment

Impairment of financial assets

In accordance with Ind AS - 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance
b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS - 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables or contract revenue receivables
The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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.

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

Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's cash generating unit's (CGU's) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to other comprehensive income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or cash generating unit's (CGU's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.5. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.6. Foreign currency transactions

i) Functional and presentation currency:
Items included in the consolidated financial statements of the group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The group financial statements are presented in Indian rupee (INR), which is functional and presentation currency of the Group.

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

3.7. Revenue recognition

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

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

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

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

Variable consideration
If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Others
- The Group accounts for variable consideration like volume discounts, rebates, returns and pricing incentives to customers as reduction of revenue on a systematic and rationale basis over the period of the contract. The Group estimates an amount of such variable consideration using expected value method or the single most likely amount in a range possible consideration depending on which method better predicts the amount of consideration to which the Group may be entitled.

- Revenues are shown net of allowances /returns, goods and service tax and applicable discounts and allowances.

- The Group typically provides warranties for general repairs of defects that existed at the time of sale. These assurance- type warranties are accounted under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Trade receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Interest income

Interest income 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 discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'other income' in the statement of profit and loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

3.8. Interest expense

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

3.9. Employee benefits

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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The liabilities for leave balance are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The group operates the following post-employment schemes:
(a) defined benefit plans - gratuity, and
(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently.

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

Defined contribution plan
Retirement benefit in the form of provident fund scheme, ESI, Superannuation, are the defined contribution plans. The Group has no obligation, other than the contribution payable. The Group recognizes contribution payable to these schemes as an expenditure, when an employee renders the related service.

3.10. Income taxes

Income tax comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in the other comprehensive income.

Current tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the 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 items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in statement of profit and loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.11. Earnings/(loss) per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders by the weighted average number of equity shares outstanding during the period (including treasury share).

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, 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 effects of all dilutive potential equity shares.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

3.12. Provision and contingent liabilities

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation.

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

Provisions for warranty-related cost are recognized when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of warranty- related costs is revised annually.

Contingent liabilities
A contingent liability is a possible obligation that arises from past events and whose existence 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 or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses it in the consolidated financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

3.13. Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.14. Cash flow statement

Cash flows are reported using the indirect method, whereby net (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

3.15. Financial instruments

Recognition and initial measurement
Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets
On initial recognition, a financial asset is classified as measured at either at amortised cost, FVTPL or fair value in other comprehensive income (FVOCI). Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of the investments.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment
The Group makes an assessment of the objective of the business model in which a financial asset is held at investment level because this best reflects the way the business is managed and information is provided to management. The information considered includes:
- the stated policies and objectives for each of such investments and the operation of those policies in practice.
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:
- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at FVTOCI
If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss , even on sale of the investments.

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

Financial assets
The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities
The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

Offsetting
Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.16. Leases

The Group has lease contracts for various buildings used in its operations. Lease terms generally ranges between 3 and 9 years.

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

The Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-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.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.3 for policy on impairment of non-financial assets.

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 (including in-substance 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 (unless they are incurred to produce inventories) 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 because the interest rate implicit in the lease is not readily determinable. 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.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of 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 office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Extension and termination option
The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed arising due to extension and termination options.

The Group as a lessor
Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Lease income from operating lease is recognized on a straight-line basis over the term of the relevant lease.

3.17. Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
-Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average basis.
-Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

3.18. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Group has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available. The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Group has only one reportable business segment, which is manufacture, purchase and sale of coir, foam and related products which constitutes a single business segment. Accordingly, the amounts appearing in the consolidated financial statements relate to the Group's single business segment. Refer Note 36 for segment information and segment reporting.

3.19. Use of judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. The areas involving significant estimates or critical judgements are:

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

The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates.

Further details about the gratuity obligations are given in Note 42 .

(ii) Deferred taxes
Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all the deductible temporary differences, carry forward of unused tax credits and unused tax losses, however the same is restricted to the extent of the deferred tax liabilities unless it is probable that sufficient taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. In the absence of reasonable certainty over recoverability of deferred taxes on carry forward losses no deferred tax assets have been recognised up to the reporting date.

(iii) Impairment of financial and non-financial assets:
The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets group estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

3.20. Insurance claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is certain to expect ultimate collection.

3.21. Changes in accounting policies and disclosures – New and amended standards

The Group applied for the first time the following standards and amendments, which are effective for annual periods beginning on or after April 1, 2022, as per the Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 notified by the Ministry of Corporate Affairs:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Group applied for the first-time these amendments.

(a) Definition of Accounting Estimates – Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.
The amendments had no impact on the Group's consolidated financial statements.

(b) Disclosure of Accounting Policies – Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.
The amendments have had an impact on the Group's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Group's consolidated financial statements.

(c) Deferred Tax related to Assets and Liabilities arising from Single Transaction – Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.
As a result of these amendments, the Group has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet.
The aforesaid amendments are not expected to have any material impact on the Group's consolidated financial statements.

3.22. Standards issued but not yet effective

There are no standards that are noticed and not yet effective as on that date.

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All amounts in Rs. Lakhs, unless otherwise stated

4 Property, plant and equipment and Capital work in progress

	Land Freehold	Buildings	Plant & Machinery	Furnitures & Fixtures	Office Equipments	Vehicles	Computer	Total	Capital Work in Progress
Cost									
At April 01, 2023	2,451.32	18,614.75	25,427.48	3,943.87	1,073.13	758.64	781.09	**53,050.28**	7.67
Additions	-	3.34	24.30	0.93	3.27	56.39	10.25	**98.48**	154.37
Disposals**	(421.69)	(2,110.26)	-	(0.00)	(0.00)	(143.12)	-	**(2,675.08)**	-
Due to sale of subsidiary (Refer note 50)	(991.42)	(11,271.51)	(23,793.01)	(3,563.56)	(929.65)	(462.34)	(751.85)	**(41,763.34)**	-
At March 31, 2024	**1,038.21**	**5,236.32**	**1,658.76**	**381.24**	**146.75**	**209.57**	**39.49**	**8,710.34**	**153.51**
Additions	-	1,500.98	289.42	13.05	3.57	36.45	5.41	**1,848.88**	-
Disposals	-	(300.70)	(262.42)	(45.70)	(2.01)	-	(2.64)	**(613.47)**	-
Due to sale of subsidiary (Refer note 50)	-	-	-	-	-	-	-	**-**	-
At March 31, 2025	**1,038.21**	**6,436.60**	**1,685.76**	**348.59**	**148.31**	**246.02**	**42.26**	**9,945.75**	**153.51**
Depreciation									
At April 01, 2023	-	3,912.00	13,835.06	1,993.36	657.67	391.89	628.68	**21,418.67**	-
Charge for the year	-	257.54	216.37	38.35	19.30	15.65	12.22	**559.42**	-
Disposals**	-	(751.08)	-	-	-	(86.73)	-	**(837.81)**	-
Adjustments *	-	-	-	(196.20)	(35.84)	(6.66)	(18.10)	**(256.80)**	-
		(2,229.79)	(13,835.28)	(1,753.61)	(603.16)	(199.52)	(595.74)	**(19,217.10)**	-
At March 31, 2024	**-**	**1,188.67**	**216.15**	**81.90**	**37.97**	**114.63**	**27.06**	**1,666.38**	**-**
Charge for the year	-	159.96	100.85	36.59	16.90	22.09	6.27	**342.66**	-
Disposals	-	(45.03)	(54.82)	(14.41)	(1.27)	-	(2.51)	**(118.05)**	-
Due to sale of subsidiary (Refer note 50)	-	-	-	-	-	-	-	**-**	-
At March 31, 2025	**-**	**1,303.60**	**262.18**	**104.08**	**53.60**	**136.72**	**30.82**	**1,891.00**	**-**
Net block									
At March 31, 2024	**1,038.21**	**4,047.65**	**1,442.60**	**299.34**	**108.78**	**94.94**	**12.43**	**7,043.96**	**153.51**
At March 31, 2025	**1,038.21**	**5,133.00**	**1,423.58**	**244.52**	**94.71**	**109.30**	**11.44**	**8,054.75**	**153.51**

** Includes, deletion of assets on account of fire accident occurred at one of the Subsidiary Company's factory located at Jhagadia which were damaged/burnt in such fire accident, as below:

Asset block	**Gross block**	**Accumulated depreciation**	**Net block**
Buildings	981.95	230.60	751.35
Plant & Equipment	1,018.10	470.87	547.23
Furniture & Fixtures	73.23	64.05	9.18
Office Equipment	4.68	4.22	0.46
Computers	4.43	4.21	0.22
Total	**2,082.39**	**773.95**	**1,308.44**

All amounts in Rs. Lakhs, unless otherwise stated

Capital work-in-progress ageing schedule

	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at March 31, 2025					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	153.52	-	-	153.52
Total	**-**	**153.52**	**-**	**-**	**153.52**
As at March 31, 2024					
Projects in progress	153.51	-	-	-	153.51
Projects temporarily suspended	-	-	-	-	-
Total	**153.51**	**-**	**-**	**-**	**153.51**

The Group does not have any projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

5 Goodwill and other Intangible assets

	Goodwill	Other intangible assets					Total	Intangible assets under development
		Computer Software	Trade Marks	Patents	Licenses	Total other intangible assets		
Cost								
At April 01, 2023	2,103.16	1,090.37	0.17	0.90	12.65	1,104.09	3,207.25	-
Additions	-	15.97	-	0.06	-	16.03	16.03	-
Disposals	-	(1,088.86)	-	-	-	(1,088.86)	(1,088.86)	-
	(2,103.16)	(0.37)				(0.37)	(2,103.53)	
At March 31, 2024	**-**	**17.11**	**0.17**	**0.96**	**12.65**	**30.89**	**30.89**	**-**
Additions	-	0.17	-	-	-	0.17	0.17	-
Disposals	-	-	-	-	-	-	-	-
Due to sale of subsidiary (Refer note 50)	-	-	-	-	-	-	-	-
At March 31, 2025	**-**	**17.28**	**0.17**	**0.96**	**12.65**	**31.06**	**31.06**	**-**
Amortisation								
At April 01, 2023	-	957.32	0.02	0.08	1.66	959.08	959.08	-
Charge for the year	-	0.78	0.01	0.05	1.20	2.05	2.05	-
Disposals	-	-	-	-	-	-	-	-
		(956.82)	-	-	-	(956.82)	(956.82)	
At March 31, 2024	**-**	**1.28**	**0.03**	**0.13**	**2.87**	**4.31**	**4.31**	**-**
Charge for the year	-	2.68	-	0.05	1.20	3.93	3.93	-
Disposals	-	-	-	-	-	-	-	-
Due to sale of subsidiary (Refer note 50)	-	-	-	-	-	-	-	-
At March 31, 2025	**-**	**3.96**	**0.03**	**0.18**	**4.06**	**8.25**	**8.24**	**-**
Net block								
At March 31, 2024	**-**	**15.83**	**0.14**	**0.83**	**9.78**	**26.58**	**26.58**	**-**
At March 31, 2025	**-**	**13.32**	**0.14**	**0.78**	**8.59**	**22.81**	**22.82**	**-**

The group does not have any Intangible assets under development ("IAUD") as on March 31 2025 and March 31 2024

Goodwill of Rs. 2,103.16 lakhs was recognised upon amalgamation of Spring Air Bedding Company India Limited ('SABCIL') with the one of the subsidiary company Kurlon Enterprise Limited (KEL) pursuant to the scheme of amalgamation approved by National Company Law Tribunal ('NCLT'), Mumbai and NCLT, Delhi vide their orders dated March 12, 2020 and May 05, 2020 respectively with an appointed date of April 01, 2018 ('Effective Date'). The good will of written off on October 20, 2023 in the books of the subsidiary company KEL.

6 Right to use assets

	Leasehold Land	Buildings	Total
Cost			
At April 01, 2023	5,626.19	7,086.55	**12,712.74**
Additions	-	-	**-**
Disposals	(647.42)	123.63	**(523.79)**
	(1,145.27)	(7,210.18)	**(8,355.45)**
At March 31, 2024	**3,764.30**	**-**	**3,764.30**
Additions	-	-	**-**
Disposals	-	-	**-**
Due to sale of subsidiary (Refer note 50)	-	-	**-**
At March 31, 2025	**3,764.30**	**-**	**3,764.30**
Amortisation			
At April 01, 2023	335.74	2,214.12	**2,549.86**
Charge for the year	50.11	-	**50.11**
Disposals	(41.53)	-	**(41.53)**
Due to sale of subsidiary (Refer note 50)	(89.11)	(2,214.12)	**(2,303.23)**
At March 31, 2024	**255.21**	**(0.00)**	**255.21**
Charge for the year	39.17	-	**39.17**
Disposals	-	-	**-**
Due to sale of subsidiary (Refer note 50)	0.01	(0.01)	**0.00**
At March 31, 2025	**294.39**	**-**	**294.38**
Net block			
At March 31, 2024	**3,509.09**	**0.00**	**3,509.09**
At March 31, 2025	**3,469.91**	**-**	**3,469.92**

All amounts in Rs. Lakhs, unless otherwise stated

7. Investment

	March 31, 2025		March 31, 2024	
	Nos.	Amount	Nos.	Amount
Measured at cost				
Investments in Associates				
Jitendra Harjivandas Securities Private Limited	-	-	2,575,900	2,129.65
Total (A)	**-**	**-**	**2,575,900**	**2,129.65**
Non Current Investments in other than equity instruments				
Maharashtra Apex Corporation Limited - Bonds	109,324	224.83	109,324	224.83
Maharashtra Apex Corporation Limited - Redeemable cumulative preference shares	82,200	33.30	80,100	12.75
Cyqure IndiaPrivate LimitedNcd (Non Covertible Debentures)	1,000	1,079.98	-	-
Debentures of HCF Tech Services	20,000	200.00	-	-
Debentures of Pirojsha	2,000	2,000.00	-	-
Total (B)	**214,524**	**3,538.11**	**189,424**	**237.58**
Measured at fair value through profit and loss				
Non-current investments, quoted				
Investments in equity				
Dhanlaxmi Bank	-	-	125,000	51.56
HDFC Bank	-	-	1,750	25.34
Maha Rashtra Apx	-	-	9,850	12.88
IDBI BANK LTD	-	-	3,360	2.72
Total (C)	**-**	**-**	**139,960**	**92.50**
Investments in Mutual Funds				
Aditya birla sun life arbitrage fund - regular plan growth	-	-	10,407,473	2,536.23
Axis arbitrage fund Growth	-	-	27,460,389	5,074.57
Nippon India Gold Bees	-	-	97,041	55.25
LIC MF	-	-	38,490,704	5,097.71
Total (D)	**-**	**-**	**76,455,607**	**12,763.76**
Non-current investments, unquoted				
Investments in equity				
Jitendra Harjivandas Securities Private Limited	2,575,900	2,129.65	-	-
The General Investment and Commercial Corporation Limited	25,000	23.75	25,000	23.75
National Stock Exchange Of Indi Ltd	150,000	2,472.40	-	-
ASK Investments Managers Ltd	44,500	500.63	-	-
Bridgeup Tech Private Limited	120	25.16	120	25.16
CCI Limited	1,000,000	41.00	1,000,000	41.00
Madish Style Bar Private Limited	60,000	6.00	60,000	6.00
The Zoroastrian Co-operative Bank Limited	100	0.03	100	0.03
Madshades Technologies Private Limited (Elephanta)	416	74.88	-	-
HCF Tech Services Private Limited	1,000	0.10	-	-
Pirojsha Consultants Private Limited	3,597	1,499.95	-	-
Tagbin Services Private Limited	108	100.19	-	-
Prabhudas Lilladher Advisory Services Private Ltd	197,650	500.05	-	-
Kurlon Enterprises Ltd	2,588	16.89	70,157	457.83
Alapasara Finvest Care Advisory Private Limited (Shares of Rs. 10/- each fully paid up)	5,000	117.54	5,000	5.00
Total (E)	**4,065,979**	**7,508.22**	**1,160,377**	**558.77**

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All amounts in Rs. Lakhs, unless otherwise stated

7. Investment Contd.

Investments in AIF				
Nuvama Absolute Return Strategy	-	2,750.00	-	-
Samvitti Capital Alpha Fund	-	494.17	-	-
Special Situation Fund	-	50.00	-	-
Rental Yield Plus	2,900	290.00	-	-
OTP Ventures Fund Scheme 1	100,000	100.00	-	-
Nextgen technology fund I	300,000	251.25	-	-
Ankur Cpaital Fund III	64,223	56.08	-	-
Vivriti Fixed Income Fd Cla1 - S23	1,001	102.80	-	-
Vivriti Fixed Income Fd Cla1 - S25	9,040	928.15	-	-
Neo Income Plus Fund	750,000	767.63	-	-
Neo Special Credit Opportunities Fund II	125,000	125.00	-	-
Tvs Shriram Growth Aif Trust Ii	12,500	125.00	-	-
ICICI Prudential Office yeild Optimiser Fund - AIF II	171,847	186.75	-	-
Credit-structured Income Portfolio Fund	5,888	588.80	-	-
Aequitas Far East Trust (Class A - Series 02-12-2024)	1,000	884.26	-	-
Total (F)	**1,543,400**	**7,699.89**	**-**	**-**
Total Non current investments G= (A+B+C+D+E+F)	**5,823,903**	**18,746.22**	**77,945,368**	**15,782.26**
Current investments,				
Measured at fair value through profit and loss				
Investments in equity instruments				
ACC Limited	600	11.66	-	-
Apollo Tyres Limited	1,700	7.24	-	-
Asian Paints Limited	400	9.36	-	-
Astral Limited	734	9.50	-	-
Axis Bank Limited	1,250	13.78	-	-
Bandhan Bank Limited	5,600	8.19	-	-
Container Corporation of India Limited	3,000	20.75	-	-
Dhanlaxmi Bank Limited	526,381	153.97	-	-
Exide Industries Limited	3,600	12.98	-	-
HDFC Bank Limited	1,650	30.17	-	-
Hero MotoCorp Limited	300	11.17	-	-
Hindustan Unilever Limited	600	13.55	-	-
IDFC First Bank Limited	15,000	8.24	-	-
IndusInd Bank Limited	3,500	22.74	-	-
LIC Housing Finance Limited	4,000	22.55	-	-
Maha Rashtra Apex Corporation Limited	11,262	11.69	-	-
Mahindra & Mahindra Financial Services Limited	4,000	11.32	-	-
Punjab National Bank	16,000	15.38	-	-
RBL Bank Limited	7,500	13.01	-	-
Reliance Industries Limited	2,000	25.50	-	-
State Bank of India	1,500	11.57	-	-
Tata Consultancy Services Limited	175	6.31	-	-
Tata Motors Limited	1,100	7.42	-	-
The Karnataka Bank Limited	10,500	18.46	-	-
Vedanta Limited	3,450	15.99	-	-
IDBI Bank Limited	3,360	2.61	-	-
Strides Pharma Science Limited	2,480	16.60	-	-
Kaynes Technology India Limited	324	15.38	-	-
Gokaldas Exports Limited	1,836	14.80	-	-
Transformers and Rectifiers (India) Limited	2,379	12.76	-	-
Force Motors Limited	127	11.49	-	-
PG Electroplast Limited	1,139	10.44	-	-
BSE Limited	174	9.53	-	-
Trent Limited	179	9.53	-	-
Bharat Electronics Limited	3,124	9.41	-	-
InterGlobe Aviation Limited	183	9.36	-	-
The Anup Engineering Limited	269	9.35	-	-
Polycab India Limited	180	9.27	-	-
Blue Star Limited	420	8.97	-	-
SRF Limited	303	8.91	-	-
Laurus Labs Limited	1,436	8.81	-	-
Sagility India Limited	20,395	8.75	-	-
Jash Engineering Limited	1,417	8.23	-	-
DAM Capital Advisors Limited	3,364	7.91	-	-
Techno Electric & Engineering Company Limited	783	7.86	-	-

All amounts in Rs. Lakhs, unless otherwise stated

7. Investment Contd.

Investments in equity instruments Contd.				
TD Power Systems Limited	1,878	7.71	-	-
Amber Enterprises India Limited	104	7.50	-	-
Blue Jet Healthcare Limited	838	7.42	-	-
Mazagon Dock Shipbuilders Limited	274	7.24	-	-
Gravita India Limited	382	7.00	-	-
Hitachi Energy India Limited	55	6.96	-	-
MPS Limited	242	6.89	-	-
CG Power and Industrial Solutions Limited	1,071	6.84	-	-
APL Apollo Tubes Limited	442	6.74	-	-
Waaree Energies Limited	279	6.71	-	-
Nuvama Wealth Management Limited	110	6.68	-	-
Arvind SmartSpaces Limited	945	6.67	-	-
360 One Wealth Asset Management Limited	694	6.54	-	-
K.P.R. Mill Limited	721	6.54	-	-
VA Tech Wabag Limited	447	6.50	-	-
Symphony Limited	579	6.49	-	-
Ami Organics Limited	259	6.32	-	-
KDDL Limited	193	6.31	-	-
Neuland Laboratories Limited	52	6.28	-	-
Inox Wind Limited	3,849	6.28	-	-
Shakti Pumps (India) Limited	638	6.26	-	-
CarTrade Tech Limited	377	6.20	-	-
Senores Pharmaceuticals Limited	1,071	6.11	-	-
Century Enka Limited	1,120	6.07	-	-
Sanghvi Movers Limited	2,459	6.00	-	-
Pearl Global Industries Limited	455	6.00	-	-
Pix Transmissions Limited	362	5.91	-	-
EMS Limited	900	5.56	-	-
Balu Forge Industries Limited	718	4.59	-	-
Manorama Industries Limited	404	4.29	-	-
V2 Retail Limited	241	4.14	-	-
Premier Explosives Limited	1,216	4.09	-	-
Salzer Electronics Limited	376	4.05	-	-
OneSource Specialty Pharma Limited	228	4.00	-	-
Newgen Software Technologies Limited	398	3.97	-	-
Garware Hi-Tech Films Limited	99	3.91	-	-
Jindal Drilling & Industries Limited	463	3.86	-	-
Shilchar Technologies Limited	72	3.79	-	-
Zen Technologies Limited	246	3.64	-	-
Genus Power Infrastructures Limited	1,377	3.60	-	-
Schneider Electric Infrastructure Limited	517	3.46	-	-
Apar Industries Limited	62	3.43	-	-
Banco Products (India) Limited	559	1.93	-	-
ICDS Limited	171,006	75.80	-	-
Unity Small Finance Bank Limited (Share Warrant)	40,000,000	10,000.00	-	-
Total (H)	**40,868,452**	**11,008.74**	**-**	**-**
Investments in Mutual Funds,ETF and InvIT				
DSP Multi Asset Allocation Fund - Dir-G	7,838,503	1,030.80	-	-
Canra Robeco Balanced Advantage Fund - Direct Growth-BA-DG	9,999,500	980.95	-	-
IIFL Derivatives Advantage Fund	23,603,916	2,567.21	-	-
Edelweiss Arbitrage Fund - Regular Plan Growth	11,197,497	2,132.00	-	-
Kotak equity arbitrage - Gr	5,800,628	2,139.47	-	-
ABSL arbitrage fund - Gr	4,505,473	1,177.41	-	-
ABSL Money Mangers fund Gr-DIRECT	280,580	1,031.61	-	-
SBI Arbitrage Opportunities Fund - Reg P G	6,422,972	2,136.03	-	-
Axis Arbitrage Fund Direct Growth	97,139,871	19,375.86	-	-
Axis Money Market Fund Direct Growth	106,360	1,506.02	-	-
UTI Money Market Fund - Direct Plan Growth	65,601	2,007.82	-	-
Nipon India Money Market fund - Direct Growth plan Growth Option	37,317	1,538.18	-	-
Sundaram Liquid Fund Direct Plan Growth	14,952	342.67	-	-
Sundaram Money Market Fund Direct Growth	13,563,886	2,007.39	-	-
FT Money Mkt -DP-Growth	987,714	502.04	-	-
FI Low Dur Dir Fund G	10,036,179	1,011.54	-	-
FI Arbitrage Fund -DP G	4,996,852	512.76	-	-
FI Ultra Short Dur Fund -DP G	4,999,750	522.70	-	-
DSP Savings Fund - Dir-G	8,868,201	4,721.93	-	-

All amounts in Rs. Lakhs, unless otherwise stated

7	**Investment Contd.**				
	Investments in Mutual Funds,ETF and InvIT Contd.				
	National Highways Infra Trust Inv IT	750,000	1,012.65	-	-
	Nippon India Mutual Fund ETF Gold Bees	2,007,041	1,409.45	-	-
	Aditya Birla SL Arbitrage Fund Reg (G)	153,575	39.44	-	-
	Edelweiss Arbitrage Fund Reg (G)	215,681	39.27	-	-
	Axis Arbitrage Fund (G)	192,798	34.94	-	-
	ICICI Pru Equity Arbitrage Fund Reg (G)	108,747	36.14	-	-
	Total (I)	**213,893,595**	**49,816.26**	**-**	**-**
	Less : Allowance for impairment	-	(5.00)	-	(5.00)
	Total Current investments J =(H+I)	**254,762,047**	**60,825.00**	**-**	**-**
	Total Investments (G+J)	**260,585,950**	**79,566.22**	**77,945,368**	**15,777.26**
	Aggregate value of unquoted investments		**18,741.22**		**2,921.00**
	Aggregate book value of quoted investments		**60,825.00**		**12,856.26**
	Aggregate market value of quoted investments		**60,825.00**		**12,856.26**

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All amounts in Rs. Lakhs, unless otherwise stated

8 Loans

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, at amortised cost				
Loans				
- Related parties (Refer Note 37)	200.00	-	-	-
- Others	2,045.01	489.94	-	-
	2,245.01	**489.94**	**-**	**-**
Unsecured, credit impaired				
Loans				
-Related parties (Refer Note 37)	3,367.37	3,257.66	-	-
- Others	238.09	10.38	-	-
Less : Allowance for doubtful loans	(3,605.46)	(3,268.04)	-	-
	-	-	-	-
	2,245.01	**489.94**	**-**	**-**

(a) The details of unsecured loans to other related parties given for the purpose of working capital requirements are as follows :

Name of the company	Rate of interest	Due date of repayment	March 31, 2025		March 31, 2024	
			Gross	Allowance*	Gross	Allowance
Alapasara Finvest Care Advisory Private	9.00%	On demand	21.34	21.34	126.34	126.34
Manipal Nutraceutical Private Limited	9.00%	On demand	48.45	48.45	44.45	44.45
Manipal Academy of Health and Education Private Limited	9.00%	On demand	553.77	553.77	507.93	507.93
Manipal Educational Foundation	9.00%	On demand	1974.91	1,974.91	1876.81	1,876.81
Innovative Foam Limited	9.00%	On demand	398.66	398.66	369.11	369.11
Manipal Advertising Services Private Limited	9.00%	On demand	200.00	-	0.00	-
Sirar Solar Energies Private Limited	9.00%	On demand	137.44	137.44	127.26	127.26
Sirar Dhotre Solar Private Limited	9.00%	On demand	111.70	111.70	103.43	103.43
Sevalal Solar Private Limited	9.00%	On demand	121.10	121.10	102.33	102.33
Total			**3567.37**	**3367.37**	**3257.66**	**3257.66**

*Allowance for doubtful loans is made considering the financials position of the related parties and same has been shown as exceptional item (refer note 34(A)).

(b) The details of unsecured loans to parties other than related parties are as follows :

Name of the borrower	Rate of interest	Due date of repayment	March 31, 2025		March 31, 2024	
			Gross	Allowance*	Gross	Allowance
Acqua Crest Foods Private Limited	24.00%	On demand	10.39	10.39	10.38	10.38
Great Town Trading Private Limited	24.00%	On demand	539.81	-	488.56	-
Amoha Traders Private Limited	13.00%	On demand	1,287.73	-	-	-
Zodiac JRD-MKJ Limited	24.00%	On demand	445.00	-	-	-
Others	-	On demand	0.09	-	1.38	-
Total			**2283.02**	**10.39**	**500.32**	**10.38**

*Allowance for doubtful loans is made considering the financials position of the entities.

(c) Except as disclosed above, there are no loans to Directors or other officers of the Holding Company or any of them either severally or jointly with any other person or loans to any firm in which director is a partner.

9 Other financial assets

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, at amortised cost				
Interest accrued on fixed deposits	-	-	1,323.92	1,526.79
Security deposits	99.95	78.65	-	-
Trade Receivables (Others)	9.60	-	-	
Rent receivable	-	-	34.62	12.55
Deposits with remaining maturity for more than 12 months	218.75	908.51	-	-
Margin Money Deposits	104.62	-	14.00	
Other advances recoverable in cash [Refer note (b) below]	-	22.67	4,852.34	8,524.92
Receivable Towards Share Allotment	-		74.30	
- Less Provision for doubtful advances	-	(22.67)	-	-
Others	-	-	4.65	3.72
	432.92	**987.16**	**6,303.83**	**10,067.98**

9 Other financial assets (Contd.)

b) Other advances recoverable in cash includes the following :

As detailed in note 34A, amountRs. 4,795.04 lakhs (March 31, 2024 Rs. 7,810.92 lakhs) receivable from M/s Sheela Foam Limited on account of sale of its investments in subsidiary M/s Kurlon Enterprise Limited.

10 Income tax assets (net)

	March 31, 2025	March 31, 2024
Advance income tax net of provision for current tax & including tax deducted at source	2,725.49	1,890.55
DTA (net Assets)	0.33	-
	2,725.82	**1,890.55**

11 Other assets

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, considered good				
Capital advances (refer note (a) below)	1,281.96	54.38	71.78	64.24
Advances recoverable in cash or kind			-	
- Related parties	-	-	-	2.00
- Others (Net of Provision for doubtful advances)	-	-	136.14	36.35
Advance Tax, TDS & TCS Receivable	-	-	9.11	-
Advance to employees	-	-	8.40	0.61
Prepaid expenses	1.67	2.37	62.36	61.26
Balances with statutory/government authorities	1,208.71	1,172.11	594.90	455.32
Gratuity Fund	11.93	10.82	4.44	4.78
Dividend receivable	-	-	-	40.74
Others (refer note (b) below)	0.20	712.65	4.79	2.37
	2,504.47	**1,952.33**	**891.92**	**667.67**
Unsecured, credit impaired				
Capital advance (refer note (a) below)	4,573.37	4,573.37	-	-
Less : Provision for doubtful advances	(4,573.37)	(4,573.37)	-	-
	-	**-**	**-**	**-**
Total	**2,504.47**	**1,952.33**	**891.92**	**667.67**

a) Capital advances includes the following :

i) During the year 2013-2014, the Holding Company had paid an advance of Rs. 3,350.61 lakhs to Maharashtra Apex Corporation Limited (MACL) (a related party) for purchase of land. Furhter paid an advance of Rs. 1,222.76 lakhs during the FY 2023-2024. In an earlier year, the Honorable Karnataka High Court (The court) had vide its order dated October 08, 2004 stated that sale of land can be carried out only with it's permission. Subsequently, the court vide its order dated April 20, 2012 accorded its consent for the sale of land to Kurlon Limited. Considering the uncertainty and delay in transfer of land, the Company has created provision for doubtful advances. Refer note 34(A).

b) As detailed in note 34 (A), this amount represents balance receivable from its erstwhile subsidiary, Kurlon Enterprise Limited as of March 31, 2024 and is subject to reconciliation. The balance as of March 31, 2025 is Rs. NIL

12 Inventories (valued at lower of cost and net realizable value)

	March 31, 2025	March 31, 2024
Raw materials	247.28	228.67
Work in progress	24.41	15.57
Finished goods	1,027.28	1,038.86
Packing Material	10.52	26.82
Traded goods	-	53.47
	1,309.49	**1,363.39**

* The carrying value of inventories as reflected above is net of provision for aged/slow moving stock of Rs. 2.48 lakhs (March 31, 2024 : Rs. 5.56 lakhs).

13 Trade receivables

	March 31, 2025	March 31, 2024
Financial assets, at amortised cost		
Unsecured, considered good	637.99	214.42
Unsecured, credit impaired	2.25	92.76
	640.24	**307.18**
Provision for doubtful receivables	(91.77)	(92.76)
	548.47	**214.42**

All amounts in Rs. Lakhs, unless otherwise stated

13 Trade receivables (Contd.)

Notes:

(i) Trade receivables are non-interest bearing and are generally on terms of 7 to 90 days.

Ageing of trade receivables

	Outstanding for following periods from the due date of payment						
	Not due	**Less than 6 months**	**6 months to 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
March 31, 2025							
Undisputed trade receivables - considered good	207.38	143.11	92.14	195.36	-	-	637.99
Undisputed trade receivables - credit impaired	-	-	2.25	-	-	-	2.25
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**207.38**	**143.11**	**94.39**	**195.36**	**-**	**-**	**640.24**
March 31, 2024							
Undisputed trade receivables - considered good	-	204.29	10.16	-	-	-	214.45
Undisputed trade receivables - credit impaired	-	-	-	92.73	-	-	92.73
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Total	**-**	**204.29**	**10.16**	**92.73**	**-**	**-**	**307.18**

14 Cash and bank balances

	March 31, 2025	March 31, 2024
Cash and cash equivalents		
Cash in hand	1.01	0.45
Balances with banks :		
In current accounts	124.94	771.80
Deposits with original maturity for less than 3 months	2,954.77	47,505.79
	3,080.72	**48,278.04**
Other bank balances		
Deposits with remaining maturity for less than 12 months	23,333.60	39,500.00
Earmarked balances with banks*	12.22	11.51
Unpaid dividend	14.66	4.65
	23,360.48	**39,516.16**
	26,441.20	**87,794.20**

* Deposits receipts pledged with banks for obtaining letter of credit & bank guarantee facilities.

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All amounts in Rs. Lakhs, unless otherwise stated

15 Equity share capital

	March 31, 2025		March 31, 2024	
	Nos.	Amount	Nos.	Amount
Authorised shares				
Equity shares of Rs. 10/- each with voting rights	35,000,000	3,500.00	35,000,000	3,500.00
	35,000,000	**3,500.00**	**35,000,000**	**3,500.00**
Issued, subscribed and fully paid-up shares				
Equity shares of Rs. 10/- each with voting rights	14,135,751	1,413.58	14,882,605	1,488.26
	14,135,751	**1,413.58**	**14,882,605**	**1,488.26**

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

	March 31, 2025		March 31, 2024	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	14,882,605	1,488.26	14,882,605	1,488.26
Shares bought back (Refer note no. 16(a))	(746,854)	(74.68)	-	-
Issued during the year	742,999	74.30	-	-
Outstanding at the end of the year	**14,878,750**	**1,487.88**	**14,882,605**	**1,488.26**

b. Terms and rights attached to equity shares

The Holding Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share 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

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 shareholders holding more than 5% shares in the Company

	March 31, 2025		March 31, 2024	
	Nos.	%	Nos.	%
Equity shares of Rs. 10/- each with voting rights				
Manipal Holding Private Limited	7,183,919	48.28%	7,183,919	48.27%
Maharashtra Apex Corporation Limited	5,693,020	38.26%	5,693,020	38.25%

d. Details of shares issued for consideration other than cash during the preceding five years

No shares have been issued for consideration other than cash during the preceeding five years

e. Details of shares held by promoters

As at March 31, 2025

	No. of shares at the beginning of the year	Change during the year		No. of shares at the end of the year	% of total shares	% change during the year
		Buyback	Rights Issue			
Manipal Holdings Private Limited	7,183,919	-	-	7183919	48.28%	0.00%
Maha Rashtra Apex Corporation Ltd	5,693,020	-	320,314	6013334	40.42%	2.15%
General Investment And Commercial Corporation ltd	485,000	-	-	485000	3.26%	0.00%
Jaya S Pai	384,163	336,556	208,404	256011	1.72%	-0.86%
Metropolis Builders Pvt Ltd	167,036	-	-	167036	1.12%	0.00%
Manipal Home Finance Limited	32,350	-	-	32350	0.22%	0.00%
Tonse Sudhakar Pai	29,217	29,107	208,404	208514	1.40%	1.21%
Tonse Sudhakar Pai on behalf of Family trust	12,570	12,570	-	-	0.00%	-0.08%
Mangala Investments Limited	646	-	-	646	0.00%	0.00%
Rajmahal Trade & Investments Pvt. Limited	501	-	-	501	0.00%	0.00%
Commercial Corporation Of India Ltd	1,024	-	-	1024	0.01%	0.00%
Manipal Stock & Share Brokers Ltd	350	-	-	350	0.00%	0.00%
Jai Bharath Mills Private Ltd.	250	-	-	250	0.00%	0.00%
Jyothi Ashish Pradhan	1,800	1,800	-	-	0.00%	100.00%
	13,991,846	**380,033**	**737,122**	**14,348,935**	**96.43%**	

As at March 31, 2024

	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Manipal Holdings Private Limited	7,183,919	-	7,183,919	48.28%	0.00%
Maha Rashtra Apex Corporation Ltd	5,693,020	-	5,693,020	38.26%	0.00%
General Investment And Commercial Corporation ltd	485,000	-	485,000	3.26%	-0.02%
Jaya S Pai	384,163	-	384,163	2.58%	0.04%
Metropolis Builders Pvt Ltd	167,036	-	167,036	1.12%	0.00%
Manipal Home Finance Limited	32,350	-	32,350	0.22%	0.00%
Tonse Sudhakar Pai	29,217	-	29,217	0.20%	0.00%
Tonse Sudhakar Pai on behalf of Family trust	12,570	-	12,570	0.08%	0.00%
Mangala Investments Limited	646	-	646	0.00%	0.00%
Rajmahal Trade & Investments Pvt. Limited	501	-	501	0.00%	0.00%
Commercial Corporation Of India Ltd	500	524	1,024	0.01%	104.80%
Manipal Stock & Share Brokers Ltd	350	-	350	0.00%	0.00%
Jai Bharath Mills Private Ltd.	250	-	250	0.00%	0.00%
Jyothi Ashish Pradhan	-	1,800	1,800	0.01%	100.00%
	13,989,522	**2,324**	**13,991,846**	**94.04%**	**0.02%**

f. Dividend made and proposed

	March 31, 2025		March 31, 2024	
	Dividend/Share	Rs.	Dividend/Share	Rs.
Dividend on equity shares declared and paid				
Final dividend for the year ended March 31, 2024 paid in financial year 2024-25: Rs 1413.58 Lakhs (for the year ended March 31, 2023 paid in financial year 2023-24:	10.00	1,413.58		
Proposed dividend on equity shares				
Proposed dividend for the year ended March 31, 2025 : Rs. 371.97 lakhs (for the year ended March 31, 2024: Rs 1,413.58 lakhs)	2.50	371.97	10.00	1,413.58

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31. 2025. (Refer Note 52)

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All amounts in Rs. Lakhs, unless otherwise stated

16 Other equity

	March 31, 2025	March 31, 2024
Securities premium account		
Balance at the beginning of the year	293.81	293.81
Add : Premium on issue of shares	-	-
Balance as at end of the year	**293.81**	**293.81**
Capital reserve		
Balance at the beginning of the year	970.81	1,286.76
Less: Due to sale of subsidiary (Refer note 50)	-	(315.95)
Balance as at end of the year	**970.81**	**970.81**
General reserve		
Balance at the beginning of the year	3,464.43	4,558.39
Less: Due to sale of subsidiary (Refer note 50)	-	(1,093.96)
Balance as at end of the year	**3,464.43**	**3,464.43**
Retained earnings		
Balance at the beginning of the year	**122,477.35**	**12,628.03**
Add : (Loss)/Profit for the year	7,532.72	116,537.63
Less: Utilised for buy back of equity shares (refer note (a) below)	(9,634.42)	-
Less: Tax paid on buy back of equity shares (refer note (a) below)	(2,244.43)	-
Add : Other comprehensive income/(loss) for the year	5.30	(64.96)
Less : Non-controlling interest	2.16	0.78
Less : Dividend paid	(1,413.57)	-
Less : Transferred to Capital Redemption Reserve	(74.68)	-
Less: Due to sale of subsidiary (Refer note 50)	-	(6,624.13)
Balance as at end of the year	**116,650.43**	**122,477.35**
Capital Redemption reserve (refer note (a) below)		
Balance at beginning of year	-	-
Transferred during the year	74.68	-
Balance as at end of the year	**74.68**	**-**
Total	**121,454.16**	**127,206.40**

Note (a): On May 01, 2024 the Company passed a resolution by its members for buy back of up to 2,369,230 fully paid up equity shares of face value Rs. 10/- (representing 15.98% of the total issued and paid up equity shares of the company) at a price of Rs. 1,300 per equity share ("Buy Back Offer Price"). Accordingly offer for buy back of shares were opened on June 5, 2024 and closed on June 19, 2024. Consequently, 746,854 fully paid up equity shares of face of Rs. 10/- each were bought back at Rs. 1300 per equity shares.

	March 31, 2025	March 31, 2024
17 Non controlling interest		
Opening balance	2.81	2,505.62
Add : Share of profit/(loss)	(2.16)	(0.78)
Add : Acquisition of non controlling interest during the year	4.00	-
Less: Due to sale of subsidiary (Refer note 50)	-	(2,502.03)
	4.65	**2.81**

18 Lease liabilities

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Lease liabilities	-	-	-	-
	-	**-**	**-**	**-**

The movement of lease liabilities during the year is as below:

	March 31, 2025	March 31, 2024
At the beginning of the year	-	5,257.66
Interest expense	-	155.29
Payments	-	(1,097.22)
Less: Due to sale of subsidiary (Refer note 50)	-	(4,315.73)
At the end of the year	**-**	**-**

All amounts in Rs. Lakhs, unless otherwise stated

19 Other financial liabilities

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured, at amortised cost				
Security deposits	-	-	81.63	66.00
Employee related liabilities	-	-	46.53	60.32
Creditors for Capital goods	-	-	-	-
Unpaid dividend account	-	-	13.58	3.57
Interest accrued but not due on borrowings	-	-	-	-
Others payables	0.39	-	-	-
	0.39	**-**	**141.74**	**129.89**

20 Provisions

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Provision for warranty*	-	-	-	-
Provision for employee benefits				
Gratuity (Refer Note 42)	-	-	2.12	-
Leave encashment	13.65	6.91	13.46	17.68
Sick Leave Compensation Fund	-	-	0.90	0.20
Others	-	-	3.85	12.61
	13.65	**6.91**	**20.33**	**30.49**

* Provision for warranty :

The Group provides warranties on its products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as at year end represent the amount of the expected cost based on past experience of meeting such obligations. The table below gives information about movement in warranty provisions.

	March 31, 2025	March 31, 2024
Balance as at beginning of the year	-	818.85
Provisions created during the year	-	100.14
Amounts utilised during the year	-	-
Less: Due to sale of subsidiary (Refer note 50)	-	(918.99)
Balance as at end of the year	**-**	**-**
Current	**-**	**-**
Non-current	**-**	**-**

21 Deferred tax liabilities (net)

	March 31, 2025	March 31, 2024
Deferred tax liabilities	921.10	890.19
Deferred tax (assets)/liabilities	619.91	-
	1,541.01	**890.19**

Refer Note 45 for further details.

22 Borrowings

	Non - current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Working capital loans From banks (Refer note (a) below)	-	-	370.00	57.37
Current maturities of long term debt	-	-	-	-
	-	**-**	**370.00**	**57.37**
Unsecured borrowings				
From related parties (Refer note (b) below)	-	-	189.55	272.76
From banks- Credit Card Dues	-	-	-	0.74
	-	**-**	**189.55**	**273.50**
Total	**-**	**-**	**559.56**	**330.87**

22 Borrowings (continued)

(a) The Group has obtained Cash Credit for working capital purpose from Canara Bank and the outstanding balance as of March 31, 2025 is Rs. 370 lakhs (March 31, 2024 : Rs. 57.37 lakhs). The said facility is secured against fixed deposit of the Company.

(b) Unsecured Loan from related parties Rs. Rs. 189.55 lakhs (March 31, 2024 : 272.76)
During the year the Group had obtained unsecured loan from one of the rlated party namely General Investment & Commercial Corporation Limited. Balance outstanding as on March 31, 2025 towards this loan was Rs. 189 lakhs. (March 31, 2024 - 272.76 lakhs)

The table below depicts changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes :

Reconciliation of liabilities arising from financing activities

	Beginning of the year	Cash flows (net)	Non cash adjustments	End of the year
March 31, 2025				
Loans from banks	57.37	312.63	-	370.00
Loans from other parties	273.50	(83.94)	-	189.55
Total	**330.87**	**228.69**	**-**	**559.55**
March 31, 2024				
Loans from banks	6,153.39	(6,096.02)	-	57.37
Loans from other parties	18,500.84	(18,227.34)	-	273.50
Total	**24,654.23**	**(24,323.36)**	**-**	**330.87**

23 Trade payables

	March 31, 2025	March 31, 2024
At amortised cost		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 38)	204.82	181.69
Total outstanding dues of creditors other than micro enterprises and small enterprises	632.44	1,600.10
	837.26	**1,781.79**

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Ageing of trade payables

		Outstanding for following periods from the due date of payment					
		Accrued expenses	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
March 31, 2025							
Undisputed trade payables - MSME		2.75	112.80	242.79	-	-	358.34
Undisputed trade payables - Non MSME	-	301.30	668.82	110.70	0.69	-	478.92
Disputed Dues-MSME		-	-	-	-	-	-
Disputed Dues-Others		-	-	-	-	-	-
Total	**-**	**298.55**	**781.62**	**353.49**	**0.69**	**-**	**837.26**
March 31, 2024							
Undisputed trade payables - MSME		2.75	118.51	10.95	21.51	1.39	155.11
Undisputed trade payables - Non MSME		1,273.83	236.52	51.95	37.80	-	1,600.10
Disputed Dues-MSME		-	-	-	-	26.58	26.58
Disputed Dues-Others		-	-	-	-	-	-
Total		**1,276.58**	**355.03**	**62.90**	**59.31**	**1.39**	**1,781.79**

24 Other current liabilities

	March 31, 2025	**March 31, 2024**
Contract liabilities - Advance from customers	9.72	10.44
Capital advance received*	7,100.90	-
Statutory dues	45.52	45.47
Other liabilities	1,417.97	14.52
	8,574.31	**70.43**

Contract liabilities are recognised as revenues when the Group performs under the contract (i.e. transfer of control of the related goods).
* During the year, the Grou has received advance of Rs 71,00.90 lakhs towards sale of lease hold rights in Company's properties and execution of sale deed is pending as of 31 March 2025.

25 Liabilities for current tax (net)

	March 31, 2025	**March 31, 2024**
Current tax liabilities	35.40	-
	35.40	**-**

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All amounts in Rs. Lakhs, unless otherwise stated

26 Revenue from operations

	March 31, 2025	March 31, 2024
Revenue from contracts with customers		
Sale of products		
Finished goods	-	40,408.09
Traded goods	2,077.96	1,283.36
Supply of Electricity	-	70.58
Less : Schemes & rebates	-	-
Sale of Services	125.17	1,355.77
Other operating revenue		
Scrap sales	26.92	366.37
Agricultural products	43.03	32.82
Revenue from operations	**2,273.08**	**43,516.99**

(a) Timing of revenue from operations

	March 31, 2025	March 31, 2024
Goods transferred at a point in time	2,147.91	42,161.22
Services transferred over time	125.17	1,355.77
	2,273.08	**43,516.99**

(b) Reconciliation of amount of revenue recognised with contract price

	March 31, 2025	March 31, 2024
Revenue as per contract price	2,273.08	43,516.99
Less : Discounts	-	-
	2,273.08	**43,516.99**

(c) Movement in contract liabilities during the year *

	March 31, 2025	March 31, 2024
Opening balance	10.44	486.20
Less : Revenue recognised during the year	(10.44)	(486.20)
Add : Amount of consideration received during the year	9.72	10.44
	9.72	**10.44**

* Contract liabilities consists of advances received from customers towards supply of products.

27 Other income

	March 31, 2025	March 31, 2024
Interest income		
- On fixed deposits	3,744.28	3,733.28
- On Bank deposits	176.97	15.43
- On security deposits	-	19.08
- On others	8.23	312.65
Interest Reversal	-	19.01
Fair value gain on investments at fair value through profit or loss	2,975.60	223.02
Rental income	306.53	330.27
Gain on sale of investments	1,128.04	14.44
Dividend income	8.00	692.00
Liabilities no longer required written back	-	65.89
Foreign currency exchange gain (net)	18.18	8.76
Duty Drawback	2.20	1.15
Miscellaneous income	13.04	244.55
	8,381.07	**5,679.53**

28 Cost of raw materials consumed

	March 31, 2025	March 31, 2024
Inventories at the beginning of the year	228.67	3,963.41
Add: Purchases	1,592.00	23,280.40
Less: Inventories at the end of the year	(260.28)	(228.67)
Less: Due to sale of Subsidiary (Refer note 50)	-	(2,734.73)
Cost of raw materials consumed	**1,560.39**	**24,280.41**

29 Purchase of traded goods

	March 31, 2025	March 31, 2024
Purchase of traded goods	-	479.93
	-	**479.93**

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

	March 31, 2025	March 31, 2024
Inventories at the end of the year		
Finished goods	1,027.28	1,038.86
Work in progress	24.41	15.57
Traded goods	-	53.47
	1,051.69	**1,107.90**
Inventories at the beginning of the year		
Finished goods	1,038.86	3,326.43
Work in progress	15.57	1,322.16
Traded goods	53.47	643.24
	1,107.90	**5,291.83**
Less: Due to sale of Subsidiary (Refer note 50)	-	**(5,612.00)**
	56.21	**(1,428.07)**

31 Employee benefit expenses

	March 31, 2025	March 31, 2024
Salaries, wages and bonus	720.60	4,487.08
Leave encashment Expense	14.75	4.69
Gratuity expenses (Refer Note 42)	12.09	62.72
Admin Charges	7.25	0.32
Contribution to provident and other funds	19.40	210.70
Staff welfare expenses	25.93	193.32
	800.02	**4,958.83**

32 Finance costs

	March 31, 2025	March 31, 2024
Interest expenses		
- On borrowings	34.19	1,691.99
- On lease liabilities	-	155.29
Customer financing costs	-	54.38
Bank Charges - Others	1.88	41.05
	36.07	**1,942.71**

33 Depreciation and amortisation expense

	March 31, 2025	March 31, 2024
Depreciation of property, plant and equipment*	346.57	1,152.53
Amortisation of intangible assets**	0.04	26.48
Amortisation of right to use assets#	39.17	853.51
	385.78	**2,032.52**

* Includes Rs. Nil (March 31 2024 - Rs. 593.10 lakhs) depreciation of subsidiaries sold during the year.
** Includes Rs. Nil (March 31 2024 Rs. 24.43 lakhs) amortisation of subsidiaries sold during the year.
#Includes Rs. Nil (March 31 2024 - Rs. 803.40 lakhs) amortisation of right of use assets of subsidiaries sold during the year.

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All amounts in Rs. Lakhs, unless otherwise stated

34 Other expenses

	March 31, 2025	March 31, 2024
Consumption of stores, spares and consumables	-	270.42
Boiler Expenses	14.68	63.87
Factory Expenses	4.87	13.00
Labour Charges	157.69	170.11
Customs duty	28.28	17.13
Power and fuel	147.02	808.76
Freight outward	100.49	3,567.60
Rent	57.68	359.59
Maintenance Expense	-	25.78
Repairs and maintenance		
Buildings	84.78	179.97
Plant and machinery	0.23	140.50
Others	56.34	352.04
Tailoring and fabrication	-	1,928.59
Testing Charges	41.86	58.20
Manpower charges	-	207.15
Rates and taxes	125.42	362.94
Expenditure on corporate social responsibility	20.55	212.50
Insurance expenses	39.73	449.17
Foreign currency exchange loss (net)	2.62	-
Security expenses	30.59	515.51
Postage and telephone expenses	10.59	83.46
Payment to auditors *	10.00	18.04
Advertisement, promotion and selling expenses	24.59	2,253.43
Travelling and conveyance expenses	299.49	788.49
Legal and consultancy charges	757.07	1,722.48
Certification charges	9.97	15.61
Director's sitting fees	4.20	5.20
Loss on sale of property, plant and equipment	0.67	1,177.55
Loss on Sale Of Investment	88.58	-
Provision for bad and doubtful debts	-	1,085.26
Provision for warranty	-	100.14
Provision for Advances to Suppliers	-	6.33
Provision for slow Moving inventory	-	5.55
Royalty expenses	-	29.63
Impairment of goodwill	-	2,103.16
Web Hosting & Software Maintenance & Subscription	2.98	16.24
Waste Discharge Expenses- ETP Charges	2.83	6.77
Interest on MSME	24.06	-
Printing and Stationary	4.55	3.14
Miscellaneous expenditure	177.94	581.14
	2,330.35	**19,704.45**

*** Payment to auditors (excluding goods and service tax)**

Audit services		
Statutory audit	10.00	10.00
Limited Review	-	2.50
Out of pocket expenses	-	0.12
	10.00	**12.62**

34A Exceptional Items

	March 31, 2025	March 31, 2024
Provision for doubtful loans (Refer note (iii) below)	(12.46)	1,827.43
Provision for doubtful advances (Refer note 11 and note (ii) below)	-	1,606.43
Provision written back/utilisation during the year [refer note (i)]	(28.65)	(7,174.97)
Net Gain on sale of Investment in subsidiary - KEL [refer note (i) and (iv)]	(4,158.89)	(130,859.15)
Liabilities no longer required written back during the year [refer note (i)]	-	(23,201.13)
Loss on account of slump sale of Gwalior factory [refer note (i)]	-	2,004.84
Loss on sale of investment in subsidiaries [refer note (i)]	-	7.11
Net Gain on Transfer of Property Plant and Equipment as per the terms of SPA [refer note (i)]	-	(1,539.24)
Loss due to assets written off		
-Property, plant and equipment	-	389.61
-Insurance receivable	-	1,870.14
-Right to use asset	-	112.66
-Other assets	-	227.30
	(4,200.00)	**(154,728.98)**

Notes:

(i) On October 20, 2023 the company had sold its investment in subsidiary M/s Kurlon Enterprise Limited (KEL) to M/s Sheela Foams Limited (SFL) as per the terms of Share Purchase agreement (SPA) dated July 17, 2023. Investment in held by the company's subsidiary Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited) (KCSM) were also sold to SFL as per the terms of SPA. The following are the key conditions precedent to SPA taken place during the year and affect of such items are disclosed as exceptional items as presented in the below table.

(a) Transfer of Gwalior factory related assets and liabilities to KEL (refer note 44).
(b) Below mentioned immovable properties have been transferred to KEL.
- Land and Building at Dabaspet
- Land and building at Uttarakhand
- Lease hold Land and building at Bhubaneshwar

(c) Disinvestment by KEL in certain subsidiaries which are engaged in the business generation of solar power.
(d) Settlement of outstanding dues to KEL on no debt/no cash basis.
(e) Settlement of dues to financial institutions by KCSM and release of shares held by KCSM in KEL.

The affect of the aforementioned transactions were shown as exceptional items and summary is presented below:

Particulars	Sale of Investment in Subsidiary - KEL (As per SPA)	Write back of balances payable to Subsidiary KEL (Net) (As per SPA)	Sale of Business unit (Gwalior Factory) (As per SPA)	Transfer of other Property Plant and Equipment (As per SPA)	Sale of Investment in Subsidiary - Solar entities (As per	Provision for Loan to subsidiary written back (As per SPA)	Provision for doubtful loans- (Refer note (iii) below)	Provision for doubtful advances - (Refer note (ii) below)
Gross Consideration/written back/settled	175,627.01	23,201.13	-	-	7.11	7,174.97	-	-
Sale consideration received through other than cash	-	-	-	-	-	-	-	-
Less: Adjustment of sale consideration towards Other assets transferred as part of SPA	(7,845.56)	-	3,400.00	4,445.56	-	-	-	-
Total Income	**167,781.45**	**23,201.13**	**3,400.00**	**4,445.56**	**7.11**	**7,174.97**	**-**	**-**
Book value of Assets/investments written off	24,228.01	-	4,872.83	2,386.34	14.22	-	1,827.43	1,606.43
Gross Gain/(Loss)	**143,553.44**	**23,201.13**	**(1,472.83)**	**2,059.22**	**(7.11)**	**7,174.97**	**(1,827.43)**	**(1,606.43)**
<u>Less: Expenditure Incurred towards above exceptional items</u>								
i) Stamp duty and registration charges incurred by the Company	6,008.44	-	532.01	519.98	-	-	-	-
ii) Loss incurred by the Company for the shares held by KCSM and transferred to SFL.	6,685.85	-	-	-	-	-	-	-
Total Expenditures	**12,694.29**	**-**	**532.01**	**519.98**	**-**	**-**	**-**	**-**
Net Gain (Loss)	**130,859.15**	**23,201.13**	**(2,004.84)**	**1,539.24**	**(7.11)**	**7,174.97**	**(1,827.43)**	**(1,606.43)**

(ii) During the previous year, the Company has provided for various doubtful advances given to various parties including capital advances amounting to Rs 1,222.76 lakhs (refer note 11) and others amounting to Rs 383.66 lakhs.

(iii) During the previous year, the Company has provided for various doubtful loans given to various related parties excluding interest (refer note 8(b)).
(iv) During FY 2024-25, the Company has received Rs. 4,158.89 lakhs (Net of selling and related expenses) from M/s Sheela Foam Limited towards aforementioned SPA.

All amounts in Rs. Lakhs, unless otherwise stated

35. Earnings/(loss) per share (EPS)

	March 31, 2025	March 31, 2024
(Loss)/Profit attributable to equity holders of the Parent Company	7,534.89	116,538.41
Weighted average number of equity shares outstanding (Basic and diluted)	14,354,417	14,882,605
(Loss)/Earnings per share (Basic and diluted)	52.49	783.05

36. Segment reporting

The Group primarily is in the business of manufacture, purchase and sale of mattress, foam and related products. In addition, certain subsidiaries of the Holding Company are engaged in certain other business which are not material at Group level. Accordingly, the Group reviews revenues and expenses as a whole at Group level and does not distinguish revenues and expenses between different businesses in its internal reporting. The CODM reviews the results when making decision about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment. The Group operates and manages its business as a single segment. As the Group's long-lived assets are all located in India and the Group's revenues are derived from India, no geographical information is presented.

37. Related party disclosure

Names of related parties and related party relationships

Names of related parties where control exists irrespective of whether transactions have occurred or not

Subsidiary Companies	Kurlon Enterprise Limited (Up to October 20, 2023) Manipal Software & E-com Private Limited Manipal Natural Private Limited Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited) Kanara Global Prodcuts LLP
Step down subsidiaries	Kurlon Retail Limited (Up to October 20, 2023) Komfort Universe Products & Services Limited (Up to October 20, 2023) Belvedore International Limited (Up to October 20, 2023) Kanvas Concepts Private Limited (Up to October 20, 2023) Starship Value Chain and Manufacturing Private Limited (Formerly Starship Manufacturing & Services Private Limited) (Up to October 20, 2023) Sevalal Solar Private Limited (Up to October 13, 2023) Sirar Solar Energies Private Limited (Up to October 13, 2023) Sirar Dhotre Solar Private Limited (Up to October 13, 2023) Home Komfort Retail LLP (Up to October 20, 2023); (Acquired by Belvedore International Limited on March 31, 2023)
Enterprises owned or significantly influenced by key management personnel /Directors and their relatives	Manipal Academy of Health & Education Manipal Education Foundation Innovative Foam Limited Eldorado Share Services Private Limited Maharsatra Apex Asset Management company Limited Manipal Advertising Services Private Limited Manipal Neutraceutical Private Limited Manipal Stock and Share Brokers Limited Manipal Holdings Private Limited Maharastra Apex Corporation Limited Manipal Home Finance Limited General Investment & Commercial Corporation Limited Metropolis Builders Private Limited Mangala Investments Limited Anant Solar Systems Private Limited Jitendra Harjivandas Securities Private Limited Manipal Travels India Private Limited
Directors and Key Management Personnel (KMP)	Mr. Tonse Sudhakar Pai, Managing Director Ms. Jaya Sudhakar Pai, Director Ms. Deepa Sudhakar Pai, Director Ms. Jyothi Ashish Pradhan, Director Mr.Ashish Pradhan, Director of Subsidiary Mr. Jamsheed Minoo Panday, Director (Up to February 29, 2024) Mr. Kuthethoor Venugopal Shetty, Independent Director Mr. Santhosh Kamath, Independent Director Mr. ASPI Nariman Katgara, Director (Up to February 29, 2024) Mr. Narendra Kudva, Director Mr. Monu Kumar, Company Secretary (w.e.f July 01, 2022 until October 20, 2023) Mr. Sanjoy Khan, Chief Financial Officer (Up to April 30, 2023) Mr. H N Shrinivas, Director of Subsidiary (Up to October 20, 2023) Mr. Nagarajan S, Director of Subsidiary (Up to October 20, 2023) Mr. Ashoka Bhima Dhotre, Director of Subsidiary (Up to October 20, 2023) Ms. Savitha Ashok Dhotre, Director of Subsidiary (Up to October 20, 2023) Mr. Basaka Bhima Dhotre, Director of Subsidiary (Up to October 20, 2023) Ms. Shakuntala Naik, Director of Subsidiary (Up to October 20, 2023)

All amounts in Rs. Lakhs, unless otherwise stated

36. Related party disclosure (contd.)

Directors and Key Management Personnel (KMP)	Mr. Sunil Roopsingh Rathod, Director of Subsidiary (Up to October 20, 2023) Mr. Sham Sunder, Director of Subsidiary (Up to October 20, 2023) Mrs. Susheela Y Bungale, Company Secretary (w.e.f February 14, 2024) Mr. Madhusudan K R Chief Financial Officer (w.e.f May 01, 2023) Mr. Nitin G Khot, Non - Executive Director of Subsidiary (Up to October 20, 2023)
Relative of Directors and Key Management Personnel (KMP)	Ms. Feroza Jamsheed Panday, Relative of Director (Up to February 29, 2024) Mr. Jahangir Jamsheed Panday, Relative of Director (Up to February 29, 2024)

The transactions that have been entered into with related parties during the year are as follows:

	March 31, 2025	March 31, 2024
Sale of Products and Services		
Manipal Advertising Services Private Limited.	-	0.03
	-	**0.03**
Rental Income		
Eldorado Share Services Private Limited	-	7.50
Canara Steel Limited	-	4.80
Maharsatra Apex Asset Management company Limited	-	4.80
	-	**17.10**
Interest Income		
Manipal Academy of Health & Education	45.84	41.76
Manipal Education Foundation	163.07	91.23
Innovative Foam Limited	29.54	8.48
Manipal Neutraceutical Private Limited	4.00	3.68
Sevalal Solar Private Limited	8.78	-
Sirar Solar Energies Private Limited	10.18	-
Sirar Dhotre Solar Private Limited	8.27	-
Manipal Nutraceutical Private Limited	**269.68**	**145.15**
Dividend Income		
General Investment and Commercial Corporation Limited	1.13	-
	1.13	**-**
Legal and professional expenses		
Feroza Jamsheed Panday	-	18.00
Jamsheed Minoo Panday	-	12.00
Jahangir Jamsheed Panday	-	12.00
ASPI Nariman Katgara	-	4.80
Jyothi Ashish Pradhan	18.75	-
	18.75	**46.80**
Advertisement and Sales Promotion Expenses		
Manipal Advertising Services Private Limited	4.63	308.85
	4.63	**308.85**
Expenses/ Purchase of assets		
Manipal Advertising Services Private Limited-	-	7.12
Manipal Travels India Private Limited	-	5.09
	-	**12.21**
Sitting fees to directors		
Jaya Sudhakar Pai	1.10	1.00
S Nagarajan	-	0.13
H N Shrinivas	-	0.13
Jamsheed Minoo Panday	-	0.20
Kuthethoor Venugopal Shetty	1.10	1.00
Jyothi Ashish Pradhan	0.10	1.00
ASPI Nariman Katgara	-	0.20
Narendra Kudva	-	0.70
Santhosh Kamath	1.10	0.80
Deepa Sudhakar Pai	0.70	0.30
	4.10	**5.46**

All amounts in Rs. Lakhs, unless otherwise stated

36. Related party disclosure (contd.)

	March 31, 2025	March 31, 2024
Dividend Paid		
Manipal Holdings Private Limited	718.39	-
Maha Rashtra Apex Corporation Limited	569.30	-
General Investment And Commercial Corporation Limited	48.50	-
Metropolis Builders Private Limited	16.70	-
Manipal Home Finance Limited	3.24	-
Mangala Investments Limited	0.06	-
Rajmahal Trade & Investments Pvt. Limited	0.05	-
Commercial Corporation Of India Limited.*	0.10	-
Manipal Stock & Share Brokers Limited.*	0.04	-
Jai Bharath Mills Private Ltd.*	0.03	-
	1,356.41	**-**
Managerial remuneration		
Tonse Sudhakar Pai	12.90	58.19
Jyothi Pradhan	52.09	34.62
Hebbani Nagarajappa Shivprasad	-	65.76
Abhilash Kamti	-	15.00
Monu Kumar	-	9.84
Susheela Y Bungale	10.90	1.41
Mr. Madhusudan K R,	37.01	32.82
	112.90	**217.64**
Rent		
Metropolis Builders Private Limited	-	7.50
Jayamahal Trade and Investments Private Limited	-	6.95
Jai Bharath Mills Private Limited	-	3.00
	-	**17.45**
Tailoring & fabrication charges		
Eldorado Share Services Private Limited	-	120.97
Maharsatra Apex Asset Management company Limited	-	83.06
	-	**204.03**
Travel and Conveyance Expenses		
Manipal Travels Private Limited	46.65	142.95
	46.65	**142.95**
Printing & Stationary Expenses		
Manipal Advertising Services Private Limited	-	0.64
	-	**0.64**

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All amounts in Rs. Lakhs, unless otherwise stated

37. Related party disclosure (contd.)

The balances receivable from and payable to related parties as at year end are as follows :

	March 31, 2025	March 31, 2024
Investment in Bonds		
Maharastra Apex Corporation Limited	224.83	224.83
	224.83	**224.83**
Investment in Redeemable cumulative preference shares		
Maharastra Apex Corporation Limited	33.30	12.75
	33.30	**12.75**
Investment in equity instruments		
Jitendra Harjivandas Securities Private Limited	2,129.65	2,129.65
Commercial Corporation of India Limited	41.00	41.00
General Investment & Commercial Corporation Limited	23.75	23.75
	2,194.40	**2,194.40**
Loans other related parties		
Manipal Academy of Health and Education Private Limited	553.77	507.93
Manipal Educational Foundation	1,974.91	1,876.81
Innovative Foam Limited	398.66	369.11
Alapasara Finvest Care Advisory Private Limited	21.34	126.34
Manipal Nutraceutical Private Limited	48.45	44.45
Sirar Solar Energies Private Limited	121.11	127.26
Sirar Dhotre Solar Private Limited	137.43	103.43
Manipal Advertising Services Private Limited	200.00	-
Sevalal Solar Private Limited	111.70	102.33
	3,567.37	**3,257.66**
Loss allowance on loans given to related parties		
Innovative Foam Limited	398.66	369.11
Alapasara Finvest Care Advisory Private Limited	21.34	126.34
Manipal Nutraceutical Private Limited	48.45	44.45
Manipal Academy of Health and Education Private Limited	553.77	507.93
Manipal Educational Foundation	1,974.91	1,876.81
Sirar Solar Energies Private Limited	121.11	127.26
Sirar Dhotre Solar Private Limited	137.43	103.43
Sevalal Solar Private Limited	111.70	102.33
	3,367.37	**3,257.66**
Capital advance paid (refer note 11)		
Maharastra Apex Corporation Limited	4,573.37	4,573.37
	4,573.37	**4,573.37**
Provision for doubtful advance		
Maharastra Apex Corporation Limited	4,573.37	3,305.61
	4,573.37	**3,305.61**
Advance to related parties		
Manipal Advertising Services Private Limited	-	1.28
	-	**1.28**
Borrowings		
General Investment & Commercial Corporation Limited	189.55	272.76
	189.55	**272.76**

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37. Related party disclosure (contd.)

	March 31, 2024	March 31, 2023
Trade Payables		
Manipal Advertising Services Private Limited	-	4.34
Manipal Travels India Private Limited	-	0.34
	-	**4.68**

38. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	March 31, 2025	March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	146.39	181.69
Interest due on above	-	
	146.39	**181.69**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	
The amount of interest accrued and remaining unpaid at the end of each accounting year	62.28	3.85
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	62.28	3.85

The information given above is to the extent such parties have been identified by the Group on the basis of information disclosed by the suppliers.

39. Leases

Short-term leases and lease of low-value assets

The Group also has certain leases with lease terms of 12 months or less and leases of properties with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. Rental expenses of Rs. 359.59 lakhs (March 31, 2023: Rs. 63.36 lakhs) have been recognised in the statement of profit and loss.

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All amounts in Rs. Lakhs, unless otherwise stated

40. Contingent liabilities and capital commitments

Contingent liabilities

	March 31, 2025	March 31, 2024
Claims against the Group not acknowledged as debts		
Disputed demands under appeal not provided		
- Income tax	44.00	44.00
- Sales tax	1,801.52	1,801.52
- Excise duty	3,834.00	3,834.00
- GST	3,950.00	3,969.80
- Corporate Guarantee given by the Group to Bankers	-	-
Bank Guarantee	19.80	19.80

The Group is contesting these demands and the management based on the advise from its tax consultants, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for these demands raised as of March 31, 2025. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

41. Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Group. The primary function of the Committee is to assist the Board of Directors in formulating a CSR Policy and review the implementation and progress of the same from time to time. The CSR policies focus on enhancing the quality of life and economic well being of the communities in accordance with the Schedule VII of the Companies Act, 2013.

	March 31, 2025	March 31, 2024
Gross amount required to be spent by the Group during the year	30.96	143.24

Amount spent during the year ended March 31, 2025

	In cash	Yet to be paid in cash	Total
Construction/acquisition of assets	-	-	-
On purpose other than above	20.55	-	20.55

Amount spent during the year ended March 31, 2024

	In cash	Yet to be paid in cash	Total
Construction/acquisition of assets	-	-	-
On purpose other than above	212.50	-	212.50

In case of Section 135(5) (Other than ongoing projects)

	March 31, 2025	March 31, 2024
Opening balance	(98.55)	0.09
Amount required to be spent during the year	30.96	1.48
Amount spent during the year	20.55	100.12
Closing balance *	(88.14)	(98.55)

* Closing balance represents excess amount spent by the group.

The group does not have any ongoing project as per section 135(6) of the Companies Act, 2013.

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All amounts in Rs. Lakhs, unless otherwise stated

42. Employee benefits

Post-employment obligation - Gratuity

The group has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972 ('Gratuity Act') under which an employee who has completed five years of service is entitled to specific benefit. The amount of benefit provided depends on the employee's length of service and salary at retirement/termination date

The following tables summarises the amounts recognised in the Consolidated financial statements :

Balance Sheet

	March 31, 2025	March 31, 2024
Defined benefit obligation	32.20	26.95
Plan assets	46.46	42.55
Net liability	**(14.26)**	**(15.60)**
Current	**(2.33)**	**-**
Non-current	**(11.93)**	**(15.60)**

Changes in the present value of defined benefit obligation

	March 31, 2025	March 31, 2024
Balance at the beginning of the year	26.95	926.07
Service cost	11.22	56.25
Interest cost	1.95	8.56
Remeasurements - Actuarial loss/(gain)	(7.92)	(104.87)
Less: Adjustment due to sale of subsidiary (Refer note 50)	-	(859.06)
Balance at end of the year	**32.20**	**26.95**

Changes in the fair value of plan assets

	March 31, 2025	March 31, 2024
Balance at the beginning of the year	42.55	680.32
Contributions made	2.39	32.13
Interest income	3.16	6.33
Actuarial gain/(loss)	(1.65)	(65.09)
Less: Adjustment due to sale of subsidiary (Refer note 50)		(611.14)
Balance at end of the year	**46.45**	**42.55**

Statement of profit and loss

	March 31, 2025	March 31, 2024
Service cost	9.10	56.25
Interest cost net of income	0.52	6.47
Total	**9.62**	**62.72**

Other comprehensive (income)/loss

	March 31, 2025	March 31, 2024
Remeasurements - Actuarial loss/(gain)	(7.92)	26.44
Remeasurements - Actuarial gain/(loss) on plan asset	1.65	64.74
Total	**(6.27)**	**91.18**

Principal assumptions used in determinising defined benefit obligation

	March 31, 2025	March 31, 2024
Discount rate	6.61%	7.21%
Expected return on plan assets	7.21%	7.44%
Salary escalation	10% for 5 years 7% thereafter	10% for 5 years 7% thereafter
Employee turnover	10.00%	10.00%

The categories of plan assets as a percentage of the fair value of total plan assets are as follows :

	March 31, 2025	March 31, 2024
Investment with insurance companies	100.00%	100.00%

The group assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

All amounts in Rs. Lakhs, unless otherwise stated

42. Employee benefits (continued)

Sensitivity analysis of significant assumptions

The following table presents a sensitivity analysis to one of the relevant actuarial assumptions, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	March 31, 2025	March 31, 2024
Discount rate		
1% increase	(2.12)	(1.50)
1% decrease	2.43	1.72
Salary escalation		
1% increase	2.32	1.66
1% decrease	(2.06)	(1.48)

Maturity profile of defined benefit obligation

	March 31, 2025	March 31, 2024
Within 1 year	2.03	1.14
1-2 year	0.78	1.03
2-3 year	3.96	0.64
3-4 year	0.43	3.44
4-5 year	1.80	0.33
5-6 year	4.52	2.73
6 years onwards	16.58	17.63

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All amounts in Rs. Lakhs, unless otherwise stated

43. Financial instruments

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The carrying values and fair value measurement hierarchy of the Group's financial assets and financial liabilities are as below :

	March 31, 2025		March 31, 2024	
	Carrying value	**Fair value**	**Carrying value**	**Fair value**
Financial assets measured at fair value through profit and loss				
Non current investments	15,203.11	15,203.11	13,384.87	13,384.87
Current investments	60,825.00	60,825.00	-	-
	76,028.11	**76,028.11**	**13,384.87**	**13,384.87**
Financial assets measured at amortised cost				
Non-current assets				
Investments	3,538.11	3,538.11	2,392.39	2,392.39
Loans	2,245.01	2,245.01	489.94	489.94
Other financial assets	432.92	432.92	987.16	987.16
Current assets				
Trade receivables	548.47	548.47	214.42	214.42
Cash and cash equivalents	3,080.72	3,080.72	48,278.04	48,278.04
Other bank balances	23,360.48	23,360.48	39,516.16	39,516.16
Loans	-	-	-	-
Other financial assets	6,303.82	6,303.82	10,067.98	10,067.98
	39,509.54	**39,509.54**	**101,946.09**	**101,946.09**
Financial liabilities measured at amortised cost				
Non-current liabilities				
Borrowings	-	-	-	-
Lease liabilities	-	-	-	-
Other financial liabilities	0.39	0.39	-	-
Current liabilities				
Borrowings	559.56	559.56	330.87	330.87
Lease liabilities	-	-	-	-
Trade payables	837.26	837.26	1,781.79	1,781.79
Other financial liabilities	141.74	141.74	129.89	129.89
	1,538.96	**1,538.96**	**2,242.55**	**2,242.55**

44. Financial risk management objectives and policies

The Group's risk management policies are established to identify and analyse and set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Group's Board of Directors is assisted in its oversight role by the internal audit who undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Board of Directors. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(a) Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates which will affect the Group's income or the value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency payables.

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44. Financial instruments (continued)

i. Currency risk

The Company's exposure to currency risk as at year end is as below :

	March 31, 2025			March 31, 2024		
	Currency	**Foreign currency**	**Rs. Lakhs**	**Currency**	**Foreign currency**	**Rs. Lakhs**
Unvestments	USD	10.00	884.26	USD	-	-
Trade payables	USD	-	-	USD	-	-
Advances from customers	USD	-	-	USD	-	-
Advance to suppliers	USD	-	-	USD	-	-
Trade receivables	USD	-	-	USD	83.34	0.28

	March 31, 2025	March 31, 2024
Basis point	**Effect on profit before tax**	
+5%	0.50	1.17
-5%	(0.50)	(1.17)

ii. Interest rate risk

Interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Group's borrowings are at fixed and floating interest rate and are carried at amortised cost.

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

The Company's exposure to interest rate risk as at year end is as below :

	March 31, 2025	March 31, 2024
Fixed rate instruments		
Financial Liabilities	189.55	5,967.48
Variable rate instruments	-	
Financial Liabilities	-	57.37

	March 31, 2025	March 31, 2024
Basis point	**Effect on profit before tax**	
+1%		(0.57)
-1%		0.57

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables, loans and other assets.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating review and individual credit limits are defined in accordance with this assessment. The Company regularly monitors its outstanding customer receivables.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Cash and cash equivalents and other bank balances are neither past due nor impaired. Cash and cash equivalents include short-term highly liquid fixed deposits with banks which having maturity less than three months.

The movement in respect of allowance for expected credit losses is as follows:

	Trade Receivables		Loans and other advances & Other Assets		Other assets	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
At the beginning of the year	92.76	1,666.42	7,841.41	4,883.11	5.00	5.00
Allowance created/(reversed) during the year	(0.99)	1,085.26	337.42	3,234.98	-	-
Less Due to sale of subsidiary (Refer note 50)	-	(2,658.92)	-	(276.68)	-	-
At the end of the year	**91.77**	**92.76**	**8,178.83**	**7,841.41**	**5.00**	**5.00**

All amounts in Rs. Lakhs, unless otherwise stated

44. Financial instruments (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below provides details regarding the undiscounted contractual maturities of financial liabilities :

	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
March 31, 2025					
Borrowings	-	559.56	-	-	559.56
Lease liabilities	-	-	-	-	-
Trade payables	-	483.08	354.18	-	837.26
Other financial liabilities	-	141.74	0.39	-	142.13
Total	**-**	**1,184.38**	**354.57**	**-**	**1,538.95**
March 31, 2024					
Borrowings	-	330.87	-	-	330.87
Lease liabilities	-	-	-	-	-
Trade payables	-	1,781.79	-	-	1,781.79
Other financial liabilities	-	129.89	-	-	129.89
Total	**-**	**2,242.55**	**-**	**-**	**2,242.55**

The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no significant liquidity risk is perceived.

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All amounts in Rs. Lakhs, unless otherwise stated

45. Income tax

Income tax expense in the statement of profit and loss consists of :

Statement of profit or loss	**March 31, 2025**	**March 31, 2024**
Current tax	1,500.31	36,628.15
Deferred tax charge/(credit)	652.30	(1,257.42)
Income tax expense/(credit) related to current	**2,152.61**	**35,370.73**
Tax credit relating to earlier years	-	46.36
Income tax expense/(credit) reported in the statement of profit and loss	**2,152.61**	**35,417.09**
Income tax recognised in other comprehensive income/(loss)		
- Tax arising on income and expense recognised in other comprehensive income/(loss)	(0.97)	26.22
Total	**(0.97)**	**26.22**

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian income tax rate to profit before taxes is as follows :

	March 31, 2025	**March 31, 2024**
Profit before tax	9,685.33	151,954.72
Enacted income tax rate in India	29.12%	29.12%
Computed expected tax expense/(credit)	2,820.37	44,249.21
Effect of :		
Disallowance of capital expenditure debited to statement of profit and loss	-	981.02
Effect of change in rate of Defered tax balances	(125.01)	
Tax charge on disallowance of corporate social responsibility expenditure	5.17	29.15
Tax effect on differential tax rates charged on capital gains	(561.66)	(9,632.28)
Tax charge on write back of provisions	(2,089.34)	(2,089.34)
Others	2,103.07	1,879.32
Total income tax expense/(credit)	**2,152.61**	**35,417.09**

Deferred tax

Deferred tax relates to the following :

	Balance Sheet		**Statement of Profit and Loss**	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Property, plant and equipment	(832.95)	(953.19)	(120.24)	150.18
Right of use assets		-	-	-
Goodwill		-	-	-
Marked to market on Financial assets	(752.55)	(64.93)	687.62	64.93
Gross deferred tax liability	**(1,585.50)**	**(1,018.12)**	**567.38**	**215.11**
Deferred tax asset				
Temporary differences arising on account of disallowance under section 36(1)(vii)	-	-	-	(1,347.32)
Section 43B disallowance	6.86	-	(6.86)	-
Provision for Leave Encashment	3.65	2.64	(1.01)	(2.64)
Provision for gratuity	-	-	-	13.99
Others	33.97	125.29	91.32	(136.56)
Net deferred tax assets (net)	**(1,541.02)**	**(890.19)**	**650.83**	**(1,257.42)**
Net deferred tax credit/(charge)			**650.83**	**(1,257.42)**

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All amounts in Rs. Lakhs, unless otherwise stated

46. Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance exceeding 25% as compared to the preceding period
Current ratio	Current assets	Current liabilities	9.47	42.72	-78%	Due to sale of subsidiary and settlement of short term borrowings. Current ratio has been improved in the revious FY
Debt equity ratio	Total debt	Shareholder's equity	0.00	1.08	-100%	Due to repayment of debt during the previous FY
Debt service coverage ratio	Earnings for debt service = Net profit/(loss) after taxes + Non cash operating expenses	Debt service = Interest and lease payments + Principal repayments	-3.82	-0.55	-594%	Due to increase in operating losses
Return on equity ratio	Net profit/(loss)s after taxes – Preference dividend	Average shareholder's equity	0.06	-0.16	137%	Due to exceptional items during the previous FY (Refer Note 34A)
Inventory turnover ratio	Cost of goods sold	Average inventory	1.21	3.85	-69%	Due to exceptional items during the previous FY (Refer Note 34A)
Trade receivable turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivable	5.96	14.63	-59%	
Trade payable turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	3.00	5.23	-43%	Due to exceptional items during the previous FY (Refer Note 34A)
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.03	32.05	-100%	Due to sale of subsidiary during previous FYand improvement in net working capital.
Net profit/(loss)ratio	Net profit/(loss)	Net sales = Total sales - Sales return	3.31	2.68	24%	Due to exceptional items during the previous FY (Refer Note 34A)
Return on capital employed	Earnings before interest and taxes	Capital employed = Tangible net worth + Total debt + Deferred tax liability	0.08	1.18	-93%	Due to exceptional items during the previous FY (Refer Note 34A)
Return on investment	Interest (Finance income) + profit/(loss) on sale of investment	Investment	0.10	0.13	-26%	Due to earning from sale of investment in the previoys FY and increase in interest income

47. Other statutory information

(i) The Group do not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
(ii) The group has balance with the below-mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956:

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding		Relationship with the Struck off company, if
		As at March 31, 2025	As at March 31, 2024	
Great Town Trading Private Limited	Loan given	539.81	488.56	None

(iii) The Group do not have any charges or satisfaction which is yet to be registered with the Registrar of Companies ("ROC") beyond the statutory period.

(iv) The Group have not traded or invested in crypto currency or virtual currency during the financial year.

(v) The Group have 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 :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) except as described below:

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Name of the intermediary to which the funds are advanced	Date of funds invested	Amount of funds invested	Date on which funds are further advanced or loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further advanced or loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
March 31, 2025					
Manipal Academy of Health and Education Private Limited	Various Dates	45.84	Various Dates	45.84	Manipal Educational Foundation.
		45.84		**45.84**	
March 31, 2024					
Manipal Academy of Health and Education Private Limited	Various Dates	47.89	Various Dates	47.89	Manipal Educational Foundation.
		47.89		**47.89**	

Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited) (KTIMPL), one of the wholly owned subsidiaries of the Company, had availed loans from the financial institutions (Bajaj Finance Limited and Kotak Mahindra Investments Limited) amounting to Rs. 20,000 lakhs for purchase of shares of Kurlon Enterprise Limited, a subsidiary of the Company from India Business Excellence Fund. The Company had provided guarantee for such sanctioned loans and mortgaged certain immovable properties as securities. As on March 31, 2025, KTIMPL has outstanding balance ofRs. Nil. (as on March 31, 2024 Nil) to such financial institutions. During the FY 2023-24, KTIMPL has transferred its shares held in Kurlon Enterprise Limited to Sheela Foam Limited for consideration of Rs. 13,314.17 lakhs. Accordingly, the Company has provided for the expected shortfall arising on account of repayment of liabilities by KTIMPL as provision for guarantee loss to meet its guarantee obligations as of March 31, 2023. As detailed in Note 30(A), during the previous financial year, the company has accounted for the actual realised loss in respect of aforesaid transactions (including the settlment of loans to financial institutions) after reversing the provisions made in earlier years and guarantees has been withdrawn.

(vi) The Group have 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 :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Group have not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act,

(viii) The Holding Company has its servers physically located in India and does not have system for daily backup of books of accounts in electronic mode. The management is taking steps to ensure that there is a backup server in India and process for daily backup is defined as required under applicable provisions of the Companies Act, 2013.

(ix) The Holding Company registered in India have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level in relation to SAP accounting software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software.

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All amounts in Rs. Lakhs, unless otherwise stated

48 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

A. Contribution of net assets/(liability) in the consolidated financial statements:

	March 31, 2025		March 31, 2024	
	Amount	**%**	**Amount**	**%**
Holding Company				
Kanara Consumer Products Limited (formerly known as Kurlon Limited)	127,027.47	103.32%	131,667.16	102.31%
Subsidiaries				
Kurlon Enterprise Limited*	-	0.00%	-	0.00%
Manipal Natural Private Limited	(3,603.62)	(2.93%)	(2,630.99)	(2.04%)
Manipal Software & E-com Private Limited	41.65	0.03%	182.75	0.14%
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	(3,603.78)	(2.93%)	(3,602.57)	(2.80%)
Kanara Global Products Llp	137.96	0.11%	-	0.00%
Total	**119,999.68**	**98%**	**125,616.35**	**97.61%**
Adjustments arising out of consolidation	2,947.02	2.40%	3,081.13	2.39%
Total	**122,946.69**	**100.00%**	**128,697.47**	**100.00%**

*On October 20, 2023 Investment in Kurlon Enterprise Limited and all of the stepdown subsidiaries except SDPL,SSEPL,SSPL were sold to Sheela foam as per the terms of Share Purchase Agreement dated July 17, 2023. Further, investment in SDPL, SSEPL and SSPL were sold by the Company on October 13, 2023

B. Contribution of profit/(loss) in the consolidated financial statements:

	March 31, 2025		March 31, 2024	
	Amount	**%**	**Amount**	**%**
Holding Company				
Kanara Consumer Products Limited (formerly known as Kurlon Limited)	8,650.21	114.84%	126,045.26	108.16%
Subsidiaries				
Kurlon Enterprise Limited	-	-	(6,966.15)	(5.98%)
Manipal Natural Private Limited	(840.00)	(11.15%)	(1,342.67)	(1.15%)
Manipal Software & E-com Private Limited	(141.40)	(1.88%)	(50.65)	(0.04%)
Kanara Global Products Llp	108.96	1.45%	-	-
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	(1.22)	(0.02%)	(1,149.17)	(0.99%)
Step-down Subsidiaries				
Kurlon Retail Limited	-	0.00%	128.08	0.11%
Sirar Dhotre Private Limited	-	0.00%	5.24	0.00%
Sirar Solar Private Limited	-	0.00%	4.17	0.00%
Sevalal Solar Private Limited	-	0.00%	(28.46)	(0.02%)
Belvedore International Limited	-	0.00%	(18.87)	(0.02%)
Komfort Universe Products and Services Limited	-	0.00%	(365.47)	(0.31%)
Starship Value Chain and Manufacturing Private Limited	-	0.00%	317.36	0.27%
Kanvas Concepts Private Limited	-	0.00%	(0.83)	0.00%
Home Komfort Retail LLP	-	0.00%	-	0.00%
Total	**7,776.54**	**103.24%**	**116,577.85**	**100.03%**
Adjustments arising out of consolidation	(243.82)	(3.24%)	(40.22)	(0.03%)
Total	**7,532.72**	**100.00%**	**116,537.63**	**100.00%**

C. Share in other comprehensive income/(loss):

	March 31, 2025		March 31, 2024	
	Amount	**%**	**Amount**	**%**
Holding Company				
Kanara Consumer Prouctes Limited (Formerly known as Kulon Limited)	2.90	54.67%	27.66	(42.58%)
Subsidiaries				
Kurlon Enterprise Limited	-	-	(91.71)	141.18%
Manipal Natural Private Limited	2.40	45.33%	(1.11)	1.71%
Manipal Software & E-com Private Limited	-	-	-	0.00%
Kanara Global Products Llp				
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	-	-	-	0.00%
Step-down Subsidiaries				
Kurlon Retail Limited	-	0.00%	3.24	(4.99%)
Belvedore International Limited	-	0.00%	0.65	(1.00%)
Komfort Universe Products and Services Limited	-	0.00%	1.46	(2.25%)
Starship Value Chain and Manufacturing Private Limited	-	0.00%	(5.15)	7.93%
Total	**5.30**	**100.00%**	**(64.96)**	**100.00%**
Adjustments arising out of consolidation	-	-	-	-
Total	**5.30**	**100.00%**	**(64.96)**	**100.00%**

All amounts in Rs. Lakhs, unless otherwise stated

48 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements (continued.)

D. Share in total comprehensive income/(loss):

	March 31, 2025		March 31, 2024	
	Amount	**%**	**Amount**	**%**
Holding Company				
Kurlon Limited	8,653.10	114.8%	126,072.92	108.24%
Subsidiaries				
Kurlon Enterprise Limited	-	0.0%	(7,057.86)	(6.06%)
Manipal Natural Private Limited	(837.61)	(11.11%)	(1,343.78)	(1.15%)
Manipal Software & E-com Private Limited	(141.40)	(1.88%)	(50.65)	(0.04%)
Kanara Global Products Llp	108.96	1.4%	-	0.00%
Kanara Consulting And Service Management Private Limited (formerly known as Kurlon Trading and Invest Management Private Limited)	(1.22)	0.0%	(1,149.17)	(0.99%)
Step-down Subsidiaries				
Kurlon Retail Limited	-	0.0%	131.32	0.11%
Sirar Dhotre Private Limited	-	0.0%	5.24	0.00%
Sirar Solar Private Limited	-	0.0%	4.17	0.00%
Sevalal Solar Private Limited	-	0.0%	(28.46)	(0.02%)
Belvedore International Limited	-	0.0%	(18.22)	(0.02%)
Komfort Universe Products and Services Limited	-	0.0%	(364.01)	(0.31%)
Starship Value Chain and Manufacturing Private Limited	-	0.0%	312.21	0.27%
Kanvas Concepts Private Limited	-	0.0%	(0.83)	0.00%
Home Komfort Retail LLP	-	0.0%	-	0.00%
Total	**7,781.83**	**103.23%**	**116,512.89**	**100.03%**
Adjustments arising out of consolidation	(243.81)	(3.23%)	(40.22)	(0.03%)
Total	**7,538.02**	**100.00%**	**116,472.67**	**100.00%**

49 Business combinations

On October 17, 2024 Kanara Global Products LLP was formed. Kanara consumer products limited is a partner in LLP with 99.99% share in the profits. Hence Kanara Global Products LLP became subsidiary of Kanara Consumer Products Limited w.e.f October 17, 2024

50. Sale of Investment in subsidiaries during the year ended March 31, 2024

On October 20, 2023 the Holding Company has sold the investment in one of the subsidiary M/s. Kurlon Enterprise Limited (KEL) to M/s Sheetla Foam Limited (SFL) as per the terms of Share Purchase Agreement (SPA) dated July 17, 2023. The Holding Company lost control on KEL and follwoing step down subsidiaries as on that date.

Kurlon Retail Limited
Belvedore International Limited
Komfort Universe Products and Services Limited
Starship Value Chain and Manufacturing Private Limited
Kanvas Concepts Private Limited

Further, on October 13, 2023 the Holding Copmany sold the investment in M/sSirar Solar Private Limited; Sirar Dhotre Private Limited and Sevalal Solar Private Limited to its promoters. Hence the Holidng Copmany lost its control over these three subsidiaries w.e.f October 13, 2023.

Following deductions were made in the reserves and reatined earning since the Holding company lost the controling interest in the subsidiary and step down subsidiaries as above

	Amount
Capital reserve	(315.95)
General reserve	(1,093.96)
Retained earnings	(6,624.13)
Non controlling interest	(2,502.03)
	(10,536.07)

Other Assets/Liabilities attributable to these subsidiaries as on date of sale of investment were adjusted in the consolidated financial statements as belov

Property Plant and Equipments	(22,289.43)
Other Intangible assets	(2,235.57)
RoU assets	(6,121.42)
Lease liabilities	(4,315.73)
Provision for warranty	(918.98)
Deferred Tax Liabilities	746.49
Inventory	(8,346.73)
Changes in defined benefit obligation	(859.06)
Change in fair value of planned assets	(611.14)
Provision for doubtful trade receivable	(2,658.92)
Provision for doubtful Loans	(276.68)
	(47,887.16)

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All amounts in Rs. Lakhs, unless otherwise stated

51. Capital management

For the purpose of the Holding Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Holding Company's capital management is to maximize the shareholders value.

The Holding 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 Holding Company may adjust the dividend payment to shareholders, return capital to shareholders or may issue new shares. The Holding Company includes within net debt, borrowings net of cash and cash equivalents and other bank balances.

	March 31, 2025	March 31, 2024
Borrowings	559.56	330.87
Less: Cash and cash equivalents and other bank balances	26,441.20	87,794.20
Net debt (A)	**(25,881.64)**	**(87,463.33)**
Equity	122,946.69	128,697.47
Total equity capital (B)	**122,946.69**	**128,697.47**
Total debt and equity (C)=(A)+(B)	**97,065.05**	**41,234.15**
Gearing ratio (A)/(C)	**0.00%**	**0.00%**

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

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52. The Board of Directors of the Holding Company proposed a final dividend of Rs. 2.5 per share for the financial year 2024–25 at the board meeting held on May 23, 2025

As per our report of even date

For Nangia & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 002391C / N500069

per Vijaya Kumar Uppiretla
Partner
Membership No.: 255908

For and on behalf of Board of Directors of
Kanara Consumer Products Limited (formerly known as Kurlon Limited)
CIN: U68100KA1962PLC001443

Tonse Sudhakar Pai
Managing Director
DIN : 00043298

Kothethoor Venugopal Shetty
Director
DIN : 00632775

Madhusudan K R
Chief Financial Officer

Susheela Y Bungale
Company Secretary

Place: Bengaluru
Date: May 23, 2025

KCPL

KANARA CONSUMER PRODUCTS LIMITED
(FORMERLY KNOWN AS KURLON LIMITED)

Corporate & Registered Office :
N-301, III Floor, North Block, Front Wing, Manipal Centre,
47, Dickenson Road, Bengaluru - 560 042.
E-mail : secretary@manipal.com
Website : www.kacpl.com

Registrar and Share Transfer Agent :
Purva Sharegistry (India) Private Limited
9, Shiv Shakti Ind. Estt. J. R. Boricha Marg,
Lower Parel (E), Mumbai - 400 011.
Tel. : +91 (022) 2301-6761/2518,
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E-mail : support@purvashare.com
Contact Person : Mrs. Purva Shah / Mr. Rajesh Shah
SEBI Registration Number : INR0Q00001112