

24  
25

Annual Report



KILITCH DRUGS (INDIA) LIMITED



Solid Foundation  
for Better Future

# Contents

Kilitch Group - Leading with Purpose	01
Managing Directors' Perspective	04
Directors' Report	05
Management Discussion and Analysis Report	15
Corporate Governance Report	28
FINANCIAL STATEMENTS:	
Standalone	41
Consolidated	92



Visit:  
[www.kilitch.com](http://www.kilitch.com)  
to view our report online

#### Cautionary Statement

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, and others may constitute forward-looking statements within the meaning of applicable laws and regulations. Actual results may differ from such expectations, whether expressed or implied. Several factors could make a significant difference to our operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, any epidemic or pandemic and natural calamities over which we do not have any direct/indirect control. Readers are cautioned not to place undue reliance on any forward - looking statements. The report should be read in conjunction with the Company's financial statements included herein and the notes thereto.

# Corporate Information

## Kilitch Drugs (India) Limited

### Registered Office:

C-301/2, MIDC,  
TTC Industrial Area, Pawane Village,  
Navi Mumbai - 400 705.

**Tel.:** 022-62996300

**Fax:** 022-27680912

### Corporate Office:

37, Ujagar Industrial Estate, W.T. Patil  
Marg, Deonar, Mumbai - 400 088.

**Tel.:** 022-61214100

**Website:** [www.kilitch.com](http://www.kilitch.com)

**Email:** [info@kilitch.com](mailto:info@kilitch.com)

## Bankers

Kotak Mahindra Bank Ltd

HDFC Bank Ltd

Standard Chartered Bank

## Registrar & Share Transfer Agents

MUFG Intime India Private Limited

C-101, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai - 400 083.

**Ph No.:** +91 8108116767

**E-mail :** [rnt.helpdesk@in.mpms.mufig.com](mailto:rnt.helpdesk@in.mpms.mufig.com)

## Chief Financial Officer

CA Sunil Jain

## Company Secretary and Compliance Officer

Ms. Pushpa Nyoupane

## Board of Directors

**Mr. Mukund P. Mehta**

*Managing Director*

**Mrs. Mira B. Mehta**

*Managing Director*

**Mr. Bhavin M. Mehta**

*Whole-time Director*

**Mr. Hemang J. Engineer**

*Independent Director*

**Mr. Vasudev K. Murti**

*Independent Director*

**Mr. V. S. Rajan**

*Independent Director*

**Mr. Dipen J. Jain**

*Independent Director*

## Statutory Auditors

**C Sharat & Associates**

*Chartered Accountants*

226, 2nd Floor, Champaklal,  
Udyog Bhavan, Next to MTNL,  
Sion East, Mumbai - 400022

## Secretarial Auditors

**Deep Shukla & Associate**

*Company Secretaries*

603/A Wing Maruti Bhuvan,  
Parsi Panchayat Rd, Opp. Sona  
Udyog Industrial Estate,  
Andheri East, Mumbai - 400069

## Cost Auditors

**M/s Arvind Kumar & Co.**

*Cost Accountants*

D-202, 2nd Floor, Vrushali Shilp,  
Chikwadi, Link Road, Borivali (W),  
Mumbai - 400092

## Kilitch Group – Innovating today and shaping tomorrow

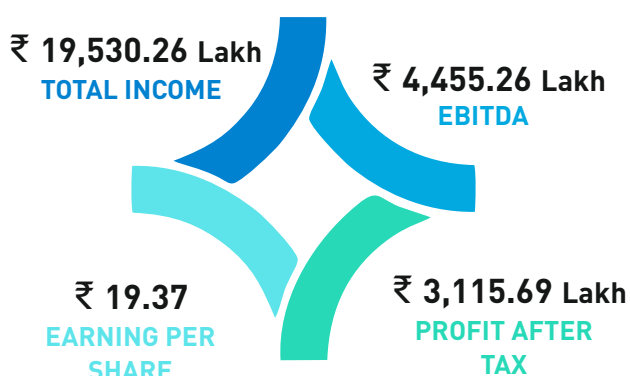
### Corporate Overview

Established in the year 1992, We, Kilitch Drugs India Limited, are one of the leading and fastest growing pharmaceutical company in the world, creating meaningful impact for all our stakeholders, customers, our people and the communities as a whole. We are engaged in the manufacturing, supplying and marketing of broad range of pharmaceutical formulation in the various dosage from like Solid, Liquid and Parental across the globe with over three decades of experience.

We are committed to scientific excellence and innovation, leveraging our expertise in development of comprehensive, diverse and highly complementary portfolio of medicines targeting a wide spectrum of chronic and acute treatments which includes Sterile dosages namely Injectables & Ophthalmic, Effervescent tablets & Granules, Tablets & Capsules, OTC range covers varied Nutraceuticals & Cosmetics and Medical devices.

With enhanced manufacturing capacity, deeper backward integration and unwavering commitments to quality, we are reinforcing our leadership. With our focus on extensive research, process excellence & resource efficiency, our diverse product portfolio have led to global reach having good command over many countries in Africa, Asia, CIS and Latin America. With each milestone achieved, our focus is on charting new territories and expanding our horizon in the pursuit of growth, opportunity and innovation.

### Financial Performance



### Core values

We strive to endure values by ensuring innovation, quality, ethical standards and security of lives of people in every endeavour while creating maximum impact to all stakeholders, employees and community as a whole.



### Leading with Purpose

We are driven by a deep sense of purpose to contribute to the global health through our customers and partners. With an extensive presence in Indian as well as international markets with broad product portfolio steers us to meet the need of each countries with an efforts to make sustainable positive impact. Over the years, we have embraced purpose driven leadership principles to create long term value beyond financial performance, establishing ourselves as a significant entity in the pharmaceutical industry and empowering people and uplifting communities with environmental sustainability. This deep commitment to environmental, social and governance principles is enabling us to shape a stronger tomorrow for all.





KILITCH DRUGS (INDIA) LIMITED

## Manufacturing Units

### 📍 Mumbai Unit

Equipped with the capacity to produce small volume liquid ampoules and vials as well as ophthalmic products. It has a dedicated dry powder section.



### 📍 Ethiopia Unit

A largest Cephalosporin plant in East Africa having facility to produce Cephalosporin indifferent dosage forms like Tablets, Capsules, Injectable and Dry Powders for suspensions and syrups with an objective to lead in the African Markets.

### 📍 Under-Construction Pen Unit

Setting up a new Green Field Project at Pen Maharashtra, India, 73 km distance from the corporate office, Deonar Mumbai having project cost approx. Rs. 160 crore is in progress and first phase is at a final stage of completion.

The project will facilitate for phase wise manufacturing of Nutraceuticals, Injectables, Ophthalmic and OSD and aims to meet the requirements of World Health Organization, EU Standard Guidelines, USFDA GMP & other regulatory requirements. With enhanced manufacturing capacity, we aim to fulfil increased demand of not only existing territories but approach new markets across the globe. We are expecting the commercial production by FY 2025-2026.

### 📍 R&D Unit

We have set up a R&D unit with a dedicated team focusing on design, development & testing of new formulation which enables us to bring stable, effective and marketable products and build the pipeline for future growth.

### Accreditations



### Shaping tomorrow with global reach

We have established a strong global presence with a well-diversified revenue. From our roots in India to over 49+ countries worldwide.

We have been committed to shaping a healthier future. Supported by a robust manufacturing infrastructure, along with strategically positioned international offices, we enhance operational agility and customer engagement, reinforcing our commitment to excellence on a global scale.



Kilitch's medicines are  
trusted across  
**49+** countries  
& counting...





KILITCH DRUGS (INDIA) LIMITED

## Leading Brands

Diversified Branded Sales in Asia and Africa of formulations including Effervescent Granules, dry syrups and oral powders.



## Manufacturing of Parenterals, Ophthalmic and Nasal Products

In the form of liquid ampoule, vials, dry powder injectable, Ophthalmic and Nasal drops



## Nutraceuticals

In the form of tablets, capsules, oral powders as well as effervescent Tablets.



PRODUCT  
PORTFOLIO



## Managing Directors' Perspective



Dear Shareholders,

It is with immense pleasure and sincere gratitude that I present the Annual Report for the Financial Year 2024-25. Over the previous years we have reinforced our unwavering commitment to strategic clarity, systematic execution and operational efficiency that enabled us to excellence in a rapidly evolving pharmaceutical sector while continuing to deliver maximum value to stakeholders.

Building on our core strengths, our effort to diversify across product portfolio and embrace high-growth innovations are yielding encouraging results. We have established a resilient market presence and we continue to maintain our market leadership supported by extensive backward integration and deep-rooted customer relationships. We are committed to maintain our product leaderships and pursue new opportunities, enabling us to expand our portfolio for sustained growth.

The financial year 2024-25 has been a year of remarkable overall growth. Our robust supply chain management, characterised by advanced shipment schedules, maintaining safety stocks, strong backward integration and a diversified supplier base, insured uninterrupted service to our customers without compromising on quality and timelines. Additionally, quality and regulatory compliance have been the cornerstones of our operations.

**Our commitment to environmental, social, governance principles and ethical practices is deeply integrated into our operations.**

Our new R & D unit which focuses on design, development and testing of new as well as existing formulation will bring the pipeline for future growth

Our manufacturing plant in Mumbai is equipped with the capacity to produce small volume liquid ampoules and vials as well as ophthalmic products. It has a dedicated dry powder section. With our strong product portfolio, we are well positioned to leverage our existing customers & markets and targeting new market opportunities. For expanding our existing manufacturing capacity, we are setting up a new New Green Field projects at Pen Maharashtra India, a facility to produce Nutraceutical Products, Liquid Injectable Vials & Ampoules, Ophthalmic Drops and Oral Tablets, This project will enable us to meet increased demand of both domestic as well as international markets and achieve notable growth in revenue.

Our commitment to environmental, social, governance principles and ethical practices is deeply integrated into our operations. As a responsible business organisation, we are committed to the present and future need of our employees, communities and planet while enhancing value for our stakeholders.

I extend my sincere appreciation to our Customers, Bankers, Indian and Foreign Governments, Suppliers and Employees for their continued faith and support. We are grateful to our shareholders for reposing their trust in our business. With your continued support, we remain committed to creating better value for all.

**Warm Regards,  
Mukund Mehta  
Managing Director**

### Operating Revenue

(% increase)

**37.98**



### EBITDA

(% increase)

**68.08**



### PAT

(% increase)

**77.29**



**DIRECTORS' REPORT**

To,  
The Members,

The Board of Directors present the 33<sup>rd</sup> Annual Report of Kilitch Drugs (India) Limited (**"the Company or Kilitch"**) along with the audited standalone and consolidated financial statements for the financial year ended 31<sup>st</sup> March, 2025.

**OVERVIEW OF FINANCIAL PERFORMANCE (STANDALONE AND CONSOLIDATED):**

Key highlights of standalone and consolidated financial performance for the year ended 31<sup>st</sup> March, 2025 are summarized as under:

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from Operations	18,158.73	13,159.90	19,831.85	15,437.25
Other Income	1,371.53	618.85	1,116.06	447.89
<b>Total Income</b>	<b>19,530.26</b>	<b>13,778.75</b>	<b>20,947.91</b>	<b>15,885.14</b>
Total Expenses	15,461.27	11,443.44	17,500.49	13,949.69
Profit/(Loss) before exceptional and tax	4,068.99	2,335.31	3,447.42	1,935.45
Exceptional Items	-	-		-
<b>Profit / (Loss) before tax from continuing operation</b>	<b>4,068.99</b>	<b>2,335.31</b>	<b>3,447.42</b>	<b>1,935.45</b>
Tax Expenses:-				
- Current Tax	985.00	636.50	985.00	636.50
- Deferred Tax	(31.70)	(58.57)	(31.59)	(58.57)
<b>Net Profit/(Loss) from continuing operations</b>	<b>3,115.69</b>	<b>1,757.38</b>	<b>2,494.01</b>	<b>1,357.52</b>
Other Comprehensive Income (after tax)	(113.68)	556.13	(113.68)	556.13
<b>Total Comprehensive Income</b>	<b>3,002.01</b>	<b>2,313.51</b>	<b>2,380.33</b>	<b>1,913.65</b>
Paid up Equity Share Capital (Face Value Rs. 10/- per Share)	1,608.23	1,608.23	1,608.32	1,608.23
Earnings per share (Amount in Rs.)				
-Basic	19.37	11.03	16.60	9.17
-Diluted	19.37	11.03	16.60	9.17





## STATE OF COMPANY'S AFFAIRS

The financial statements for the year ended 31<sup>st</sup> March, 2025 has been prepared in accordance with the Indian Accounting Standards (IndAS) notified under section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the Companies (Accounts) Rules, 2014.

The estimates and judgments relating to the financial statements are made on a prudent basis so as to reflect true and fair manner, the form and substances of transactions and reasonably present the state of affairs, profits and cash flow for the year ended 31<sup>st</sup> March, 2025.

During the year under review, there has been no change in the nature of business. There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operation in the future.

While preparing the financial statements, there has been no treatment different from the Accounting Standards.

### Standalone Financial Results:

During the year under review, the Company achieved income from operations of Rs. 18,158.73 lakh as compared to Rs. 13,159.90 lakh in the previous year. The total comprehensive income was Rs. 3,002.01 lakh for the year ending 31<sup>st</sup> March, 2025 as compared to Rs. 2,313.51 lakh in the previous year.

During the year under review, there is no change in the nature of the business of the Company.

### Consolidated Financial Results

During the year under review, the Company achieved income from operations of Rs. 19,831.85 lakh as compared to Rs. 15,437.25 lakh in the previous year. The total comprehensive income was Rs. 2,380.33 lakh for the year ending 31<sup>st</sup> March, 2025 as compared to Rs. 1,913.65 lakh in the previous year.

## DIVIDEND AND RESERVES

The Board has decided to retain the entire amount of profits for FY 2025 in the profit and loss account and does not propose to transfer amounts to the general reserve. In order to conserve the resources for the further growth of the Company, your Directors think fit not to recommend any dividend for the year under

review.

## SHARE CAPITAL AND CHANGES THEREON

During the year under review, there were no changes in the paid-up share capital of the Company. As on 31<sup>st</sup> March, 2025, the Paid-up Equity Share Capital of the Company stood Rs. 16,08,23,190/- comprising of 1,60,82,319 Equity Shares of Rs.10 each.

The Company has not issued shares with differential voting rights, employee stock options and sweat equity shares. The Company has paid Listing Fees for the financial year 2024-25 to each of the Stock Exchanges, where its equity shares are listed.

The Board of Directors, at their meeting held on 2<sup>nd</sup> July, 2025, has proposed a Right Issue of 13,98,463 equity shares of face value of Rs.10/- each at an issue price of Rs. 357/- per shares aggregating 4,992.51 lakhs on right basis to the eligible shareholders of the Company in the ratio of 2 equity shares for every 23 fully paid up equity shares held by the eligible shareholders as on the record date i.e. 15<sup>th</sup> July, 2025.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report including the result of operations of the Company for the year as required under Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is appended as "Annexure - I"

## SUBSIDIARIES

As on 31<sup>st</sup> March, 2025, the Company has two subsidiaries namely Monarchy Healthserve Private Limited and Kilitch Estro Biotech. Monarchy Healthserve Private Limited is a wholly owned subsidiary and had no business operation during the year under review. Kilitch Estro Biotech PLC is engaged in the business of manufacturing, marketing and distribution of pharmaceutical products. There has been no material change in the nature of the business of the subsidiaries. There are no associates or joint venture companies within the meaning of section 2(6) of the Act.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. Pursuant to the provisions of section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries in



Form No. AOC-1 is appended as “Annexure – II” to this Report. The statement also provides the details of performance and financial position of each subsidiary.

The company does not have any material unlisted India subsidiary. In line with the requirements of the Act and Listing Regulations, the Company has formulated a policy for determining Material Subsidiaries and the same can be accessed on the Company’s website at [www.kilitch.com](http://www.kilitch.com).

## EXTRACT OF ANNUAL RETURN

Pursuant to Notification dated 28<sup>th</sup> August, 2020 issued by the Ministry of Corporate Affairs as published in the Gazette of India on 28<sup>th</sup> August, 2020, the details forming part of the extract of Annual Return in Form MGT-9 is not required to be annexed herewith to this report. However, pursuant to the section 92(3) of the Act, the draft Annual Return of the Company will be made available at the website of the Company at [www.kilitch.com](http://www.kilitch.com).

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company is comprised of eminent persons with proven competence and integrity. Besides the experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment towards the Company. In terms of the requirement of the Listing Regulations, the Board has identified core skills, expertise and competencies of the Directors in the context of the Company’s businesses for effective functioning, which are detailed in the Corporate Governance Report.

### • Appointments or Re-appointment and Cessation of Directors and Key Managerial Personnel

1. In pursuance of section 152 of the Act, at least two-third of the Directors (excluding independent directors) shall be subject to retirement by rotation. On-third of such Directors must retire from office at each AGM and a retiring director is eligible for re-election.

Mr. Bhavin Mehta, Wholetime Director of the Company (DIN:00147895) retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends the said re-appointment for shareholders’ approval.

2. The Members of the Company, at their meeting held on 29<sup>th</sup> September, 2021 re-appointed Mr. Mukund

Mehta, as Managing Director of the Company for a term of five years with effect from 1<sup>st</sup> April, 2025 valid upto 31<sup>st</sup> March, 2026 and shareholders at their meeting held on 11<sup>th</sup> April, 2023 approved the continuation of holding office of Managing Director by Mr. Mukund Mehta upon attaining age of 70 years. Board of Directors at their meeting held on 12<sup>th</sup> August, 2025, as per the recommendation made by Nomination and Remuneration Committee of the Company, re-appointed Mr. Mukund Mehta, Managing Director of the Company for further period of five years with effect from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2031, subject to approval of members at ensuing Annual General Meeting of the Company. The Board recommends the said reappointment for shareholders’ approval.

3. At the Extra Ordinary General Meeting of the Company held on 11<sup>th</sup> April, 2023, members of the Company re-appointed Mr. Vasudev Krishnamurti as a non-executive independent director of the Company for second term of 5 years with effect from 16<sup>th</sup> March, 2023. Based on the recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors of the Company proposes continuation of holding of office of non-executive independent director by Mr. Vasudev Krishnamurti upon attaining the age of 75 years on 18<sup>th</sup> March, 2026. The Board recommends the said continuation of holding of office of non-executive independent director for shareholders’ approval.

4. As per the recommendation of Nomination and Remuneration Committee and Board, the members, at their meeting held on 27<sup>th</sup> September, 2024, re-designated Mrs. Mira Mehta (DIN:01902831) as managing director of the Company with effect from 26<sup>th</sup> August, 2024.

5. Mr. Dipen Jayantilal Jain, Non-executive Independent Director of the Company (DIN: 01148262) was appointed as Non-executive Independent Director of the Company by member at their meeting held on 27<sup>th</sup> September, 2024 for a term of five years with effect from 27<sup>th</sup> August, 2024.

6. Mr. Hemang J. Engineer, Independent Director of the company ceases to be a Non-executive Independent Director of the company with effect from end of working hour of 31<sup>st</sup> March, 2025 pursuant to expiry of second term of his appointment as a non-executive and independent directors of the Company.

7. All the directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed



under the applicable regulations and that they are not disqualified from being appointed as directors in terms of Section 164(2) of the Companies Act, 2013.

#### • **Key Managerial Personnel**

As on 31<sup>st</sup> March, 2025, the following were Key Managerial Personnel (KMP) of the Company in accordance with the provisions of Section 203 of the Act.

- a) Mr. Mukund Mehta, Managing Director
- b) Mrs. Mira Mehta, Managing Director
- c) Mr. Bhavin Mehta, Whole time Director
- d) Mr. Sunil Jain, Chief Financial Officer
- e) Ms. Pushpa Nyupane, Company Secretary

#### • **Declaration by Independent Director**

Pursuant to Section 149(7) of the Act read with the rules made thereunder, all the Independent Directors of the Company have given the declaration that they meet the criteria of independence as laid down in section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is of the opinion that all Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold the highest standards of integrity.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the company other than payment of sitting fees for the purpose of attending meetings of the Board /Committee of the Company.

#### **NUMBER OF MEETING OF BOARD OF DIRECTOR**

Dates for Board Meetings are well decided in advance and communicated to the Board and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement. The information as required under Regulation 17(7) read with Schedule II Part A of the SEBI Listing Regulations is made available to the Board. The agenda and explanatory notes are sent to the Board in advance. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly financial results and other items on the agenda and also on the occasion of the Annual General Meeting ('AGM') of the Shareholders. Additional meetings are held, when necessary.

Further, Committees of the Board usually meet on the same day of formal Board Meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting. During the year under review, 8 meetings of the Board of Directors were held. Details of the meetings of the Board and its Committee are furnished in the Corporate Governance Report which forms part of this report.

Pursuant to provisions of part VII of the Scheduled IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, one meeting of Independent Director was held on 26<sup>th</sup> August, 2024.

#### **ANNUAL EVALUATION OF BOARD, ITS COMMITTEE AND INDIVIDUAL DIRECTORS**

In pursuant of section 134(3)(p) of the Companies Act, 2013 read with rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors carried out the performance evaluation of the Board as a whole and of its Committees and individual directors. A structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance etc.

The Board of Directors took note of the observations on board evaluation carried out during the year as follows;

- Observation of board evaluation carried out for the year-there were no observations in the Board Evaluation carried for the year
- Previous year's observations and actions taken - there were no observations of the Board for the last financial year
- Proposed actions based on current year observation - Not applicable

The Company has formulated a Policy for performance evaluation of the Board, Committee and other individual Director (including independent directors) which includes criteria for performance evaluation of Non-Executive Director and Executive Director.

#### **COMPOSITION OF AUDIT COMMITTEE**

In pursuance of the Section 177 of the Companies Act, 2013 read with the rules made thereunder and regulation 18 of the SEBI Listing Regulations, 2015, the





Company has duly re-constituted the Audit Committee consisting of 3 Non-executive Independent Directors, including the Chairman of the Committee. The terms of reference of the Audit Committee are as prescribed in Section 177 of the Companies Act, 2013 and part C of Schedule II of the SEBI Listing Regulation 2015. The detailed terms of reference, constitution and other relevant details of the Audit Committee are given in the Corporate Governance Report which is part of this report.

Further, in terms of section 177(8) of the Companies Act, 2013, there were no instances where the Board of Directors has not accepted the recommendations of the Audit Committee during the year 2024-25.

### COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

In accordance with Section 178 and all other applicable provisions, if any, of the Act read with the rules issued thereunder and regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have duly constituted Nomination and Remuneration Committee. Further, the Board of Directors on the recommendations of the Nomination and Remuneration Committee, have put in place a Nomination and Remuneration Policy of the Company. The Company's remuneration policy is driven by the success and performance of the individual employees, senior management, executive directors of the Company and other relevant factors including the following criteria;

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and employees.
- Relationship of remuneration to performance is clear and meets appropriate performance industry benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors and Senior and all other employees is as per the Remuneration Policy of the Company.

The Particulars of employee's information required

under section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Management Personnel) Rules 2014 in respect of Directors / Employee of your company is set out in "Annexure – III"

Further, as per the provisions specified in Chapter XIII of Companies (Appointment & Remuneration of Managerial Personnel) Amendment Rules, 2016 none of the employees of the Company are in receipt of remuneration exceeding Rs. 1,02,00,000/- per annum, if employed for whole of the year or Rs. 8,50,000/- per month if employed for part of the year.

### COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulation 2015, the Board has duly constituted a Stakeholders Relationship Committee. The detailed terms of reference, constitution and other relevant details of the Stakeholders Relationship Committee have been given in the Report on Corporate Governance forming part of this report.

### STATUTORY AUDIT

M/s Suryaprakash Maurya & Co, Chartered Accountants, Statutory Auditors of the Company has resigned from the company as statutory auditor of the Company with effect from 13<sup>th</sup> August, 2024.

Based on the recommendation of the Audit Committee and the Board of Directors, the members at the 32<sup>nd</sup> Annual General Meeting of the Company held on, 27<sup>th</sup> September, 2024, had approved the appointment of M/s C Sharat & Associates, Chartered Accountants (FRN:128593W) as Statutory Auditors of the Company for a period of three year to hold office from the conclusion of 32<sup>nd</sup> AGM till the conclusion of 35<sup>th</sup> AGM to be held in the year 2027.

The Statutory Audit Report for the financial year 2024-25 on the financial statements of the Company forms part of the annual report. Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks or disclaimer.

The Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, in the year under review.

**SECRETARIAL AUDIT**

The Board of Directors of the Company, at their meeting held on 13<sup>th</sup> August, 2025 have appointed M/s Deep Shukla & Associates, Practicing Company Secretaries as Secretarial Auditor of the Company for conducting the Secretarial Audit as required under the provisions of Companies Act, 2013.

The Report of the Secretarial Auditor for financial year 2024-25 is attached herewith as "Annexure – IV". There are no qualifications, observations or adverse remarks, or disclaimer in the said report. The company had complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

In compliance with Regulation 24A of the SEBI Listing Regulations and Section 204 of the Act, the Board at its meeting held on 5<sup>th</sup> August, 2025, based on recommendation of the Audit Committee, has approved the appointment of M/s. Deep Shukla & Associates, Practicing Company Secretaries, a peer reviewed firm as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the Members at the ensuing AGM.

M/s Deep Shukla & Associates, Practicing Company Secretaries, have been appointed to give the Annual Secretarial Compliance Certificate. The Annual Compliance Certificate is enclosed as "Annexure V" to this report.

**COST AUDIT**

During the period under review, for the purpose of section 148 of the Act read with rules made thereunder maintaining of the cost accounting records were exempted considering the volume of the export made by the company. However, the Board of Directors of the Company ('the Board') at the meeting held on 26<sup>th</sup> August, 2024, on the recommendation of the Audit Committee, approved the re-appointment and remuneration of M/s Arvind Kumar & Co. Cost Accountants (Firm Registration No. 000646), as a Cost Auditor, to conduct audit of Cost Records maintained by the Company for the financial year 2024-25.

**INTERNAL CONTROLS AND AUDIT**

The Company has in place adequate internal financial controls with reference to the financial statement. The Audit Committee of the Board periodically reviews the internal control systems with the management, Internal

Auditors and Statutory Auditors. Significant internal audit findings are discussed and follow-ups are taken thereon.

Further, as per the recommendation of Audit Committee, Ms. Hemlata Shedge was appointed as an Internal Auditors of the Company pursuant to section 138 of the Companies Act, 2013 by the Board of Directors at their meeting held on 26<sup>th</sup> August, 2024.

**DEPOSIT**

The Company has not accepted any deposits from the public during the year under review. No amount on account of principal or interest on deposits from the public was outstanding as on 31<sup>st</sup> March, 2025.

**PARTICULARS OF LOANS, INVESTMENT AND GUARANTEES**

The particulars of loans, guarantee, and investments covered under the provisions of Section 186 of the Act have been disclosed in note of the financial statements of the Company forming part of the annual report.

**PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year under review, all Related Party Transactions (RPTs) entered into by the Company were on an arms' length basis and in the ordinary course of business. These RPTs did not attract provisions of Section 188 of the Companies Act, 2013 and were also not material RPTs under Regulation 23 of the Listing Regulations. All related party transactions were approved by the Audit Committee and are periodically reported to the Audit Committee. Prior approval of the Audit Committee was obtained periodically for the transactions which were planned and/or repetitive in nature and omnibus approvals were also taken as per the policy laid down for unforeseen transactions.

None of the transactions with related parties falls under the scope of Section 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 does not apply to the Company for the FY 2024-25 and hence the same is not provided. The disclosure of the transactions with related parties during financial year 2024-25 as required under IndAS have been made in the note accompanying financial statements.

In line with the requirements of the Act and the Listing



Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at [www.kilitch.com](http://www.kilitch.com)

## MATERIAL CHANGES AND COMMITMENTS

There was no material change / commitment affecting the financial position of the Company during the period from the end of the financial year under review to the date of the report.

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

### Conservation of Energy

#### a) Steps taken or impact on conservation of energy;

Your Company is primarily engaged in the manufacturing, marketing and distribution of pharmaceutical products. The use of energy is being optimized through improved operational methods. Continuous efforts are being made to optimize and conserve energy by improvement in production process. Even though its operations are not energy-intensive, significant measures are taken to reduce energy consumption by using energy-efficient equipment. The Company regularly reviews power consumption patterns in its all locations and implements requisite improvements/changes in the process in order to optimize energy/ power consumption and thereby achieve cost savings.

#### b) Steps taken for utilizing alternate sources of energy;

The Company has not made any investment for utilizing alternate source of energy.

#### c) Capital investment on energy conservation equipment;

The Company has taken adequate measures to conserve energy by way of optimizing usage of power.

### Absorption of Technology:

Your company continues to use the latest technologies to improve the quality of the products manufactured, process development, new packaging development. Continuous efforts are made to identify the appropriate technologies, solutions and process improvement support. This drives development of distinctive new

products, ever improving quality standards and more efficient processes, Better efficiency in operations, reduced dependence on external sources for technology for developing new products and upgrading existing products, expansion of product range and cost reduction, retention of existing customers and expansion of customer base, lower inventory stocks resulting in low carrying costs. The Company has set up a R & D unit for designing, development and testing of existing as well as new formulations.

### Foreign Exchange Earning and Outgo:

Particulars	2024-25	2023-24
Foreign Exchange Earned	10,322.61	7,794.35
Foreign Exchange Outgo	3,028.23	1,661.99

## CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the section 135 of the Act and Rules made thereunder, your company has constituted a Corporate Social Responsibility Committee and has also formulated a Corporate Social Responsibility Policy (CSR Policy) in accordance with the Act. The CSR Policy is displayed on the website of the Company at [www.kilitch.com](http://www.kilitch.com).

Report on CSR activities undertaken by the Company is appended to this report as "Annexure – VI". Detailed constitution of the CSR Committee and its meeting is given in detailed in the Report on Corporate Governance which forms part of the Annual Report.

## VIGIL MECHANISM/WHISTLER BLOWER POLICY

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with the rules made thereunder, the Company has formulated and implemented Vigil Mechanism/ Whistle Blower Policy for disclosing of any unethical behavior, actual or suspected fraud or violation of company's code of conduct and other improper practices or wrongful conduct by employees or directors of the Company. The salient features of the policy have been detailed in the Report on Corporate Governance forming part of this Report. The Vigil Mechanism/ Whistle Blower Policy has been posted and is available on the website of the Company at [www.kilitch.com](http://www.kilitch.com)

During the year under review, the company has not received any complaints relating to unethical behavior, actual or suspected fraud or violation of the Code of Conduct for Board of Directors and Senior Management Personnel.



**RISK MANAGEMENT**

Pursuant to section 134(3)(n) of the Act, the Company has a Risk Management (RM) framework to identify, monitor, evaluate business risks and opportunities. The framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework helps in identifying risk trend, exposure and potential impact analysis at a Company Level. The Board shall from time-to-time monitor and review the said policy.

**PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE**

The Company has formulated and implemented a policy on prevention, prohibition and redressal of sexual harassment of women at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") read with the rules made thereunder. As per the provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee for redressal of complaints against sexual harassment.

During the Financial Year 2024-25, the Internal Complaint committee has not receive any complaints under POSH Act. There were no complaint relating to sexual harassment pending at the beginning of the financial year, received during the year and pending at the end of the financial year 2024-25.

**SIGNIFICANT AND MATERIALS ORDERS PASSED BY THE REGULATORS OR COURTS**

There were no significant and material orders passed by the Regulators / Courts which impact the going concern status of the Company and its future operations.

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Board has adopted procedures for the governance of orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention, and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

The Company's internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls concerning the Financial Statements are adequate.

The Management evaluates the efficacy and adequacy of internal control system in the Company, its compliance with the operation systems, accounting policies and procedures of the Company.

**CORPORATE GOVERNANCE REPORT**

We ensure that, we evolve and follow the corporate governance guidelines and best practices sincerely, not only to boost long-term shareholder value, but also to respect minority rights. We consider it as our inherent responsibility to disclose timely and accurate information regarding our operations and performance, as well as the leadership and governance of the Company.

Pursuant to the Schedule V of the SEBI Listing Regulations, the Corporate Governance Report along with the Certificate from a Practicing Professionals regarding compliance of conditions of Corporate Governance is appended to this report as "Annexure – VII".

**CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

There was no insolvency resolution process initiated against the Company during the year under review.

**PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Conduct for Prevention of Insider Trading in compliance with SEBI (Prohibition & Insider Trading) Regulation, 2015 duly amended and approved at its board meeting with a view to regulate trading in securities by Directors and Designated Employees of the Company.

**INSURANCE**

The properties/assets of the Company are adequately insured.

**DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby



confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- appropriate accounting policies been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- annual accounts have been prepared on a going concern basis; and
- internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), total amount of dividend remained unpaid / unclaimed for a period of seven consecutive years or more from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the Investor Education and Protection Fund.

Further, all the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more from the date of transfer of dividend to Unpaid Dividend Account shall also be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs within statutory timelines.

The following tables provides the details regarding unclaimed dividend and their corresponding shares would become due to transferred to the IEPF on the dates mentioned below;

Financial Year Ended	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEPF
2017-18	27/09/2018	02/11/2025	02/12/2025
2018-19	30/09/2019	05/11/2026	05/11/2026

#### EMPLOYEE STOCK OPTION SCHEME

##### 1.Employee Stock Option Scheme, 2007

During the year under review, there has been no material change in ESOP Scheme. The ESOP Scheme is in compliance with Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014.

The disclosures relating to ESOPs required to be made under the provisions of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is as follows:

Sr. No.	Particulars	Options
a.	Options Outstanding at the beginning of the year	17,526
b.	options granted	-
c.	options vested	17,526
d.	options exercised / settled	-
e.	the total number of shares arising as a result of exercise of option	-
f.	options lapsed	-
g.	the exercise price	-
h.	variation of terms of options	-
i.	money realized by exercise of options	-
j.	total number of options in force	17,526
k.	employee wise details of options granted to:-	
	(I) key managerial personnel	
	1. Sunil Jain-Chief Financial Officer	-
	2. Pushpa Nyoupane- Company Secretary & Compliance Officer	-



(ii) any other employee who receives a grant of options in any one year of option amounting to five per cent or more of options granted during the year	-
(iii) identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of the grant	-

## 2. Employee Stock Option Scheme, 2020

During the year under review, there has been no material change in ESOP Scheme. The ESOP Scheme is in compliance with Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014. The disclosures relating to ESOPs required to be made under the provisions of Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 is as follows:

Sr. No.	Particulars	Options
a.	options outstanding at the beginning of the year	1,05,264
b.	options granted	-
c.	options vested	1,05,264
d.	options exercised / settled	-
e.	the total number of shares arising as a result of exercise of option	-
f.	options lapsed	-
g.	the exercise price	-
h.	variation of terms of options	-
i.	money realized by exercise of options	-

j.	total number of options in force	1,05,264
k.	employee wise details of options granted to:-	
	(i) key managerial personnel	
	1. Sunil Jain-Chief Financial Officer	-
	2. Pushpa Nyoupane- Company Secretary & Compliance Officer	-
	(ii) any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during the year	-
	(iii) identified employees who were granted option, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of the grant	-

## ACKNOWLEDGEMENT

The Directors wish to convey their appreciation to all the investors, customers, vendors, employees, and consultants/advisors of the Company for their collective contribution to the Company's performance as well as sincere and dedicated services toward achievement of the Vision of the Company. The Directors take pleasure to thank the Central Government, State Governments, Government of other Countries and concerned Government departments for their continuous co-operation.

The Directors appreciate and value the contribution made by every member, employee, and their families Kilitch Drugs (India) Group.

For & on behalf of the Board of Directors of  
**Kilitch Drugs (India) Limited**

**Mukund Mehta**  
**Managing Director**  
[DIN: 00147876]  
Place: Mumbai  
Date: 13<sup>th</sup> August, 2025

**Bhavin Mehta**  
**Whole-Time Director**  
[DIN: 00147895]  
Place: Mumbai  
Date: 13<sup>th</sup> August, 2025





## Annexure - I

### Management Discussion and Analysis Report

#### Economy and Industry Outlook

In the recent years, the global pharmaceutical industry demonstrated significant dynamism amid evolving regulatory mandates, rapid technological adoption and significant growth across regions, setting the stage for robust expansion in the coming years. Global medicine market is expected to continue on its growth path over the years driven by higher spending in regions such as the US, Europe and key Emerging Markets. Pharmaceuticals Market size was valued at USD 1,550.84 Billion in 2023 and is poised to grow from USD 1,645.75 Billion in 2024 to USD 2,646.93 Billion by 2032, growing at a CAGR of 6.12% in the forecast period 2025-2030.

The injectable industry is a large and growing market, driven by factors like the increasing prevalence of chronic diseases, advancements in drug delivery technologies, and the rise of biologics.

The global injectable drug delivery market was valued at US\$633.77 billion in 2024 and is projected to reach US\$1,034.78 billion by 2030, growing at a CAGR of 8.4%. The generic injectable market is also experiencing significant growth, with a market size of USD 123.26 billion in 2022 and a projected value of USD 316.14 billion by 2030, with a CAGR of 12.93%.

#### Pharma Industry in India

India's pharmaceutical industry continues to solidify its position as a global powerhouse, with strong leadership in generic medicines and API production. India uniquely offers end-to-end support with capacity, capability and cost advantages to global clients. In FY 2024-25, India demonstrated robust growth driven by cost-effective manufacturing, expansive R&D capabilities and favorable government initiatives. Kilitch Drugs (India) Limited, as one of the leading pharmaceutical manufacturers, has significantly contributed to enhancing India's global export performance.

The Indian pharmaceutical industry is one of the largest and most important sectors within the country's economy. It plays a vital role in providing affordable healthcare solutions not only to the Indian population but also to the global market. India is often referred to as the "Pharmacy of the World" due to its large-scale production of high-quality, cost-effective and innovative

generic medicines. India is one of the biggest suppliers of low-cost vaccines in the world. Because of the low price and high quality, Indian medicines are preferred worldwide, thereby rightly making the country the 'Pharmacy of the World'.

The Indian Pharmaceutical industry continues to demonstrate a positive outlook characterized by a deeper emphasis on quality manufacturing, drug affordability and the adoption of innovation and technology. Domestic market has shown consistent growth, with rising exports contributing substantially to overall industry revenues.

According to the Department of Pharmaceutical (DOP), the Indian Pharmaceutical Market reached over USD 50 billion in FY2024, growing at more than 10% over the prior five years. The domestic market is projected to more than double, reaching US\$130 billion by 2030.

Furthermore, the market is expected to approach US\$450 billion by 2047. India exported US\$ 30 billion worth of pharmaceuticals in FY2025, making an increase of over 9% from the increase of over 9% from the previous year's – US\$ 27 billion. Notably, these exports fulfil 40% of all UK prescriptions, underscoring India's status as a major global manufacturing hub – (Pharmexcil).

Increased public and private healthcare spending along with progressive regulatory reforms, has fuelled continued sector growth acceleration the move towards a more self-reliant and valued added pharmaceutical economy. Ongoing domestic and foreign investments are catalyzing innovations and capacity enhancement across the industry. (IBEF).

#### Business overview

Kilitch Drugs is one of India's fastest growing pharmaceutical manufacturing companies with a broad range of pharmaceutical formulations in various dosage forms like Solid, Liquid and Parental marketed across the Globe with an ultimate purpose of making the world a healthier place. The Company has a formidable presence in many countries in Asia, Africa, CIS and Latin America with a broad product portfolio to suit the needs of each country. With a favourable outlook for the pharmaceutical industry and robust products portfolio, the Company is well-positioned to benefit from upcoming trends.



Our product range encompasses OSD, Parenteral, Nasal Products, Ophthalmic Products, Nutritional Products, Medical Devices and Cosmetics Products. Our international business strategy has yielded new product approvals and registrations across new markets that includes French West Africa, Philippines etc. With our strong product portfolio, we are well positioned to leverage our existing customers & markets and targeting new market opportunities.

Kilitch's robust quality management system ensures the highest quality standards are maintained across its manufacturing divisions. Our Quality Management Team oversees regulatory compliance for all products and manufacturing plants and we hold current Good Manufacturing Practice (cGMP) certifications from regulatory bodies.

Kilitch has built a sales force comprising well-trained and scientifically oriented representatives with a strong performance track record. The Company maintained the highest field force productivity among key players. Additionally, the Company focuses on increasing its field force to expand geographical reach, amplifying brand presence across key markets.

With predominance of its exports, the company is exposed to a wide spectrum of risks relating to markets, legal disputes relating to contracts, various statutory compliances, credit from suppliers or to customers, interest rates, liquidity as well as foreign exchange rates volatility, sudden changes in the regulations related to trade by countries where the company operates. The company constantly reviews its systems and processes and takes adequate measures to address these risks or meet its obligations.

In line with our commitment to sustainability, we continuously strive to expand our production capacity while maintaining compliance with environmental and safety regulations. Our manufacturing plant in Mumbai has facility to dry powder section, ophthalmic products as well as the capacity to produce small volume liquid ampoules and vials.

With the increase in demand, we have doubled our manufacturing capacity of ophthalmic products at Mumbai Plant. With ongoing infrastructural developments, the construction of our new Greenfield pharmaceutical project at Khopoli Maharashtra India is under progress. The facility to produce various pharmaceutical products will enable the Company to make a greater impact in both the domestic and international markets.

#### Revenue details:

Particulars	2024-25 (Rs. In Lakh)	2023-24 (Rs. In Lakh)	Growth (%)
OSD	4,002.52	3,614.47	10.73
General Injectable	5,837.11	5,503.42	6.06
Ophthalmic	1,518.09	887.96	70.96
Cephalosporin	3,688.16	2,880.29	28.04
Others	3,112.85	273.76	1,037.07

#### Financial Overview

In the financial year 2024-25, the Company achieved an income from operations of Rs. 18,158.73 Lakh as compared to Rs. 13,159.90 Lakh in previous year. The Company's total income stood Rs. 19,530.26 Lakh. Net Profit after tax for the year end 31<sup>st</sup> March, 2025 from continuing operations was Rs. 3,115.69 Lakh.

In the financial year 2024-25, the Company's consolidated income from operation was Rs. 19,831.85 Lakh as compared to Rs. 15,437.25 Lakh. Total consolidated total income stood Rs. 20,947.91 Lakh. Consolidated Net Profit after tax as on 31<sup>st</sup> March, 2025 was Rs. 2,494.01 Lakh.

#### Key Financial Ratio

Particulars	31.03.2025	31.03.2024	Change (%)
Return on Net Worth (%)	12.00	7.88	4.12
Debtor Turnover	2.50	1.49	1.01
Inventory Turnover	9.54	13.24	(3.70)
Interest Coverage	0.71	0.66	0.05
Current Ratio	2.10	2.20	(0.10)
Debt Equity Ratio	0.19	0.14	0.05
Operating Profit Margin (%)	50.00	51.04	(1.04)
Net Profit Margin (%)	15.37	12.75	2.62



## Risk and Concerns

The Company strives to identify opportunities that enhance organisational values while managing or mitigating risks that can adversely impact its future performance through integrated process for identification, assessment and reporting, decentralised management of specific opportunities and risks and aggregation at corporate level monitored by the Risk Management Committee with the overall direction and control by the Board.

The Company continues its initiatives aimed at assessment and avoidance of various risks affecting its business and towards cost control and efficiency across its businesses and functions, taking appropriate measures and reviewing them from time to time. The Company's risk management and control procedures involve prioritisation and continuous assessment of these risks and devise appropriate controls, evaluating and reviewing the control mechanism and redesigning from time to time in the light of its effectiveness.

Category of risks experienced and mitigated by the Company are related to Global Market, Competition, Regulatory and Quality Compliance, Intellectual Properties, Commercial and Financial Risk, Environment, Health and Safety, Human Resource, Regulatory and Sustainable Operations.

## Internal Control Systems

The Company has in place adequate internal financial controls over financial reporting. It has adopted necessary policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Company maintains a system of policies and procedures for internal control of operations and activities and these are continually reviewed for effectiveness. The internal control system is supported by qualified personnel and a continuous programme of internal audit. The prime objective of such audits is to test the adequacy and effectiveness of all internal control systems laid down by the management and to suggest improvements.

Kilitch's overall system of internal control is adequate given the size and nature of operations and has effective implementation of internal control self assessment

procedures to ensure compliance to policies, plans and statutory requirements.

The Audit Committee of the Company periodically review the functions of Internal Audit. The Management of the Company assessed the effectiveness of the Company's internal control over financial reporting. Based on its evaluation, the Audit Committee has concluded that the internal financial controls of the Company are adequate and operating effectively.

## Human Resource

Kilitch and its subsidiaries are striving to build and maintain a positive employee experience with high satisfaction and quality of life, so that employees can contribute their best efforts to their work. We consider employees as an integral part of our operations and we put in place appropriate compensation plans, feedback processes, continuing training and upgradation of skills in their functional areas while maintaining safe and healthy working environment to ensure all round contribution and participation in the self-growth as well as growth of the Company.

Our motive has been to create a committed work force through people-enabling processes and knowledge sharing practices based upon our value system. The key element of our Human Resource strategy is to provide a healthy working environment that empowers people, encourages innovation, enhances work satisfaction and builds a merit - driven organization. As on 31<sup>st</sup> March, 2025, there were 187 employees of the Company.

## Forward - Looking Statement

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, and others may constitute forward-looking statements within the meaning of applicable laws and regulations. Actual results may differ from such expectations, whether expressed or implied. Several factors could make a significant difference to our operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, any epidemic or pandemic and natural calamities over which we do not have any direct/indirect control. Readers are cautioned not to place undue reliance on any forward - looking statements. The report should be read in conjunction with the Company's financial statements included herein and the notes thereto.



## Annexure II 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

(Rs. in Lakh)

Particulars	Details	Details
<b>Name of the subsidiary</b>	<b>Monarchy Healthserve Pvt. Ltd.</b>	<b>Kilitch Estro Biotech PLC</b>
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR	BIRR (1 Birr is = Rs. 0.65/- as on 31/03/2025)
Share capital	5.09	1,063.96
Reserves & Surplus	1,724.89	(565.47)
Total Assets	1,857.10	5,255.13
Total Liabilities	127.11	5,820.60
Investments	-	-
Turnover	-	1,971.11
Profit Before Taxation	(88.08)	(533.48)
Provision for Deferred Tax	(0.11)	-
Profit After Taxation	(88.19)	(533.48)
Proposed Dividend	-	-
% of Shareholding	100	67

Note: There are no other subsidiary of the Company

### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures –No Applicable

For & on behalf of the Board of Directors of  
**Kilitch Drugs (India) Limited**

**Mukund Mehta**  
**Managing Director**  
[DIN: 00147876]

**Bhavin Mehta**  
**Whole-Time Director**  
[DIN: 00147895]

Place: Mumbai  
Date: 13<sup>th</sup> August, 2025





## ANNEXURE III

### Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014, as amended

a) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year, the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary for the financial year are given below;

Sr. No.	Name of Director / Key Managerial Personnel	Ratio of the remuneration to the median remuneration of employees	Percentage increase/decrease in remuneration in FY 2024-25
1.	Mr. Mukund P. Mehta Managing Director	25.51	0.00
2.	Mr. Bhavin M. Mehta Whole Time Director	28.72	0.00
3.	Mrs. Mira Bhavin Mehta Managing Director	8.20	0.00
4.	Mr. Vasudev Krishna Murti Independent Director	NA	NA
5.	Mr. V. S. Rajan Independent Director	NA	NA
6.	Mr. Hemang J. Engineer Independent Director	NA	NA
7.	Mr. Dipen J. Jain Independent Director	NA	NA
8.	Mr. Sunil Jain Chief Financial Officer	2.52	22%
9.	Ms. Pushpa Nyoupane Company Secretary	7.52	27%

Notes: Mr. Vasudev Krishna Murti, Mr. V. S. Rajan, Mr. Hemang J. Engineer and Mr. Dipen J. Jain, Independent Directors of the Company were paid sitting fees for attending the meetings.

b) The percentage Increase in the median remuneration of employees in the financial year 2024-25 9.52%.

c) The number of permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2025 was 187.

d) The average increase in remuneration of all employees excluding managerial persons in the financial year 2024-25 is 25.78% as compared to the financial year 2023-24. Average Salary excluding managerial persons computed based on the employees on rolls of the company as on 31<sup>st</sup> March, 2025

e) Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

For & on behalf of the Board of Directors of  
**Kilitch Drugs (India) Limited**

Place: Mumbai  
Date: 13<sup>th</sup> August, 2025

**Mukund Mehta**  
**Managing Director**  
[DIN: 00147876]

**Bhavin Mehta**  
**Whole-Time Director**  
[DIN: 00147895]



## ANNEXURE IV SECRETARIAL AUDIT REPORT

### For the financial year ended March 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members  
Kilitch Drugs (India) Limited  
C - 301/2, MIDC. TTC Industrial Area, Pawane Village,  
Navi Mumbai - 400705, Maharashtra, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kilitch Drugs (India) Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2025 ('Audit Period') complied with the statutory provisions listed hereunder and subject to the observations mentioned in this report, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under as amended;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under as amended;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of

Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (to the extent as may be applicable to the Company);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (to the extent as may be applicable to the Company)

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015 (Not Applicable to the Company during the Audit Period);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period);

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

(a) Secretarial Standards issued by The Institute of



Company Secretaries of India.

(b) The Listing Agreement entered into by the Company with the Stock Exchanges viz BSE and NSE along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable for respective periods.

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

I further report that:

-The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes that took place in the composition of the Board of Directors were in proper compliance during the period under review.

-Adequate notice is given to all Directors to schedule the

Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

-All the decisions at the Board Meetings and the Committee Meetings were carried out unanimously as recorded in the minutes of the Board of Directors and minutes of the Committee Meetings as the case may be.

-

I further report that:

-There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

For: **M/s. DEEP SHUKLA & ASSOCIATES**  
**COMPANY SECRETARIES**

**DEEP SHUKLA**  
**PROPRIETOR**

FCS: 5652 CP NO.5364  
UDIN: F005652G000975610

Place: Mumbai

Date: 11<sup>th</sup> August, 2025

## ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To  
The Members  
Kilitch Drugs (India) Limited

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is limited to the verification of procedures on test basis.

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

For: **M/s. DEEP SHUKLA & ASSOCIATES**  
**COMPANY SECRETARIES**

**DEEP SHUKLA**  
**PROPRIETOR**

FCS: 5652 CP NO.5364  
UDIN: F005652G000975610

Place: Mumbai

Date: 11<sup>th</sup> August, 2025

**Annexure V****ANNUAL SECRETARIAL COMPLIANCE REPORT**

[Pursuant to Regulation 24A of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with  
SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019]

Annual Secretarial Compliance Report of "KILITCH DRUGS (INDIA) LIMITED" for the year ended March 31, 2025.

We, Deep Shukla & Associates have examined:

(a) all the documents and records made available to us and explanation provided by Kilitch Drugs (India) Limited [CIN:L24239MH1992PLC066718] ("the listed entity"),

(b) the filings/ submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) other relevant document(s)/ filing, which has been relied upon to make this certification,

for the year ended March 31, 2025 ("Review Period") in respect of compliance with the provisions of :

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, are:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not applicable during the review period]

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (to the extent applicable);

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [Not applicable during the review period]

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; [Not applicable during the review period]

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable during the review period]

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; [Not applicable during the review period]

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (to the extent applicable);

(i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, as amended;

(j) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018; and circulars/guidelines issued thereunder;.

We hereby report that, during the review period the compliance status of the listed entity is appended below:

**Additional affirmations by Practicing Company Secretaries (PCS) in Annual Secretarial Compliance Report (ASCR) in terms of the BSE circular reference no. 20230316-14 and NSE Circular Ref No: NSE/CML/2023/21 both dated March 16, 2023 and Master Circular dated April 29, 2024 from NSE and April 30, 2024 from BSE.**

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	<u>Secretarial Standards:</u> We have conducted a review of the compliance of listed entity in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	-





2.	<u>Adoption and timely updation of the Policies:</u> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors / committees, as may be applicable of the listed entity.</li> <li>• All the policies are in conformity with SEBI Regulations and has been reviewed &amp; timely updated as per the regulations / circulars / guidelines issued by SEBI.</li> </ul>	Yes	-
3.	<u>Maintenance and disclosures on Website:</u> <ul style="list-style-type: none"> <li>• The listed entity is maintaining a functional website.</li> <li>• Timely dissemination of the documents/ information under a separate section on the website.</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s) /section of the website.</li> </ul>	Yes	-
4.	<u>Disqualification of Director:</u> <p>None of the Director of the listed entity are disqualified under Section 164 of Companies Act, 2013.</p>	Yes	-

5.	To examine details related to Subsidiaries of listed entity: (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	Yes	-
6.	<u>Preservation of Documents:</u>  As per the confirmations given by the listed entity, and on our testcheck basis, it is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under Listing Regulations.	Yes	-
7.	<u>Performance Evaluation:</u>  The listed entity has conducted performance evaluation of the Board, Independent Directors, and the Committees on an annual basis as prescribed in SEBI Regulations	Yes	-
8.	<u>Related Party Transactions:</u>  (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions	Yes	-



	(b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transaction were subsequently approved / ratified/ rejected by the Audit committee.		
9.	<u>Disclosure of events or information:</u>  The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of Listing Regulations within the time limits prescribed there under	Yes	-
10.	<u>Prohibition of Insider Trading:</u>  The listed entity is in compliance with Regulation 3(5)& 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	-
11.	<u>Actions taken by SEBI or Stock Exchange(s), if any:</u>  No actions taken against the listed entity/ its promoters / directors / subsidiaries either by SEBI or by Stock Exchanges (including under the Standard	Yes	-

	Operating Procedures issued by SEBI through various circulars) under Page 5 of 7 SEBI Regulations and circulars / guidelines issued there under.		
12.	<u>Resignation of statutory auditors from the listed entity or its material subsidiaries:</u>  In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and/ or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	Yes	-
13.	<u>Additional Non-compliances, if any:</u>  No additional non-compliance observed for all SEBI regulation/ circular/guidance note etc.	Yes	-

\*Observations /Remarks by PCS are mandatory if the Compliance status is provided as 'No ' or 'NA '



(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action Advisory/ Clarification /Fine/Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action Advisory/ Clarification /Fine/Show Cause Notice/ Warning, etc.	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
Not Applicable										

#### Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**For: M/s. Deep Shukla & Associates  
Company Secretaries**

**Deep Shukla**  
**Practicing Company Secretaries**  
(Peer Review Certificate No.: 2093/2022)  
FCS : 5652; CP : 5364  
UDIN: F005652G000379190

Date: 19<sup>th</sup> May, 2025  
Place: Mumbai

## Annexure VI

### Report on CSR Expenditure

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

CSR activities are actively undertaken in accordance with the CSR Policy of the Company to contribute towards the social and economic development of the Country in a sustainable manner in order to build a better and sustainable way of life with an objective to achieve inclusive growth and raise the Country's human development index. The Company has formulated a CSR Policy and the same is displayed on the website of the Company at [www.kilitch.com](http://www.kilitch.com)

#### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Bhavin Mehta	Chairman/ Wholetime Director	1	1
2.	Mrs. Mira Mehta	Member/ Wholetime Director	1	1
3.	Mr. V. K. Murti	Member/ Non-executive Director	1	1

#### 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.

Composition of CSR Committee: <https://kilitch.com/wp-content/uploads/2021/11/1-Composition-of-Committees.pdf>

CSR Policy weblink: <https://kilitch.com/investor-relations/>

#### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135 is Rs. 1,890.99 Lakh.

(b) Two percent of average net profit of the company as per sub-section (5) of section 135 is Rs. 37.82 Lakh.

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years is Nil.

(d) Amount required to be set-off for the financial year, if any is Nil.

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] : Rs. 37.82 Lakh.

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) is Rs. 38.55 Lakh.

(b) Amount spent in Administrative Overheads is Nil.

(c) Amount spent on Impact Assessment, if applicable is Nil.

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : Rs. 38.55 Lakh.



(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (in INR Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund Amount	Amount	Date of transfer
38.55	NIL	NA	NA	NIL	NA

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

Sr. No.	Particulars	Amount (in INR Lakhs)
(1)	(2)	(3)
(I)	Two percent of average net profit of the company as per sub-section (5) of section 135	37.82
(II)	Total CSR obligation for the financial year	37.82
(III)	Total amount spent for the Financial Year	38.55
(IV)	Excess amount spent for the Financial Year [(III)-(II)]	0.73
(V)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(VI)	Amount available for set off in succeeding Financial Years [(III)-(II)]	0.73

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in INR)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any Amount (in INR)	Amount remaining to be spent in succeeding Financial Years (in INR) Date of Transfer	Deficiency, if any
NA	NA	Nil	Nil	Nil	Nil	NA	NA

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

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

For Kilitch Drugs (India) Limited

Place: Mumbai  
Date: 13<sup>th</sup> August, 2025

Mukund Mehta  
Managing Director  
[DIN: 00147876]

Bhavin Mehta  
Whole-Time Director  
[DIN: 00147895]





## Annexure VII

### Corporate Governance Report

Good Corporate Governance is the ethical business practices for promoting corporate fairness, transparency and accountability to safeguard the interest of members, employees, environment, local community, suppliers, customers, lenders and government essential for long term success of the business while complying with the applicable legal and regulatory requirements.

The detailed Report on Corporate Governance as per the requirement of Companies Act, 2013 (hereinafter referred to as the "Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (hereinafter referred to as "the Listing Regulations") is set out below;

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance ensures transparency in its affairs, the functioning of the Management and the Board and accountability towards its stakeholders. It also encompasses the oversight of business strategies and ensures accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company firmly believes that good corporate governance and compliance practices are of paramount importance in order to safeguard the interest of the stakeholders of the Company. The Company keeps itself abreast with the best governance practices on the global front, at the same time conforming to the regulatory and compliance requirements.

#### 2. BOARD OF DIRECTORS:

##### 2.1 Composition and Category of Board

The Board of the Company is formed with an optimum combination of executive and non-executive directors which not only meet the legal obligation but also make a diversified Board with a mixed blend of experiences, expertise and professionals. The Board, while discharging its responsibilities and providing effective leadership to the business, uphold the corporate value, promote the ethical culture, endorse sustainability and leverages innovation.

As on 31<sup>st</sup> March, 2025, the Board comprises of 7 directors consisting of 3 executive directors including one woman director and 4 non-executive independent directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 ("the Act"). The name and category of each directors as on 31<sup>st</sup> March, 2025 is given below;

Name of Director	Category
Mr. Mukund Mehta	Managing Director
Mr. Bhavin Mehta	Wholetime Director
Mrs. Mira Mehta	Managing Director
Mr. Vasudev Krishnamurti	Non-executive and Independent Director
Mr. Venkita S. Rajan	Non-executive and Independent Director
Mr. Hemang J. Engineer	Non-executive and Independent Director
Mr. Dipen J. Jain	Non-executive and Independent Director

#### Number and dates of the Meetings of Board of Directors

During the year under review, the Company held 8 Board Meetings dated 27<sup>th</sup> May, 2024, 8<sup>th</sup> August, 2024, 26<sup>th</sup> August, 2024, 30<sup>th</sup> August, 2024, 12<sup>th</sup> November, 2024, 21<sup>st</sup> January, 2025, 11<sup>th</sup> February, 2025, and 3<sup>rd</sup> March, 2025. The gap between the two meetings did not exceed one hundred and twenty days.

Details of the composition, category of the Directors, their attendance at the Board Meetings held during the year & at the last Annual General Meeting is as under:

Name of the Directors	Category	No. of Board Meetings Attended During the year	No. of Equity Shares held as on 31 <sup>st</sup> March, 2025	Attendance at previous AGM Held on 27 <sup>th</sup> September, 2024 (Y-Yes, N-No)
Mr. Mukund Mehta	Managing Director	7	11,40,647	Y
Mr. Bhavin Mehta	Wholetime Director	7	25,23,138	Y
Mrs. Mira Mehta	Managing Director	7	8,41,046	Y



Mr. Vasudev Krishnamurti	Independent Director	7	-	Y
Mr. Venkita S. Rajan	Independent Director	8	-	Y
Mr. Hemang J. Engineer	Independent Director	4	-	Y
Mr. Dipen Jain	Independent Director	8	4,679	Y

#### Directorship and Chairmanship/Membership of Committees in other Companies

Name of Directors	No. of other director ship*	No. of Mandatory Committees #		Director ship in other listed entity
		Committee Member ship	Committee Chairman ship	
Mr. Mukund Mehta	3	-	-	-
Mr. Bhavin Mehta	2	-	-	-
Mrs. Mira Mehta	2	-	-	-
Mr. Vasudev Krishnamurti	2	-	-	-
Mr. Venkita S. Rajan	3	-	-	-
Mr. Hemang J. Engineer	1	-	-	1. Paramount Print-packaging Limited – under liquidation (Non Executive Director)
Mr. Dipen J. Jain	3	-	-	-

# in accordance with the provisions of regulation 72 of the SEBI Listing Regulations, Membership/Chairman of Audit Committee and Stakeholders Relationship Committee in all Companies [excluding Kilitch Drugs (India) Limited] have been considered.

None of the directors of the Board,

- holds directorship in more than ten public companies;
- serves as Director or as Independent Director in more than seven listed entities;
- holds more than ten board committee memberships or 5 board committee chairmanships; and
- who are the Executive Directors serves as Independent Director in more than three listed entities

The Board periodically reviews the compliance report of all laws applicable to the Company. All the Directors have made necessary disclosures about the

directorships and committee positions they occupy in other companies.

The particulars of Directors, who are proposed to be re-appointed at the ensuing AGM, are given in the Notice convening the AGM.

Mr. Mukund Mehta, Managing Director of the Company is the Father of Mr. Bhavin Mehta, Wholetime Director and Father-in-law of Mrs. Mira Mehta, Wholetime Director. Mrs. Mira Mehta, Wholetime Director of the Company is wife of Mr. Bhavin Mehta. None of the other Directors are related to each other.

#### 2.2 Meeting of Independent Directors

There is no pecuniary or business relationship between the Non-Executive/Independent Directors and the Company except for the payment of sitting fees for attending Board and Committee Meetings in accordance with the applicable laws. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year. None of the Non-Executive Directors hold any equity shares in the Company. During the year under review, one meeting of the Independent Directors was held on 26th August 2024.

#### 2.3 Details of Familiarization Programme for Independent Directors

Details of familiarization programme of the Independent Directors are available on the website of the Company at <https://kilitch.com/investor-relations>

#### 2.4 Key Board qualification, skills, competencies fundamental for the effective functioning of the Company

The Company's Board comprises highly experienced and competent individuals of notable integrity. They possess strong financial acumen, strategic astuteness and leadership qualities and are committed to the company, devoting sufficient time to meetings and preparations. The Board members are committed to ensure that the Kilitch Board is in compliance with the highest standard of Corporate Governance.

For effective functioning, the Board has identified key skills, expertise, competences relevant to the Company's business and sector. The following skills, expertise and competencies have been recognized by the Board as fundamental to the Company's efficient operation:



Name of Directors	Global Business exposure	Strategic, Planning and Leadership	Financial, Legal and Information Technology	Governance and Risk Management	Operational Expertise and Marketing Information Technology
Mr. Mukund Mehta	Y	Y	Y	Y	Y
Mr. Bhavin Mehta	Y	Y	Y	Y	Y
Mrs. Mira Mehta	Y	Y	Y	Y	Y
Mr. Vasudev Krishnamurti	Y	Y	Y	Y	Y
Mr. Venkita S. Rajan	Y	Y	Y	Y	Y
Mr. Hemang J. Engineer	Y	Y	Y	Y	Y

2.5 In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

### 3. Audit Committee

Composition and the terms reference of the committee are in compliance with the requirements under section 177 of the companies act 2013 and of regulation 18 of the SEBI listing regulations.

#### 3.1 Terms of Reference

The primary objective of the Audit Committee of the Company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The constitution, terms of reference, role and scope shall be as prescribed by Regulation 18 of SEBI Listing Regulations read with Section 177 of the Companies Act, 2013, inter-alia, covering;

a) Oversight of the Company's financial reporting

process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Scrutiny and review of all financial transactions, inter corporate loans, investments, funds utilization, related party transactions and the general financial condition of the Company;

c) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company and approval of remuneration of auditors;

d) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

e) Reviewing, with the management, the periodic financial statements and auditor's report thereon before submission to the Board for approval;

f) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

g) Evaluation of internal financial controls and risk management systems;

h) To review the functioning of the Whistle Blower mechanism;

i) To review statement of deviations in reporting to monitoring agencies

j) Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.

k) To carry out any other function as is mandated by the Board from time to time and/ or required by any statutory notification, amendment or modification, as may be applicable.

#### 3.2 Composition of the Committee and details of meetings held and attended by its members

With a view to have a better governance and accountability, the Board has constituted an Audit Committee in line with the provisions of Regulation 18 of SEBI Listing Regulation and Section 177 of the Act.

During the year under review, seven audit committee meetings were held and the gap between two meetings did not exceed 120 days. The Audit Committee meetings were held on 27<sup>th</sup> May, 2024, 8<sup>th</sup> August, 2024, 26<sup>th</sup> August,



2024, 30<sup>th</sup> August, 2024, 12<sup>th</sup> November, 2024, 21<sup>st</sup> January, 2025 and 11<sup>th</sup> February, 2025. Mr. V. K. Murti, Chairman of the audit committee attended the annual general meeting of the company held on 27<sup>th</sup> September 2025. The Composition of Audit Committee is as under;

Name of Members	Category	No. of Meeting	
		held	attended
Prof. V. K. Murti - Chairman	Non-Executive, Independent	7	7
Mr. V. S. Rajan	Non-Executive, Independent	7	7
Mr. Dipen J. Jain	Non-Executive, Independent	7	1

During the year under review, Mr. Dipen J Jain was appointed by Board at their meeting held on 3<sup>rd</sup> March, 2025 as member of the Committee and Mr. Hemang J. Engineer ceases to be a member of the Committee.

#### 4. Nomination and Remuneration Committee

Composition and the terms reference of the committee are in compliance with the requirements under section 178 of the companies act 2013 and of regulation 19 of the SEBI listing regulations.

##### 4.1 Terms of Reference

Term of reference of the Committee include the following;

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- To formulate the criteria for evaluation of performance of Independent Directors and the Board; and evolve and review the policy on Board diversity.
- To identify/ evaluate persons for appointment to the Board or in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- To carry out any other function as is mandated by the

Board from time to time and/ or required by any statutory notification, amendment or modification, as may be applicable.

##### 4.2 Composition of the Committee and details of meetings held and attended by its members

The Company has constituted a Nomination and Remuneration Committee as required under section 178 of the Act read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of SEBI Listing Regulations. During the year under review, one meeting of the Committee was held on 26<sup>th</sup> August, 2024.

Name of Members	Category	No. of Meeting	
		held	attended
Mr. V. S. Rajan - Chairman	Non-Executive, Independent	1	1
Prof. V. K. Murti	Non-Executive, Independent	1	1
Mr. Dipen J. Jain	Non-Executive, Independent	1	1

During the year under review, Mr. Dipen J Jain was appointed by Board at their meeting held on 3<sup>rd</sup> March, 2025 as member of the Committee and Mr. Hemang J. Engineer ceases to be a member of the Committee.

##### 4.3 Performance Evaluation

Pursuant to the relevant provisions of the Companies Act, 2013 and SEBI Listing Regulations, the annual performance evaluation of the Board and its Committees has been carried out by all the directors. The performance evaluation of the Independent Directors was carried out by the Board excluding the director being evaluated. The performance evaluation of the Chairman and Executive Directors was carried out by all Independent Directors. Based on the feedback received from the Directors, the Board was of the opinion that the individual performance of the Independent Directors was effective for the financial year 2024-25.

##### 4.4 Nomination and Remuneration Policy

- The Company has formulated the Nomination and Remuneration Policy to lay down the criteria and terms and condition with regard to identifying persons who are qualified to become a member of the Board of the Company (executive and non-executive) and persons who are qualified to be appointed in Senior Management and Key Managerial Positions and to determine their



remuneration;

b) To carry out evaluation of the performance of Directors as well as Key Managerial and Senior Managerial Personnel;

c) Devising a Policy on Board diversity.

The details of Remuneration paid to the Executive Directors & Key Managerial Personnel for the financial year 2024-25 is given below;

(Rs. in Lakhs)

Executive Director and Key Managerial Personnel	Category	Salary	Perquisite	Allowances	Total
Mr. Mukund Mehta	Managing Director	60	0	0	60
Mr. Bhavin Mehta	Whole-time Director	84	0	0	84
Mrs. Mira Mehta	Managing Director	24	0	0	24

There were no pecuniary relationship / transactions of Non-Executive Director / Independent Directors with the Company except for the payment of sitting fees paid to them for attending Board and Committee meetings in accordance with the applicable laws.

The details of sitting fee and annual remuneration paid to non-executive directors during the year is as follows;

Independent Directors	Sitting Fees (Rs.)
Prof. V. K. Murti	45,000
Mr. V. S. Rajan	4,985
Mr. Hemang Engineer	35,000
Mr. Dipen J. Jain	5,000

## 5. Stakeholder Relationship Committee

Composition and the terms reference of the committee are in compliance with the requirements under section 178 of the companies act 2013 and of regulation 20 of the SEBI listing regulations.

### 5.1 Terms of Reference

The Committee is empowered to consider and resolve shareholders grievances including transfer of shares, transmission, non-receipt of dividend, annual report etc. while ensuring cordial investors relations.

## 5.2 Composition of the Committee and details of meetings held and attended by its members

The Committee has been constituted as required under Section 178(5) of the Act and Regulation 20 of the SEBI Listing Regulations. During the year under review, one meetings of the Committee was held on 26<sup>th</sup> August, 2025. The composition of the Committee and details of attendance of meeting by the committee members are as follows;

Name of Members	Category	No. of Meeting	
		held	attended
Mr. Dipen J. Jain - Chairman	Non-Executive, Independent	1	1
Prof. V. K. Murti	Non-Executive, Independent	1	1
Mr. V. S. Rajan	Non-Executive, Independent	1	1

During the year under review, Mr. Dipen J Jain was appointed by Board at their meeting held on 3<sup>rd</sup> March, 2025 as Chairman of the Committee and Mr. Hemang J. Engineer ceases to be a member of the Committee.

Ms. Pushpa Nyoupane, Company Secretary is the Compliance Officer of the Company for attending complaints/grievances of the shareholders.

The details of complaints received and resolved during the Financial Year ended 31<sup>st</sup> March, 2025 are given in the Table below. The complaints relate to non-receipt of annual report, dividend, share transfers, other investor grievances, etc.

Details of complaints received and resolved during the Financial Year 2024-25:

Particulars	Number of Compliant
Opening as on 1 <sup>st</sup> April, 2024	0
Received during the year	2
Resolved during the year	2
Closing as on 31 <sup>st</sup> March, 2025	0

## 6. Corporate Social Responsibility Committee

Composition and the terms reference of the committee are in compliance with the requirements under section 135 of the companies act 2013.





## 6.1 Terms of Reference

The responsibility of Corporate Social Responsibility Committee is to assist the Board in undertaking CSR activities by way of formulation and monitoring CSR Policy of the Company. Brief terms of reference of the Committee are as follows:

- Formulate and recommend to the Board, a Corporate Social Responsibility Policy in line with the requirement of the Companies Act, 2013 which shall indicate the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on CSR activities and
- Monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.

## 6.2 Composition of the Committee and details of meetings held and attended by its members

The meeting of the Committee was held on 8<sup>th</sup> August, 2024. The composition of the Committee and details of attendance of meeting by committee members is given below;

Name of Members	Category	No. of Meeting	
		Held	Attended
Mr. Bhavin Mehta - Chairman	Executive Director	1	0
Mrs. Mira Mehta	Executive Director	1	1
Mr. V. S. Rajan	Non-Executive, Independent	1	1

## 7. Compensation Committee

The Board of Directors of the Company has Constituted Compensation Committee to administer Employee Stock Option Scheme 2007 having following members;

Name of Members	Category	No. of Meeting	
		Held	Attended
Mr. Dipen J. Jain	Non-Executive, Independent	0	0
Mr. V. S. Rajan	Non-Executive, Independent	0	0
Prof. V. K. Murti	Non-Executive, Independent	0	0

During the year under review, Mr. Dipen J Jain was appointed by Board at their meeting held on 3<sup>rd</sup> March,

2025 as member of the Committee and Mr. Hemang J. Engineer ceases to be a member of the Committee.

## 8. General Body Meetings

Location and time of the last three Annual General Meeting are given below

Location	Date	Time	Special Resolution(s) Passed
through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	27 <sup>th</sup> September, 2024	9:30 am	2
	29 <sup>th</sup> September, 2023	10:00 am	1
	29 <sup>th</sup> September, 2022	9:00 am	1

No resolution was passed through ballot during the year under review and no resolution is proposed to be passed through postal ballot.

## 9. Means of Communication

- Quarterly, half - yearly and annual financial results of the Company are communicated to the Stock Exchanges immediately after the same are considered by the Board and are published in The Free Press Journal (English Edition) and Navshakti (Marathi Edition)
- Financial Results and other shareholder's information are also made available on the Company's websites i.e. [www.kilitch.com](http://www.kilitch.com)

## 10. General Shareholder Information

### 10.1 Annual General Meeting

Date: 26<sup>th</sup> September, 2025

Time: 9:30 am

Venue: Through Video Conferencing / Other Audio Visual Means Deemed Venue - C - 301/2, MIDC, TCC Industrial Area, Pawane Village, Navi Mumbai - 400705

### 10.2 Financial Year - 1<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2026 Financial Calendar (Tentative) - Financial Year 2025-26

1 <sup>st</sup> Quarter	: On or before 14 <sup>th</sup> August, 2025
2 <sup>nd</sup> Quarter	: On or before 14 <sup>th</sup> November, 2025
3 <sup>rd</sup> Quarter	: On or before 14 <sup>th</sup> February, 2026
4 <sup>th</sup> Quarter	: On or before 30 <sup>th</sup> May, 2026



**10.3 Book Closure Date** - as mentioned in the Notice of AGM

**10.4 Dividend Payment Date** - Not Applicable

### 10.5 Stock Exchanges

Name and Address of Stock Exchange	Stock Code	Listing Fees	ISIN No.
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	524500	Paid	INE729D01010
The National Stock Exchange of India Limited Exchange Plaza, Bandra Kulra Complex, Bandra (East), Mumbai - 400051	KILITCH	Paid	

### 10.6 Address for Correspondence

Registrar and Share Transfer Agent	Company
MUFG Intime India Private Limited  C - 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400083 Maharashtra India Ph No.: +91 8108116767 Fax: 022 49186060	Company Secretary and Compliance Officer  37, Ujagar Industrial Estate, W.T. Patil Marg, Deonar Mumbai - 400705  Tel. 022 61214100 E-mail - pushpanyoupane@kilitch.com

### 10.7 Plant Location

<b>Navi Mumbai Unit</b>	C 301/2, MIDC, T.T.C INDL Area, Pawane, Thane MH 400705 IN
<b>Under Construction Unit at Pen</b>	Sr. No. 24, Maldev, Khopoli Pen Road, 410203

### 10.8 Share Transfer System

Transfer, transmission or transposition of securities are conducted in accordance with the provisions of SEBI Listing Regulations and Companies Act, 2013. Securities lodged for transfer at the Registrar's /Company address are normally processed within statutory timelines from the date of lodgement, subject to documents are submitted as required by law.

In terms of SEBI Listing Regulations, as amended,

securities can be transferred only in dematerialised form with effect from 1<sup>st</sup> April, 2019 except in case of request received for transmission or transposition of securities. The Shareholders who continue to hold shares and other types of securities of listed companies in physical form even after this date, will not be able to lodge the shares with Company / its RTA for further transfer. Hence, members holding shares in physical form are requested to consider converting their shares to demat form.

### 10.9 Dematerialization of Shares and Liquidity

The Company's shares have been mandated for compulsory trading in demat form only. Valid demat requests received by the Company's Registrar are confirmed within the statutory period.

International Securities Identification Number (ISIN) allotted for the Company by NSDL and CDSL is INE729D01010. In case a member wants his/her shares to be dematerialised, he/she may send the shares along with the request through his depository participants (DP) to the Registrar and Share Transfer Agent, MUFG Intime India Private Limited.

The Company's Registrars promptly intimate the Depository Participants in the event of any deficiency and shareholders are also kept abreast. Pending demat requests in the record of the Depositories, if any, are continually reviewed and appropriate actions are initiated.

### 10.10 Distribution of Shareholding

Category (Shares) From - To	No. of share-holders	No. of shares held	% of Share Capital
1 to 500	8,948	10,33,325	6.43
501 to 1000	513	4,11,307	2.56
1001 to 2000	227	3,40,413	2.12
2001 to 3000	74	1,86,313	1.16
3001 to 4000	36	1,27,746	0.79
4001 to 5000	26	1,23,504	0.77
5001 to 10000	50	3,67,067	2.28
10001 and above	48	1,34,92,644	83.89
<b>TOTAL</b>		<b>1,60,82,319</b>	<b>100</b>

**10.11 Shareholding Pattern as on 31<sup>st</sup> March, 2025**

Particulars	Shares	
	Number	% to total Capital
Promoter and Promoter Group	1,11,34,173	69.23
Financial Institutions / Bank	100	0.00
Resident Individuals	41,12,475	25.57
IEPF	2,32,916	1.45
HUF	1,54,799	0.97
NRI's	1,62,510	1.01
Body Corporate	2,84,676	1.77
Escrow Account	200	0.00
Clearing Member	470	0.00
<b>Total</b>	<b>1,60,82,319</b>	<b>100</b>

**10.12 Outstanding GDRs / ADRs / Warrants or Any Convertible Instruments, Conversion Date and Likely Impact on Equity**

The Company does not have any outstanding GDRs / ADRs or any other convertible instruments.

**10.13 Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company has not undertaken in any transactions related to commodity and hedging activities.

**10.14 Other Disclosures****Disclosures****I. Related Party Transactions**

All related party transactions which were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013 and were also not material RPTs under regulation 23 of Listing Regulations.

**II. Managing Director Certification**

Certification on financial statements pursuant to

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained from the Managing Director of the Company. Extract of the same is given at the end of this Report.

**III. Code of Conduct for Directors and Senior Management**

The Board has laid down Codes of Conduct for Executive Directors & Senior Management and for Non-Executive/ Independent Directors of the Company. The Codes of Conduct have been circulated to the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director in this regard is given at the end of this Report. The Code of Conduct is available on website of the Company at the link [www.kilitch.com](http://www.kilitch.com). The particulars of senior management as on 31<sup>st</sup> March, 2025 is given below:

Name	Designation
Archana Kitkaru	General Manager - CQA
Tajouddin Ansari	VP-Marketing & Operation
Rajesh Khatri	General Manager - Administration
Sunil Jain	Chief Financial Officer
Mahendra Narang	General Manager - Marketing-FWA
Pushpa Nyupane	Company Secretary & Compliance Officer

**IV. Subsidiary Companies**

As on 31<sup>st</sup> March, 2025, the Company has two subsidiaries namely Monarchy Healthserve Private Limited and Kilitch Estro Biotech. In line with the requirements of the Act and Listing Regulations, the Company has formulated a policy for determining Material Subsidiaries. There are no material subsidiaries of the company.

**V. Risk Management & Internal Control**

The board has ultimate responsibility for risk management and internal control, including for the determination of the nature and extent of the principal risks it is willing to take to achieve its strategic objectives and for ensuring that an appropriate culture has been embedded throughout the organization. The Company has implemented a comprehensive 'Enterprise Risk Management' framework in order to understand the risks they are exposed to, put controls in place to counter threats, and effectively pursue their



objectives and further to anticipate, identify, measure, mitigate, monitor and report the risks, details of which are given in the Risk Management section under 'Management Discussion and Analysis Report' which forms part of this Annual Report. The team presents their key audit findings of every quarter to the Audit Committee. The management updates the members about the remedial actions taken or proposed for the same. The suggestions and comments from the Committee members are vigilantly incorporated and executed by the Company.

## VI. Independent Directors

The Independent Directors of the Company have the option and freedom to meet and interact with the Company's Management as and when they deem it necessary. They are provided with necessary resources and support to enable them to analyze the information/data provided by the Management and help them to perform their role effectively.

## VII. Compliance with mandatory / discretionary requirements under Regulation 27 read with Schedule II Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has complied with all mandatory requirements under Regulation 27 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance with non-mandatory recommendations under Regulation 27 and Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

- Modified opinion in Audit Report: The Company has moved to unmodified audit opinion regime
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

## VIII. Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the financial year ended 31<sup>st</sup> March, 2025 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

## IX. Details of utilization of funds raised through preferential allotment or qualified institutions placement:

The details as per Regulation 32(7A) of SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31<sup>st</sup> March, 2025 are as follows: There were no preferential allotment or qualified institution placement during the year under review.

## X. Recommendation by Committee:

The Board has accepted all recommendations made by its committees during the financial year ended 31<sup>st</sup> March, 2025.

## XI. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part, given below:

Nature of Payments	Amount (Rs. In Lakhs)
Statutory Audit	5,00,000
Tax Audit	-
Other Services including reimbursement of expenses	-
<b>Total</b>	<b>5,00,000</b>

## XII. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. of Complaints
a.	Complaints filed during the financial year	Nil
b.	Complaints disposed of during the financial year	Nil
c.	Complaints pending as on end of the financial year	Nil

## XIII. Disclosure of the compliance with Corporate Governance:

The Company has complied with the Regulations 17-20, 22-23, 24A, 25-27 and Clauses (b) to (i) of sub regulations (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, during the financial year ended 31<sup>st</sup> March, 2025. Regulations 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

XIII. No penalty or strictures was imposed on the



Company by the stock exchanges / SEBI or any other statutory authority on any matter related to capital markets during the last three years.

XIV. To strengthen its policy of corporate transparency, the Company has established an empowering mechanism for employees and accordingly formulated a Whistle Blower Policy to provide a mechanism for directors and employees of the Company to report instances of unethical behavior, actual or suspected fraud, or violation of the Code of Ethics and Business Conduct, in good faith. No person has been denied the access to the Chairman of the Audit Committee.

XV. Policy on determining material subsidiaries is disseminated on the website of the Company [www.kilitch.com](http://www.kilitch.com)

XVI. The Company has obtained a certificate from Mr. Deep Shukla, Practicing Company Secretary that none on the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

XVII. There were no shares in Demat suspense account or unclaimed suspense account during the FY 2024-25

XVIII. The Company has complied with all the mandatory requirements of the Corporate Governance as stipulated in Schedule V of the SEBI Listing Regulations. Certificate from M/S Deep Shukla & Associates confirming compliance with the conditions of Corporate Governance is annexed. The Company does not send half yearly declaration of financial performance to its shareholders. The financial results are displayed on the Company's website.

During the year under review, there were no audit qualifications on the Company's financial statements.

XIX. Code of Conduct for Prohibition of Insider Trading

The Company has framed Code of Conduct for Prohibition of Insider Trading' pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, which is applicable to its Directors, Officers, and Designated Employees. The Code includes provisions relating to disclosures, opening and closure of Trading Window and Pre-Clearance of trades procedure. In compliance with SEBI Regulations the Company sends intimations to Stock Exchanges from time to time.

XX. Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of Annual Report.

XXI. Share Reconciliation Audit

As stipulated by SEBI, a Qualified Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

XXII. Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the financial year ended 31<sup>st</sup> March, 2025 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

XXIII. Recommendation by Committee:

The Board has accepted all recommendations made by its committees during the financial year ended 31<sup>st</sup> March, 2025.

For & on behalf of the Board of Directors of  
**Kilitch Drugs (India) Limited**

**Mukund Mehta**  
**Managing Director**  
**[DIN: 00147876]**

**Bhavin Mehta**  
**Whole-Time Director**  
**[DIN: 00147895]**

Place: Mumbai  
Date: 13<sup>th</sup> August, 2025





**Annexure - I of Corporate Governance Report**  
**Declaration by the Managing Director on 'Code of Conduct'**  
**[as required by Schedule V of SEBI (Listing Obligations and Disclosure requirements)**  
**Regulations, 2015]**

I, Mukund Mehta, Managing Director of the Company hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, in respect of the financial year 2024-25.

**For Kilitch Drugs (India) Limited**

**Mukund Mehta**  
**Managing Director**  
**(DIN: 00147876)**

Place: Mumbai  
Date: 13<sup>th</sup> August, 2025

**Annexure - II of Corporate Governance Report**  
**Managing Director and CFO Certification in respect of Financial Statement**  
**and Cash Flow Statement for the Financial Year ended 31<sup>st</sup> March, 2025**  
**[pursuant to regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements),**  
**Regulations, 2015]**

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2025 and we hereby certify and confirm to the best of our knowledge and belief the following:

- (a) The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
- (b) The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- (c) There are no transactions entered into by the Company during the year ended 31<sup>st</sup> March, 2025, which are fraudulent, illegal, or violative of the Company's Code of Conduct.
- (d) We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
- (e) There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.
- (f) That there have been no significant changes in the accounting policies during the relevant period.
- (g) We have not noticed any fraud, particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

**For Kilitch Drugs (India) Limited**

**Mukund Mehta**  
**Managing Director**  
**(DIN: 00147876)**

**Sunil Jain**  
**Chief Financial Officer**

Place: Mumbai  
Date: 13<sup>th</sup> August, 2025



## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
Kilitch Drugs (India) Limited

I have examined the compliance with the conditions of Corporate Governance by Kilitch Drugs (India) Limited ('the Company') for the year ended March 31, 2025, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate

Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI), I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended March 31, 2025.

I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For: M/s. DEEP SHUKLA & ASSOCIATES  
COMPANY SECRETARIES**

**Sd/-  
DEEP SHUKLA  
PROPRIETOR**  
FCS: 5652  
CP NO.5364  
UDIN: F005652G000975445

Place: Mumbai  
Date: 11<sup>th</sup> August, 2025



KILITCH DRUGS (INDIA) LIMITED

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
Kilitch Drugs (India) Limited  
C-301/2, MIDC, TTC Industrial Area,  
Pawane Village, Navi Mumbai 400705

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kilitch Drugs (India) Limited having CIN: L24239MH1992PLC066718 and having registered office at C-301/2, MIDC, TTC Industrial Area, Pawane Village, Navi Mumbai 400705 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of Securities Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number(DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Companies, by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of Appointment as per MCA Records
1	Mukund Prataprai Mehta	00147876	Managing Director	12/05/1992
2	Bhavin Mukund Mehta	00147895	Wholetime Director	29/09/2007
3	Mira Bhavin Mehta	01902831	Managing Director	30/09/2014
4	Hemang Jagadish Engineer	02317989	Director	01/04/2015
5	Vasudev Krishna Murti	00567672	Director	16/03/2018
6	Venkita Subramanian Rajan	00059146	Director	28/06/2018
7	Dipen Jayantilal Jain	01148262	Director	27/08/2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M/s. DEEP SHUKLA & ASSOCIATES**  
**COMPANY SECRETARIES**

**DEEP SHUKLA**  
**{PROPRIETOR}**  
FCS: 5652  
CP NO.5364  
UDIN: F005652G000975500

Place: Mumbai  
Date: 11<sup>th</sup> August, 2025



## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
**KILITCH DRUGS (INDIA) LIMITED**

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

#### Opinion

We have audited the accompanying Standalone Ind AS financial statements of Kilitch Drugs (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone financial statements").

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

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone 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 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 standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Revenue Recognition [Export Sales]	<p>Obtaining an understanding of an assessing the design, implementation and operating effectiveness of the Company's key internal controls over revenue recognition process.</p> <ul style="list-style-type: none"> <li>• Testing a sample of contracts and testing the revenues recognised with respect thereto by agreeing information back to contract terms.</li> <li>• Testing the controls over the sale data collated for the purpose of recognizing the revenue on sample basis.</li> <li>• Assessing the adequacy of company's disclosure with respect to revenue recognised.</li> </ul>
2.	Trade Receivables	<p>Our audit procedures to assess the appropriateness of Trade receivables disclosure and provision against trade receivables included the Note 11 &amp; Note 3 paragraph "H" of significant accounting policies.</p>

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

The Company's Board of Directors is responsible for the



preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during 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.

### **Management's Responsibility for the Standalone Financial Statements**

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

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

realistic alternative but to do so.

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be

expected to outweigh the public interest benefits of such communication.

### Other Matter

The comparative figures of the Company the year ended March 31, 2024 were audited by M/s Suryaprakash Maurya & Co. who, vide their report dated 27th May, 2024 expressed an unmodified conclusion on the same. C. Sharat & Associates Chartered Accountants has been appointed as the statutory auditor on 27th September 2024.

### Report on Other Legal and Regulatory Requirements

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

2. As required under provisions of section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c. The Balance Sheet, Statement of Profit and Loss including other comprehensive income, Cash Flow Statement and statement of changes in Equity dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act.

e. On the basis of written representations received from the directors as on 31st March, 2025, 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. With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial



controls over financial reporting.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of the pending litigations on its financial position vide Note No. 38 to the standalone Ind AS financial statements.

ii. The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts required to the Investor Education and Protection Fund by the Company during the year.

vi.(a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 (Refer Note 51) to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 (Refer Note 51 to the financial statements); and

(c) Based on such audit procedures that we 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. The Company has not declared or paid any dividend during the year.

vi. 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 the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For C. Sharat & Associates**  
Chartered Accountants  
Registration No : 128593W

**Chintan Sharatchandra Shah**  
Membership No. : 127551  
ICAI UDIN: 25127551BMIIJC7295  
Place : Mumbai  
Date : 19<sup>th</sup> May, 2025



**Annexure “A” referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of company's Property, Plant and Equipment and Intangible Assets:-

(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 intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Title Deeds of immovable properties are held in the name of company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) According to the information and explanations given to us, the inventories have been physically verified during the year by the management at year end. The company has maintained proper records of inventory and discrepancies noticed on physical verification of the inventory as compared to books record which has been properly dealt with in the books of account were not material.

(b) The company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.

iii. According to the information and explanations given

to us and on the basis of our examination of the records of the Company, the Company has not provided a guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments and granted loans to companies, in respect of which the requisite information is as below:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans to any other entity as below:

Particulars	Loans given (Rs in lakhs)
Aggregate amount during the year:	90.51
Others	
Balance outstanding as at balance sheet date:	5,323.87
Others	

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, loan given to Kilitch Estro Biotech PLC and Monarchy Healthserve Private Limited amounting to Rs 90.51 lakhs is repayable on demand. The interest on aforementioned loan given is payable on demand. As informed to us, the Company has not demanded repayment of the loan and payment of interest during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the loan given to Kilitch Estro Biotech PLC and Monarchy Healthserve Private Limited amounting to Rs 90.51 is repayable on demand. The interest on aforementioned loan given is payable on demand. As informed to us, the Company has not demanded repayment of the loan and payment of interest during the year. Thus, there is no overdue amount for more than ninety days in respect of loan given. Further, the Company has not given any advances



in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related party as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Particulars	Related Parties (Rs in lakhs)
Aggregate of loans - Repayable on demand (A) - Agreement does not specify any terms or period of Repayment (B)	5,323.87 -
Total (A+B)	5,323.87
Percentage of loans	100%

iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security as specified under Section 185 and 186 of the Act. In respect of the investments made and loan given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

v. According to the information and explanations given to us, the company has not accepted any deposits within the meaning of provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed hereunder. Therefore, provisions of Clause (v) of paragraph 3 of the Order are not applicable to the company.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 prescribed by the Central Government under Sub Section (1) of Section 148 of the Act and are of the opinion that, prima

facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of Statutory dues :

a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, GST, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues which are applicable to the company, have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2025 for a period of more than six months from the date of becoming payable.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax and other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

b. The disputed statutory dues aggregating to Rs. 76.05 Lakh that have not been deposited on account of the matters pending before the appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amount in Lakhs	Period to which the amount relates	Forum where the dispute is pending
Property Tax	Property Tax	53.20	A.Y. 2020-2021 A.Y. 2000-2001	Supreme Court
NMMC	CESS	22.85	A.Y. 2001-2002	Supreme Court

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix.(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment



of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the financials of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financials of the Company, we report that the Company has not taken any fund from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.

(f) According to the information and explanations given to us and on an overall examination of the financials of the Company, we report that the Company has not taken loans during the year on the pledge of securities held in subsidiaries, associates or joint venture.

x.(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any private placement or preferential allotment of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

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

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)© of the Order is not applicable to the Company.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of the Paragraph 3 of the Order are not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi.(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)© of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the



immediately preceding financial year.

xviii. There has been resignation of the statutory auditors during the year. There were no issues, objections or concerns raised by the outgoing auditors.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its

liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For C. Sharat & Associates**

Chartered Accountants  
Registration No : 128593W

**Chintan Sharatchandra Shah**

Membership No. : 127551  
ICAI UDIN: 25127551BMIIJC7295  
Place : Mumbai  
Date : 19<sup>th</sup> May, 2025





**“Annexure B” referred to in paragraph 2 under the heading Report on other legal and regulatory requirements of our report of even date**

**Report on the 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 over financial reporting of Kilitch Drugs (India) Limited (“the Company”) as of March 31, 2025 in conjunction with our audit of the standalone Ind AS 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”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material

respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,



projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material

respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

### **For C. Sharat & Associates**

Chartered Accountants

Registration No : 128593W

### **Chintan Sharatchandra Shah**

Membership No. : 127551

ICAI UDIN: 25127551BMIIJC7295

Place : Mumbai

Date : 19<sup>th</sup> May, 2025



## Balance Sheet

As at 31<sup>st</sup> March, 2025

(Rs. In Lakh)			
Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	1,915.75	1,525.79
Capital Work-In-Progress	5	4,729.45	596.50
Other Intangible Assets	5	35.14	44.42
<b>Financial Assets</b>			
- Investments	6(A)	7,185.10	7,127.27
- Loans & Advances	7	5,423.15	5,046.95
- Other Financial Assets	8	1.81	1.25
Deferred Tax Assets (Net)	9	287.64	255.95
<b>(A)</b>		<b>19,578.03</b>	<b>14,598.13</b>
<b>Current Assets</b>			
Inventories	10	1,530.96	398.80
<b>Financial Assets</b>			
- Investments	6(B)	4,951.77	4,942.84
- Trade Receivables	11	8,339.83	6,180.46
- Cash and Cash Equivalents	12	740.85	1,794.88
- Other Bank Balances	13	4.73	68.08
- Other Financial Assets	14	3.20	3.37
Other Current Assets	15	666.42	760.50
<b>(B)</b>		<b>16,237.76</b>	<b>14,148.93</b>
<b>TOTAL ASSETS (A + B)</b>		<b>35,815.79</b>	<b>28,747.06</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	16	1,608.23	1,608.23
Other Equity	17	23,686.14	20,684.13
<b>(A)</b>		<b>25,294.37</b>	<b>22,292.36</b>
<b>Liabilities</b>			
<b>Non - Current Liabilities</b>			
Financial Liabilities			
- Borrowings	18	2,777.04	-
Provisions	19	24.53	17.24
<b>(B)</b>		<b>2,801.57</b>	<b>17.24</b>
<b>Current Liabilities</b>			
Financial Liabilities			
- Borrowings	20	2,132.43	3,131.71
- Trade Payables	21	-	-
Micro and Small Enterprises		-	-
Others		4,742.22	2,616.12
- Other Financial Liabilities	22	7.03	7.80
Provisions	23	143.79	130.70
Current Tax Liabilities [Net]	24	668.55	530.51
Other Current Liabilities	25	25.84	20.62
<b>(C)</b>		<b>7,719.85</b>	<b>6,437.46</b>
<b>TOTAL EQUITY &amp; LIABILITIES (A+B+C)</b>		<b>35,815.79</b>	<b>28,747.06</b>
Significant Accounting Policies and Notes on Financial Statements 1 to 52			

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyupane (Company Secretary) M. No. A64047



## Statement of Profit and Loss

For the year ended 31<sup>st</sup> March, 2025

[Rs. In Lakh]			
Particulars	Note No.	Year Ended 31st March, 2025	Year Ended 31st March, 2024
<b>INCOME</b>			
I Revenue From Operations	26	18,158.73	13,159.90
II Other Income	27	1,371.53	618.85
III <b>Total Income (I+II)</b>		<b>19,530.26</b>	<b>13,778.75</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	28	9,319.06	6,633.24
Variation in inventories of finished goods & work-in-progress	29	(116.99)	(11.61)
Employee Benefits Expenses	30	1,003.07	791.35
Finance Cost	31	212.55	190.81
Depreciation and Amortization Expenses	5	173.72	124.42
Export Product Registration/Commission	32	1,994.23	1,392.62
Other Expenses	33	2,875.63	2,322.61
IV <b>Total Expenses</b>		<b>15,461.27</b>	<b>11,443.44</b>
V <b>Profit Before Tax</b>		<b>4,068.99</b>	<b>2,335.31</b>
<b>Less : Tax Expenses:-</b>			
a) Current Income Tax		985.00	636.50
b) Deferred Tax		(31.70)	(58.57)
<b>Profit After Tax</b>		<b>3,115.68</b>	<b>1,757.38</b>
<b>Other Comprehensive Income</b>			
A) Items that will not be reclassified to Profit & Loss A/c			
a) Change in fair Value of Investments		(115.96)	744.86
b) Employee Benefits		2.28	4.93
B) Income Tax relating to the items that will not be reclassified to Profit & Loss A/c			
Change in Fair Value of Investments		-	(193.66)
<b>Total Comprehensive Income for the Year (A+B)</b>		<b>(113.68)</b>	<b>556.13</b>
<b>TOTAL COMPREHENSIVE INCOME AFTER TAXES</b>		<b>3,002.01</b>	<b>2,313.51</b>
<b>Net Profit / (Loss) attributable to</b>			
Earnings Per Equity Share [Face Value Rs. 10]	37		
(a) Basic (not annualised) (In Rs.)		19.37	11.03
(b) Diluted (not annualised) (In Rs.)		19.37	11.03
Significant Accounting Policies and Notes on Financial Statements 1 to 52			

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyupane (Company Secretary) M. No. A64047



## Cash Flow Statement

For the year ended 31<sup>st</sup> March, 2025

(Rs. In Lakh)				
Particulars	Year Ended 31st March, 2025		Year Ended 31st March, 2024	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit / (Loss) before extraordinary items and tax		4,068.99		2,335.32
Adjustments for:				
Depreciation and amortisation	173.72		124.42	
Interest income	(358.74)		(211.75)	
Dividend income	(0.55)		(1.20)	
(Profit)/Loss on sale of Investments	(652.17)		(138.85)	
Provision for Gratuity & Leave Encashment	0.44		0.50	
Interest Expenses	212.55		190.81	
Expected Credit Loss	115.96		238.06	
(Profit) / Loss from Investment in Partnership Firm	0.04		0.20	
Net unrealised exchange (gain) / loss	(59.99)	(568.75)	(15.85)	186.34
<b>Operating profit / (loss) before working capital changes</b>		<b>3,500.24</b>		<b>2,521.66</b>
Changes in working capital:				
Operating Assets:				
Inventories	(1,132.16)		(194.34)	
Trade Receivables	(2,215.35)		(1,092.45)	
Other Current Assets	94.07		(517.34)	
Deposits & Advances	(29.51)		(9.45)	
Other Financial Assets	0.17		(1.21)	
Operating Liabilities:				
Trade Payables	2,126.09		(267.52)	
Other Current Liabilities	4.45		11.76	
Short Term Provision	22.22	<b>(1,130.01)</b>	(5.73)	<b>(2,076.28)</b>
<b>Gross Cash Flow From / (Used in) Operating Activities</b>		<b>2,370.23</b>		<b>445.39</b>
<b>Direct Taxes (Paid) /Refunded</b>		<b>(846.95)</b>		<b>(703.55)</b>
<b>Net Cash Flow From / (Used in) Operating Activities (A)</b>		<b>1,523.28</b>		<b>(258.16)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant & Equipment and CWIP	(4,687.34)		(652.04)	
Loans/Advances to Related Parties	(346.69)		(220.36)	
Proceeds/(Purchases) of Current Investments	527.33		(139.45)	
Proceeds/(Purchases) of Non-Current Investments	(57.87)		(17.71)	
Movement in Other Bank Balance	62.79		(54.14)	
Interest Received	358.74		211.75	
Dividend Received	0.55		1.20	
		(4,142.49)		(870.75)
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>(4,142.49)</b>		<b>(870.75)</b>



## Cash Flow Statement

For the year ended 31<sup>st</sup> March, 2025

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Equity Share Capital Issued - incl. Premium (Net of Conversion of Appl. Money on Warrants Received)	-		385.75	
Proceeds from Borrowings (Net of Repayments)	1,777.74		945.28	
Interest Paid	(212.55)		(190.81)	
<b>Net Cash Flow From / (Used in) Financing Activities (C)</b>		<b>1,565.19</b>		<b>1,140.22</b>
<b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(1,054.03)</b>		<b>11.31</b>
Cash and Cash Equivalents at the Beginning of the Year		1,794.88		1,783.58
<b>Cash and Cash Equivalents at the End of the Year</b>		<b>740.85</b>		<b>1,794.88</b>
<b>Cash and Cash Equivalents at the End of the Year</b>				
Comprises:				
(a) Cash on Hand		3.58		1.11
(b) Balances with Banks				
(i) In Current Accounts		733.45		1,789.93
(ii) In Earmarked Accounts		3.82		3.84
		<b>740.85</b>		<b>1,794.88</b>

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyoupane (Company Secretary) M. No. A64047





## Statement of Changes in Equity

For the year ended 31<sup>st</sup> March, 2025

(Rs. In Lakh)				
(a) Equity Share Capital				
As at 1st April, 2023	Changes during the Year	As at 31st March, 2024	Changes during the Year	As at 31st March, 2025
1,558.23	50.00	1,608.23	-	1,608.23

(b) Statement of Changes in Other Equity								
Particulars	Securities Premium Account	General Reserve	Employee Stock Options	Share Warrants	Other Reserves (Call on shares forfeited A/c)	Other Comprehensive Income	Surplus in the Statement of Profit and Loss	Total
Balance as at 1st April 2023	3,832.63	1,579.74	35.41	500.00	58.00	633.28	11,395.80	18,034.86
Profit for the Year	-	-	-	-	-	-	1,757.38	1,757.38
Change In Fair Value of Investments	-	-	-	-	-	556.13	-	556.13
Security Premium	835.75	-	-	-	-	-	-	835.75
Money Received Against Share Warrants	-	-	-	(500.00)	-	-	-	(500.00)
Balance as at 1st April 2024	4,668.38	1,579.74	35.41	-	58.00	1,189.41	13,153.19	20,684.13
Profit for the Year	-	-	-	-	-	-	3,115.68	3,115.68
Change In Fair Value of Investments	-	-	-	-	-	(113.68)	-	(113.68)
Balance as at 31st March 2025	4,668.38	1,579.74	35.41	-	58.00	1,075.73	16,268.88	23,686.14

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyupane (Company Secretary) M. No. A64047



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 1 - Corporate Information:

The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the Bombay Stock Exchange ('BSE'), in India. The registered office of the company is located at C-301-2, M.I.D.C. TTC Industrial Area, Pawane Village, Thane – 400705.

These financial statements were approved and adopted by the Board of Directors of the Company in their meeting dated 19<sup>th</sup> May 2025.

### Note 2 - Basis of Preparation of Financial Statements:

The Financial Statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes on Financial Statements and are applied consistently to all the periods presented.

### Note 3 - Material Accounting Policies:

#### A. Functional and presentation of currency:

The financial statements are presented in Indian Rupees, which is the Company's functional currency and all amounts are rounded to the nearest rupees in lakhs.

#### B. Basis of measurement:

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans – plan assets measured at fair value.
- Share Based Payments.

#### C. Use of Estimates:

The preparation of the financial statements requires management to make estimates, judgements and

assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

#### D. Property, Plant and Equipment:

Freehold land is carried at historical cost. Capital work in progress, and all other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the Written down Value method to allocate their cost, net of their residual values, over their estimated useful lives as specified by Schedule to the Companies Act; 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives and



method of depreciation 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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

#### **E. Intangible assets:**

Identifiable intangible assets are recognised when the Company controls the asset & it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

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

Intangible assets are amortised over the period on straight line basis. The assets useful life reviewed at each financial year end.

#### **Amortisation methods and periods**

Estimated useful lives of Intangible assets are considered as 5 years. Intangible assets are amortised over its useful life using the straight-line method. The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

#### **F. 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. It is determined for an individual asset,

unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where 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 the 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.

#### **G. Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Classifications of financial instruments are in accordance with the substance of the contractual arrangement and as per the definitions of financial assets, financial liability and an equity instruments.

#### **Financial Assets and investments**

##### **I. Initial recognition and measurement:**

At initial recognition, the company measures a financial asset (other than financial asset at fair value through profit or loss) at its fair value plus or minus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit & loss.

##### **II. Subsequent recognition and measurement:**

Subsequent measurement of financial asset depends on the company's business model for managing the asset and the cash flow characteristics of the asset. For the purpose of subsequent recognition and measurement financial assets are classified in four categories:

- **Debt instrument at amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at



amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Debt instrument at fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI).

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in the statement of profit & loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Debt instrument at fair value through profit and loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit & loss and presented net in the statement of profit & loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Equity instruments:**

All equity instruments are initially measured at fair value. Any subsequent fair value gain / loss is recognised through profit or loss if such investments are held for trading purposes. The fair value gains or losses of all other equity investments are recognised in Other Comprehensive Income.

- **Investment in Subsidiary and Associates:**

The company has accounted for its Investment in subsidiaries and associates at cost.

### III. De-recognition:

A financial asset is primarily derecognised i.e. removed from Company's financial statement when:

- The rights to receive cash flows from asset have expired, or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass-through' arrangement and either;

a) The Company has transferred substantially all the risks and rewards of the assets,

b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

### IV. Trade receivables:

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at fair value less provision for impairment.

### Financial Liabilities:

#### I. Initial recognition and measurement:



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

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

## II. Subsequent measurement:

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and has designated upon initial measurement recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit & loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

## III. Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit & loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

## IV. Trade and other payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

## V. De-recognition:

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

## H. Impairment of Financial assets:

The company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets carried at amortised cost;
- Financial asset measured at FVOCI debt instruments.

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 uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of



a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

### **I. Cash and cash equivalents:**

Cash and cash equivalents includes cash on hand and at bank, deposits with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **J. Inventories**

Inventories are valued at lower of cost or net realisable value. Cost is determined on FIFO basis.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### **K. Foreign currency transactions:**

The transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currency at the end of year are translated using the closing rate of exchange. Non-monetary items that are to be carried at historical cost are recorded using exchange rate prevailing on the date of transaction. Non-monetary items that are to be carried at fair value are recorded using exchange rate prevailing on the date of fair value measured. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the statement of profit & loss.

### **L. Classification of assets and liabilities as current and non-current:**

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting 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 classified as 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.

All other liabilities are classified as non-current.

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

### **M. Equity share capital:**

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

### **N. Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the future economic benefits will flow to the entity and it can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

#### **• Sale of goods**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of goods, it is probable that the economic benefit will flow to the Company, the associated costs and possible return of goods can be estimated reliably, there is neither continuing management involvement to the degree usually associated with ownership nor effective control over the goods sold and the amount of revenue can be





measured reliably.

Provisions for chargeback, rebates, discounts and medical aid payments are estimated and provided for in the year of sales and recorded as reduction of revenue.

- **Sales Returns**

With respect to established products, the Company considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

With respect to new products introduced by the Company, such products have historically been either extensions of an existing line of product where the Company has historical experience or in therapeutic categories where established products exist and are sold either by the Company or the Company's competitors.

- **Interest income:**

Interest income from debt instrument is recognised using effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of financial asset to the gross carrying amount of financial asset. When calculating effective interest rate, the company expects cash flows by considering all contractual terms of financial instrument but does not consider the expected credit losses.

- **Dividends**

Dividends are recognised when the right to receive the payment is established.

## **0. Employee's benefits:**

### **i. Short-term Employee benefits:**

All employees' benefits payable wholly within 12 months rendering services are classified as Short Term obligations.

Benefits such as salaries, wages, short term compensated absences, performance incentives, expected cost of bonus and ex-gratia are recognised during the period in which the employees renders related services.

## **ii. Post-employment benefits**

### **a. Defined Contribution Plan**

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognised in the statement of profit & loss in the period in which the employee renders the related services.

### **b. Defined benefit plan**

The Company has defined benefit plans comprising of gratuity. Company's obligation towards gratuity liability is partially funded as Management has initiated a decision to be funded and managed by Life Insurance Corporation of India over the period of 20 equated quarterly instalments over a period of 5 years.

The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit & loss as income or expense.

Re-measurements comprising of

(a) Actuarial gains and losses,

(b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to



retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit & loss in subsequent periods.

The expected return on plan assets is the Company's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognised under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

#### **c. Other long-term benefits**

The Company has other long-term benefits in the form of leave benefits. The present value of the other long term employee benefits is determined. Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

#### **d. Share-based payments**

Share-based compensation benefits are provided to employees via Employee Stock Option Plans with the ESOS 2007 & ESOS 2020.

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted: Including any market performance conditions (e.g., the entity's share price) excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and

Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense, other than in respect of options granted to employees of group companies, is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The cost of options granted to employees of

group companies is debited to the cost of the investment of the respective companies.

At the end of each period, the company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit & loss / Investment, with a corresponding adjustment to other equity.

#### **P. Borrowing Cost:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for such capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds.

#### **Q. Income Taxes:**

##### **• Current Income Tax:**

Current Income Tax liabilities are measured at the amount expected to be paid to the taxation authorities using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and creates provisions where appropriate.

##### **• Deferred Tax:**

Deferred Tax is provided, using the Balance sheet approach, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred Tax is determined using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period.



Deferred Tax liabilities are recognised for all temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and the deferred tax balances relate to the same taxation authority. Current tax asset and liabilities are offset where the company has a legally enforceable right and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

#### **R. Provisions and contingencies:**

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using the government securities' interest rate for the equivalent period. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

#### **S. Earning per share:**

Basic earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to

equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### **Note 4 - Use of Significant Accounting Estimates, Judgments and Assumptions**

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have significant effect on the amounts recognised in the financial statements:

##### **A. Depreciation and useful lives of Property, Plant and Equipment**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

##### **B. Recoverability of trade receivables**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. The Company uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

##### **C. Defined Benefit plans**

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various



assumptions that may differ from actual developments in the future. These include the determination of the discount rate, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### **D. Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

#### **E. Impairment of financial assets:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment 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.

Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. They are continuously evaluated.

#### **F. Fair Value measurement:**

The Company measures financial instrument such as certain investments, at fair value at each balance sheet date.

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

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

## Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### Note 5 - Property, Plant & Equipment

(Rs. In Lakh)

Particulars	Land*	Rights on Lease Hold Land*	Factory Building* Premises*	Office Premises*	Plant & Machinery*	Furniture & Equipment	Computer	Motor Car	Office Equipment	Air Conditioners	Electrical Installations	Laboratory Equipment	Mobile Phone	Computer software	Total
<b>Gross Block</b>															
As at 01/04/2023	764.53	96.78	261.02	133.24	1,758.15	133.52	67.88	169.69	38.12	37.95	46.01	249.82	17.41	42.25	3,816.36
Additions	-	-	-	-	95.19	4.37	1.96	24.77	13.99	3.20	-	10.69	3.60	28.93	186.70
Disposals/ Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/03/2024	764.53	96.78	261.02	133.24	1,853.34	137.89	69.84	194.46	52.11	41.15	46.01	260.51	21.01	71.18	4,003.06
Additions	-	-	16.96	-	363.43	116.42	5.52	-	3.50	2.52	15.19	22.74	0.49	7.61	554.39
Disposals/ Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/03/2025	764.53	96.78	277.98	133.24	2,216.76	254.31	75.36	194.46	55.60	43.67	61.20	283.25	21.50	78.79	4,557.45
<b>Accumulated Depreciation</b>															
As at 01/04/2023	-	-	247.97	86.71	1,351.58	96.13	60.09	125.00	29.15	28.02	37.63	217.90	12.34	15.92	2,308.43
Depreciation Charge for the Year	-	-	1.07	2.25	63.56	9.04	3.78	15.15	7.22	1.75	1.69	7.01	1.07	10.83	124.42
As at 31/03/2024	-	-	249.04	88.96	1,415.14	105.17	63.87	140.15	36.37	29.77	39.32	224.91	13.41	26.75	2,432.85
Depreciation Charge for the Year	-	-	2.07	2.14	97.91	15.70	3.84	15.06	6.84	1.89	2.02	8.08	1.27	16.89	173.72
As at 31/03/2025	-	-	251.11	91.10	1,513.05	120.87	67.71	155.21	43.20	31.66	41.35	232.99	14.69	43.65	2,606.57
<b>Net Block</b>															
As at 31/03/2025	764.53	96.78	26.87	42.14	703.72	133.44	7.63	39.26	12.41	12.01	19.85	50.27	6.82	35.14	1,950.89
As at 31/03/2024	764.53	96.78	11.98	44.28	438.20	32.72	5.95	54.32	15.75	11.38	6.69	35.60	7.60	44.42	1,570.21

\*The above PPE have been pledged to secure borrowings of company from Kotak Bank Ltd, Standard chartered Bank & HDFC Bank under mortgage agreement (refer note 18)



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### A) Capital Work-in-Progress

Particulars	As at 1 April 2024	Expenditure during the year	Capitalized during the year	Closing as at 31 March 2025
Investment Property	596.50	4,132.95	-	4,729.45

Particulars	As at 1 April 2023	Expenditure during the year	Capitalized during the year	Closing as at 31 March 2024
Investment Property	131.15	465.35	-	596.50

### B) CWIP Ageing Schedule:

As on 31st March, 2025						(Rs. In Lakh)
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in Progress	4,132.95	465.35	131.15	-	4,729.45	
Projects Temporarily Suspended	-	-	-	-	-	
<b>Total</b>	<b>4132.95</b>	<b>465.35</b>	<b>131.15</b>	<b>-</b>	<b>4,729.45</b>	

As on 31st March, 2024						(Rs. In Lakh)
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in Progress	465.35	131.15	-	-	596.50	
Projects Temporarily Suspended	-	-	-	-	-	
<b>Total</b>	<b>465.35</b>	<b>131.15</b>	<b>-</b>	<b>-</b>	<b>596.50</b>	

### C) Projects Which are Overdue or Exceeded Costs as per Original Plan

As on 31st March, 2025						(Rs. In Lakh)
CWIP	To be Completed in					
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in Progress	-	-	-	-		
Projects Temporarily Suspended	-	-	-	-		

### Projects Which are Overdue or Exceeded Costs as per Original Plan

As on 31st March, 2024						(Rs. In Lakh)
CWIP	To be Completed in					
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in Progress	-	-	-	-		
Projects Temporarily Suspended	-	-	-	-		





## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 6 - Investments

A] Non-Current Investments		Rs. (In Lakhs)	
Particulars	As at 31st March, 2025	As at 31st March, 2024	
<b>Non-Trade Investments</b>			
<b>A. Investments in Shares:</b>			
<b>i. Quoted Shares: ( At Fair Value through Other Comprehensive Income)</b>			
<b>[Equity Shares of Face value Rs. 10/- each, fully paid-up, unless otherwise stated]</b>			
15 (Previous Year: 15 ) - Bengal and Assam Co Ltd.	1.08	1.28	
1,000 (Previous Year: 1000 ) - Century Enka Ltd.	5.42	4.01	
500 (Previous Year: 500 ) - Century Textiles & Ind Ltd.	9.85	8.16	
200 (Previous Year:200 ) - Colgate Palmolive India Ltd.	4.78	5.42	
720 (Previous Year: 720) - J K Laxmi Cement Ltd.	5.57	6.28	
400 (Previous Year: 400 ) - Pfizer Ltd.	16.02	16.77	
62 (Previous Year:62 ) - Ultratech Cement Ltd.	7.13	6.04	
<b>Fair Value of Quoted Instruments (Total of A.i)</b>	<b>49.85</b>	<b>47.98</b>	
<b>ii. Unquoted Shares:</b>			
<b>Investment in Indian Subsidiary ( At Cost ) - Monarchy Healthserve Pvt Ltd</b>			
[Preference Shares of Face value Rs. 10/- each, fully paid-up, unless otherwise stated]			
4,20,000 (P.Y. 4,20,000) Monarchy Healthserve Pvt Ltd	4,200.00	4,200.00	
[Equity Shares of Face value Rs. 10/- each, fully paid-up, unless otherwise stated]			
50,860 (P.Y. 50,860) Monarchy Healthserve Pvt. Ltd.	2.02	2.02	
<b>Investment in Foreign Subsidiary</b>			
67% (P. Y. 67%) Investment in Kilitch Estro Biotech PLC.	698.89	641.78	
<b>Book Value of Unquoted Instruments (Total of A.ii)</b>	<b>4,900.91</b>	<b>4,843.80</b>	
<b>Total Investment in Shares (A.i + A. ii)</b>	<b>4,950.76</b>	<b>4,891.77</b>	
<b>B. Investment in Portfolio Management Scheme</b>			
<b>(At Fair Value through Other Comprehensive Income)</b>			
Club millionaire Financial Services Pvt Ltd.	67.02	53.24	
<b>C. Investment in the Capital of Partnership Firm (LLP) ( At Cost )</b>			
Arham Neeta Realities LLP	2,108.99	2,122.49	
<b>D. Investments in Bonds:</b>			
National Highways Authority of India	50.05	51.29	
Housing And Urban Development Corporation Ltd	8.28	8.48	
<b>Total Investment in Bonds (D)</b>	<b>58.33</b>	<b>59.77</b>	
<b>Total (A+B+C+D)</b>	<b>7,185.10</b>	<b>7,127.27</b>	
1. Aggregate Value of Quoted Investment			
Book Value	49.85	47.98	
Market Value	49.85	47.98	
2. Aggregate Book Value of other Unquoted Investment	7,135.25	7,079.29	



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

B] Current Investments		Rs. (In Lakhs)	
Particulars	As at 31st March, 2025	As at 31st March, 2024	
<b>Investment in Units of Mutual Funds : (At fair value through Other Comprehensive income)</b>			
<b>Mutual Fund-Kotak</b>			
49,773.0630 (Previous Year: 162,706.7670) HDFC Small Cap Fund Regular Growth	60.38	191.43	
41,029.8960 (Previous Year: 77,649.1390) L&T Midcap Fund Growth (HSBC Midcap Fund)	138.93	243.74	
686,927.9730 (Previous Year: 20,58,500.4490 ) Mirae Asset Midcap Fund Regular Plan Growth	201.92	589.70	
206,930.0720 (Previous Year: 2,06,930.0720) Aditya Birla Sun Life Corporate Bond Fund Growth	228.92	210.55	
715,151.4420 (Previous Year: 7,15,151.4420) HDFC Short Term Debt Fund Regular Plan Growth	223.91	206.58	
21,16,536.3590 (Previous Year: 21,16,536.3590) IDFC Banking and PSU Debt Fund Regular Plan Growth	510.19	472.83	
NIL (Previous Year: 14,390.0320) Axis Banking & PSU Debt Fund Growth	-	343.64	
395,200.7610 (Previous Year: 395,200.7610) ICICI Prudential Banking and PSU debt Fund Growth	126.64	117.20	
185,493.6510 (Previous Year : 185,493.6510) Kotak (Flexi Cap) Standard Multicap Fund Regular Plan Growth	143.51	132.50	
424,033.3490 (Previous Year: 424,033.3490) Mirae Asset India Equity Fund Regular Plan Growth	443.67	408.90	
537,127.7120 (Previous Year : 537,127.7120 ) HDFC Corporate Bond Fund Regular Plan Growth	171.16	157.56	
1445,042.2980 (Previous Year : 1445,042.2980) IDFC CRISIL Gilt 2027 Index Fund - Regular Plan Growth	181.71	168.32	
74.9650 (Previous Year : 85.797) Welspun One Logistics Parks Fund -1	129.49	85.80	
772,419.6500 (Previous Year : 772419.6500) Motilal Oswal Nasdaq 100 Fund of Fund Reg Plan Growth	289.52	241.05	
740,212.210 (Previous Year : 740212.210) Kotak NASDAQ 100 Fund Regular Plan Growth	122.54	113.01	
1,496,931.1420 (Previous Year: 1496,931.1420) Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund Regular	180.81	167.69	
55,616.3170 (Previous Year: 55616.3170) SBI Focused Equity Fund Growth	181.30	162.73	
603,706.9030 (Previous Year :587,985.3360) NIPPON INDIA Large Cap Fund Growth	503.88	459.72	
59,882.5280 ( Previous Year: 59,882.5280) HDFC Large and Mid Cap Fund - Regular Plan Growth	185.63	172.28	
37,754.8900 (Previous Year: 37,754.8900) NIPPON India Banking and Financial Services Fund Growth	217.33	193.16	
202.2168 (Previous Year :NIL) Kotak Iconic Fund class D1 Direct	255.58	-	
171.3123 (Previous Year :NIL) Kotak Iconic Fund class D2 Direct	216.28	-	
65,718.4480 (Previous Year :NIL) HDFC Focused 30 Fund Regular Plan Growth	140.60	-	
<b>Mutual Fund-SPA Capital</b>			
UTI Structured Debt Opportunities Fund I (SPA)	-	15.33	
<b>Mutual Fund-RNB Corporate</b>			
51,130.478 (Previous Year: 51,130.478) HDFC Dynamic Debt Growth Plan	45.19	41.70	
17,508.552 (Previous Year: 17,508.552) UTI Flexi Cap Regular Growth Plan	52.67	47.41	
<b>Total</b>	<b>4,951.77</b>	<b>4,942.84</b>	
<b>Market Value of Unquoted Investments</b>	<b>4,951.77</b>	<b>4,942.84</b>	
1. Aggregate Value of Quoted Investment			
Book Value	-	-	
Market Value	-	-	
2. Aggregate Book Value of other Unquoted Investment	4,951.77	4,942.84	



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 7 - Loans and Advances

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Deposits	73.53	56.09
Loan to Related parties (Refer Note No. 36)	5,322.12	4,975.43
Other Advances	27.50	15.42
<b>Total</b>	<b>5,423.15</b>	<b>5,046.95</b>

### Note 8 - Other Financial Assets

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Fixed Deposits with Bank	1.81	1.25
<b>Total</b>	<b>1.81</b>	<b>1.25</b>

### Note 9- Deferred Tax Assets (Net)

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
At the Start of the year	255.95	197.98
Charges/(Credit) to Profit and Loss	31.70	58.57
<b>At the end of the year</b>	<b>287.64</b>	<b>255.95</b>
<b>Deferred Tax Asset</b>		
Related to Property, Plant and Equipment	19.35	20.95
Provision for Gratuity/Leave Encashment	9.29	5.18
Provision for Expected Credit Loss	259.00	229.81
<b>Total</b>	<b>287.64</b>	<b>255.95</b>

### Note 10 - Inventories

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
[As taken, valued and certified by the Management]		
a. Raw Materials and Components	1,340.62	325.45
b. Work-in-Progress	-	18.68
c. Finished Goods	190.34	54.67
<b>Total</b>	<b>1,530.96</b>	<b>398.80</b>



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 11 - Trade Receivables

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
[UNSECURED]		
a) Considered Good	8,339.83	6,180.46
Less : Allowance for expected credit loss	-	-
b) Significant increase in Credit Risk	-	-
Less: Allowance for Expected Credit loss	-	-
c) Credit impaired	1,029.08	913.11
Less : Allowance for expected credit loss	(1,029.08)	(913.11)
<b>Total</b>	<b>8,339.83</b>	<b>6,180.46</b>

(Rs. In Lakhs)					
Ageing of Trade Receivables	Present Due				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
<b>As at 31st March 2025</b>					
Gross Carrying Amount	8,288.02	465.26	615.63	-	9,368.91
<b>Total</b>	<b>8,288.02</b>	<b>465.26</b>	<b>615.63</b>	<b>-</b>	<b>9,368.91</b>
Ageing of Trade Receivables	Past Due				
	Less than 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Year	Total
<b>As at 31st March 2024</b>					
Gross Carrying Amount	5,651.47	758.05	684.05	-	7,093.57
<b>Total</b>	<b>5,651.47</b>	<b>758.05</b>	<b>684.05</b>	<b>-</b>	<b>7,093.57</b>

### Note 12 - Cash and Cash Equivalents

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
a. Cash on Hand	3.58	1.11
b. Balances with Banks		
In Current Accounts	450.37	735.94
In Fixed Deposit (Maturity Less than 3 Months)*	286.90	1,057.83
<b>Total</b>	<b>740.85</b>	<b>1,794.88</b>
<b>Bank Balances include:</b>		
Earmarked Balances (eg/Unpaid Dividend Accounts)	3.82	3.84
Margin Money	1.34	1.34

\* Fixed Deposit with Kotak bank Ltd having maturity less than 3 months held by the company of Rs. 24.14 lakhs (PY Rs.62.83 lakhs) are pledged with the bank to fulfill the collateral requirement of letter of credit taken by the company.



## Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### Note 13 - Other Bank Balances

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Fixed Deposit (Maturity less than 12 months)	4.73	68.08
<b>Total</b>	<b>4.73</b>	<b>68.08</b>

#### Note 14 - Other Financial Assets

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Accured Interest	3.20	3.37
<b>Total</b>	<b>3.20</b>	<b>3.37</b>

#### Note 15 - Other Current Asset

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Balances with Government Authorities	348.04	253.01
Advance to Suppliers	298.62	498.90
Prepaid Expenses	19.75	8.59
<b>Total</b>	<b>666.42</b>	<b>760.50</b>

#### Note 16 - Equity Share Capital

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Authorised</b>		
250,00,000 (Previous Year : 250,00,000) Equity Shares of Rs.10 each	2,500.00	2,500.00
<b>Issued, Subscribed &amp; Paid up</b>		
1,60,82,319 (Previous Year : 1,60,82,319) Equity Shares of Rs.10 each fully paid up	1,608.23	1,608.23
<b>Total</b>	<b>1,608.23</b>	<b>1,608.23</b>

#### Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2025	As at 31st March, 2024
	Number	Number
Equity Shares outstanding at the beginning of the year	1,60,82,319	1,55,82,319
Add : Preferential allotment during the year Pursuant to conversion of convertible warrents	-	5,00,000
Less : Equity Shares bought back during the year	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>1,60,82,319</b>	<b>1,60,82,319</b>

**Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025**

<b>Shares in the company held by each shareholder holding more than 5 % shares</b>				
	<b>As at 31st March, 2025</b>		<b>As at 31st March, 2024</b>	
<b>Name of Shareholder</b>	<b>No. of Shares held</b>	<b>% of Holding</b>	<b>No. of Shares held</b>	<b>% of Holding</b>
Kilitch Company Pharma Limited	66,29,342	41.22%	66,29,342	41.22%
Bhavin Mukund Mehta	25,23,138	15.69%	33,64,184	20.92%
Mukund Prataprai Mehta	11,40,647	7.09%	11,40,647	7.09%
Mira Bhavin Mehta	8,41,046	5.23%	-	0.00%
The company has only one class of Equity Shares having a face value of Rs. 10 per share. Each holder of Equity Share is entitled to one vote per share.				

**% Changes in Promoter holding**

	<b>As at 31st March, 2025</b>			<b>As at 31st March, 2024</b>		
<b>Promoter Name (Equity shares of INR 10 each fully paid)</b>	<b>No. of shares</b>	<b>% of total shares</b>	<b>% Change during the year</b>	<b>No. of shares</b>	<b>% of total shares</b>	<b>% Change during the year</b>
Kilitch Company Pharma Limited	66,29,342	41.22%	0.00%	66,29,342	41.22%	(1.32%)
Bhavin Mukund Mehta	25,23,138	15.69%	(5.23%)	33,64,184	20.92%	0.94%
Mukund Prataprai Mehta	11,40,647	7.09%	0.00%	11,40,647	7.09%	1.37%
Mira Bhavin Mehta	8,41,046	5.23%	5.23%	-	-	0.00%

<b>Details of Shares held by holding company / ultimate holding company and/or their subsidiaries / associates at the end of the year</b>	<b>As at 31st March, 2025</b>		<b>As at 31st March, 2024</b>	
<b>Name of the shareholder (Equity shares of INR 10 each fully paid)</b>	<b>No. of Shares</b>	<b>% of holding</b>	<b>No. of Shares</b>	<b>% of holding</b>
Kilitch Company Pharma Limited	66,29,342	41.22%	66,29,342	41.22%

**Note 17 - Other Equity**

	Rs. (In Lakhs)	
<b>Particulars</b>	<b>As at 31st March, 2025</b>	<b>As at 31st March, 2024</b>
a. Securities Premium	4,668.38	4,668.38
b. General Reserve	1,579.74	1,579.74
c. Employee Stock Options	35.42	35.42
d. Other Reserves (Call on shares forfeited A/c)	58.00	58.00
f. Retaining Earnings As per last Balance Sheet	13,153.19	11,395.80
(+) Net Profit For the year	3,115.68	1,757.38
	<b>16,268.87</b>	<b>13,153.18</b>
g. Other Comprehensive Income		
As per last Balance Sheet	1,189.41	633.28
(+/-) Change in Fair value of Investments at FVOCI	(113.68)	556.13
At the end of the Year	<b>1,075.73</b>	<b>1,189.41</b>
<b>Total</b>	<b>23,686.14</b>	<b>20,684.13</b>





## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

- 1) Securities Premium: Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.
- 2) Share Option Outstanding Account: Reserve relates to stock options granted by the Company to the employees under an employee stock options plan.
- 3) General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.
- 4) Retained earnings: Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc

### Note 18 – Borrowings (Non - Current)

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Secured		
Term Loans from Banks and Financial Institutions	2,777.04	-
<b>Total</b>	<b>2,777.04</b>	<b>-</b>

1) Total Term Loan of Rs. 2,777.04 lakhs [P.Y.-nil] which is Secured by property, plant & equipment (Refer Note 5)

2) Maturity Profile of Term Loan from Banks and Financial Institutions are set out below:

Financials Year	Amount
FY 2025-2026	-
FY 2026-2027	184.93
FY 2027-2028	541.14
FY 2028-2029	550.19
FY 2029-2030	560.03
FY 2030-2031	570.75
FY 2031-2032	369.99

### Note 19 - Provisions (Non-Current)

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for Gratuity	16.99	11.09
Provision for Compensated Absences	7.54	6.15
<b>Total</b>	<b>24.53</b>	<b>17.24</b>

### Note 20 – Borrowings

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Secured		
Working Capital Loan*	-	44.56
Export Packing Credit Loan	2,132.43	3,087.16
<b>Total</b>	<b>2,132.43</b>	<b>3,131.71</b>

\*The above stated Borrowings were secured against the Mutual Funds managed by Kotak Wealth.



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 21 - Trade Payables

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
i) Dues to Micro & Small Enterprises #	-	-
ii) Dues to Others	4,742.22	2,616.12
<b>Total</b>	<b>4,742.22</b>	<b>2,616.12</b>

#There are no Micro and Small Enterprises, to whom the company owes dues, for more than 45 days during the year as at March 31, 2025 and March 31, 2024. The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied.

The disclosure pursuant to the said Act is as under :

	As at 31st March, 2025	As at 31st March, 2024
a) Principal amount due to supplier under MSMED Act, 2006	-	-
b) Interest Accrued and due on the above amount, unpaid	-	-
c) Payment made beyond the appointed day during the year	-	-
d) Interest paid	-	-
e) Interest due and payable for the period of delay	-	-
f) Interest remaining due and payable in succeeding year	-	-

(Rs. In Lakhs)						
Aging of Trade Payable	Present Due					
	Less than 1 Year	1 - 2 Year	2-3 Years	More than 3 Years	Provision for Expenses	Total
Micro & Small Enterprises	-	-	-	-	-	-
Others	4,335.21	178.36	164.37	-	64.28	4,742.22
<b>As at 31st March 2025</b>	<b>4,335.21</b>	<b>178.36</b>	<b>164.37</b>	<b>-</b>	<b>64.28</b>	<b>4,742.22</b>
Aging of Trade Payable	Past Due					
	Less than 1 Year	1 - 2 Year	2-3 Years	More than 3 Years	Provision for Expenses	Total
Micro & Small Enterprises	-	-	-	-	-	-
Others	2,376.94	180.21	-	-	58.97	2,616.12
<b>As at 31st March 2024</b>	<b>2,376.94</b>	<b>180.21</b>	<b>-</b>	<b>-</b>	<b>58.97</b>	<b>2,616.12</b>

### Note 22 - Other Financial Liabilities

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Unpaid Dividends	3.87	3.87
Other Payables	3.16	3.93
<b>Total</b>	<b>7.03</b>	<b>7.80</b>



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 23 - Provisions (Current)

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Provision for employee benefits:</b>		
Salary & Reimbursements	131.38	121.20
Provision for Gratuity	11.96	9.01
Provision for Compensated Absences	0.45	0.50
<b>Total</b>	<b>143.79</b>	<b>130.70</b>

### Note 24 - Current Tax Liabilities (Net)

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Provisions for Taxes (Net of taxes paid)	668.55	530.51
<b>Total</b>	<b>668.55</b>	<b>530.51</b>

### Note 25 - Other Current Liabilities

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Statutory dues	25.84	20.62
<b>Total</b>	<b>25.84</b>	<b>20.62</b>

### Note 26 - Revenue from Operations

Rs. (In Lakhs)		
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
<b>Sale of Products/Services:</b>		
Local Sales	4,213.71	3,104.24
Out Of Maharashtra Sales	2,738.05	1,682.75
Export Sales	11,099.11	8,296.28
Other Operating Revenues	107.87	76.63
<b>Total</b>	<b>18,158.73</b>	<b>13,159.90</b>

### Note 27 - Other Income

Rs. (In Lakhs)		
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Interest Income	358.74	211.75
Dividend Income	0.55	1.20
<b>Foreign Exchange Gain :</b>		
Realised	220.75	200.66
Unrealised	59.99	15.85
Profit on Sale of Investments	652.17	138.85
Duty Drawback Receipts	74.59	-
Other Service Income	-	48.30
Miscellaneous Income	4.74	2.24
<b>Total</b>	<b>1,371.53</b>	<b>618.85</b>

**Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025****Note 28 - Cost of Materials Consumed**

Rs. (In Lakhs)		
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Opening Stock	325.45	142.72
Purchases	10,334.22	6,815.97
Less: Closing Stock	(1,340.62)	(325.45)
<b>Total</b>	<b>9,319.06</b>	<b>6,633.24</b>

**Note 29 - Variation in inventories of Finished Goods and work - In - progress**

Rs. (In Lakhs)		
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
<b>Opening Stock :</b>		
Work-in-Process	18.68	16.75
Finished Goods	54.67	44.99
	<b>73.35</b>	<b>61.74</b>
<b>Closing Stock :</b>		
Work-in-Process	-	18.68
Finished Goods	190.34	54.67
	<b>190.34</b>	<b>73.35</b>
<b>Total</b>	<b>(116.99)</b>	<b>(11.61)</b>

**Note 30 - Employee Benefits Expenses**

Rs. (In Lakhs)		
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Salaries and Incentives	945.96	741.19
Contributions to Fund	34.86	26.78
Staff Welfare Expenses	22.25	23.38
<b>Total</b>	<b>1,003.07</b>	<b>791.35</b>

**Note 31 - Finance Cost**

Rs. (In Lakhs)		
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Interest expense for financial liabilities at amortised cost	212.55	190.81
<b>Total</b>	<b>212.55</b>	<b>190.81</b>

**Note 32 - Export Product Registration/Commission**

Rs. (In Lakhs)		
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Export Product Registration & Commission	1,977.82	1,388.53
Export Expenses	16.41	4.08
<b>Total</b>	<b>1,994.23</b>	<b>1,392.62</b>



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 33 - Other Expenses

Rs. (In Lakhs)		
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Consumption of stores and spare parts	156.85	150.59
Labour Charges	327.25	282.14
Power and Fuel	251.73	225.35
CSR Expenses	38.56	28.00
Water Charges	9.56	10.63
Bank & Other Charges	27.88	10.69
Repairs – Building	18.06	-
Repairs - Others	50.04	36.22
Insurance	9.46	15.44
Rent, Rates and Taxes	111.09	47.02
Auditors Remuneration (Ref. Note: 39)	5.00	5.00
Miscellaneous Expenses	70.50	64.82
Directors' Sitting Fees	0.90	0.79
Foreign Travelling Expenses	123.03	113.24
Printing & Stationery	13.67	20.79
Professional Charges	255.72	319.15
Communication Expenses	22.48	19.57
<u>Travelling Expenses:</u>		
Directors	12.01	21.72
Others	72.38	81.70
Marketing & Business Expenses	186.95	92.54
Clearing & Forwarding Expenses	942.35	496.10
Share of Loss from Partnership Firm	0.04	0.20
Provision For Expected Credit Loss	115.96	236.35
Office Expenses	54.19	44.56
<b>Total</b>	<b>2,875.63</b>	<b>2,322.61</b>

### Note 34 - Disclosure as per IND AS – 19 “employee benefits”.

#### (A) Expenses recognised for Defined Contribution Plan:

Employer's Contribution to Provident and Pension Fund Rs.25.74 Lakhs (PY Rs. 23.58 Lakhs).

Employer's Contribution to ESIC Rs. 5.83 Lakhs (PY Rs. 5.53 Lakhs)

The Company makes contributions towards provident fund and pension fund for qualifying employees to the Regional Provident Fund Commissioner.

#### (B) Expenses recognised Defined Benefit Plan:

The company provides gratuity benefit to its employees which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### i. Change in Defined Benefit Obligation during the year:

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
	Gratuity	Gratuity
Present value of the obligation at the beginning of the year	57.19	50.72
Current Service Cost	9.91	8.39
Interest Cost	3.48	3.11
Actuarial (Gain) / Loss on Obligation	[1.91]	[4.68]
Benefits Paid	-	[0.35]
<b>Present value of the obligation at the end of the year</b>	<b>68.67</b>	<b>57.19</b>

### ii. Amount to be recognized in Balance sheet

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
	Gratuity	Gratuity
Present Value of Defined Benefit Obligation	68.67	57.19
Fair value of Plan Assets at the end of the year	[39.72]	[37.10]
<b>Amount to be recognized in Balance sheet</b>	<b>28.95</b>	<b>20.09</b>

### iii. Current/Non - Current bifurcation

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
	Gratuity	Gratuity
Current Benefit Obligation	11.96	9.00
Non-Current Benefit Obligation	16.99	11.09

### iv. Expenses recognised in the statement of financial position for the year

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
	Gratuity	Gratuity
Current Service Cost	9.91	8.39
Interest cost on Obligation	3.48	3.11
Net Actuarial (Gain) / Loss recognised in the year	-	-
<b>Net Cost Included in Personnel Expenses</b>	<b>13.39</b>	<b>11.50</b>

### v. Maturity profile of defined benefit obligation

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
Within the next 12 months	12.81	10.19
between 2 to 5 Years	17.08	8.70
between 6 to 10 Years	21.27	22.10





## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### vi. Actuarial Assumptions used for estimating defined benefit obligations

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
Discount Rate	6.76% P.A.	7.25% P.A.
Salary Escalation Rate	6.50% P.A.	6.50% P.A.
Mortality Rate	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate	1.00%	1.00%
The Weighted Average Duration of the Plan	11 Years	11 Years
No. of Employees	182	156
Average Age	35	35
Total Salary (Rs. in Lakhs)	21.25	16.89
Average Salary (Rs. in Lakhs)	0.12	0.11
Average Service	5 Years	5 Years
Accrued Benefit	68.67	57.19
Actuarial Liability	28.95	20.09

#### Notes:

1. Salary escalation rate is arrived after taking into account regular increments, price inflation and promotion and other relevant factors such as supply and demand in employment market.
2. Discount rate is based on prevailing market yields of Indian Government Securities as at balance sheet date for estimated term of obligations.
3. Attrition rate/ withdrawal rate is based on Company's policy towards retention of employees, historical data and industry outlook.

### vii. Sensitivity analysis:

#### Increase/ (decrease) on present value of defined benefits obligations at the end of the year:

(Rs. in Lakhs)			
Particulars	Change in assumption	Effect on Gratuity obligation	
		2024-25	2023-24
Discount rate	1%	62.45	52.04
	-1%	76.14	63.36
Salary Escalation rate	1%	76.07	63.39
	-1%	62.39	51.96

These gratuity plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

#### Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

#### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Longevity risk

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

### Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

### C) Unfunded Schemes - Earned Leaves

(Rs.in Lakhs)

Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Present value of unfunded obligations	8.00	6.65
Expenses recognised in the statement of profit and loss	2.65	3.18
In Other comprehensive income	(2.28)	(4.93)
Actuarial (Gain) / Loss - Plan liabilities	-	-
Actuarial (Gain) / Loss - Return On Plan Assets	-	-
Net (Income)/ Expense For the period Recognized in OCI	0.37	(1.75)
Discount rate (per annum)	6.76%	7.25%
Salary escalation rate (per annum)	6.50%	6.50%

### Note 35 - Segment Reporting

The Company is mainly engaged in the development and operations of Pharmaceutical business. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 - Operating Segments.

Managing Director (the 'Chief Operational Decision Maker' as defined in Ind AS 108) monitors the operating results of the company's business for the purpose of making decisions about resource allocation and performance assessment.

### Note 36 - Related Party Disclosures 1

In view of the INDAS 24 "Related Parties Disclosures", the disclosure in respect of related party transactions for the year ended on 31st March 2025 is as under:

RELATIONSHIPS	
Category I : Subsidiaries of the Company	
Indian Subsidiary – Monarchy Healthserve Private Limited	
Foreign Subsidiary – Kilitch Estro Biotech PLC	
Category II : Key Managerial Personnel	
Key Person	Designation
Mukund Prataprai Mehta	Chairman & Managing Director
Bhavin Mukund Mehta	Whole -time Director
Mira Bhavin Mehta	Managing Director
Sunil Jain	Chief Financial Officer
Pushpa Nyoupane	Company Secretary & Compliance Officer



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

Category III : Enterprises over which Key Managerial Personnel are able to exercise significant control				
NBZ Healthcare LLP.				
Arham Neeta Realities LLP				
Kilitch Pharma (Co.) Ltd.				
Transactions during the year:				(Rs. In Lakhs)
	TRANSACTIONS	Category I	Category II	Category III
1	Purchases	-	-	-
		-		(155.61)
2	Sales	2.68	-	195.39
		(2.19)		(47.95)
3	Remuneration and Sitting Fees	-	195.23	-
			(188.17)	
4	Expenses Incurred by KDL	-	-	-
			-	
5	Advance/Loan Given to Parties	90.51	-	2,750.16
		(49.35)		(4,033.12)
6	Advance Returned by Parties	-	-	3,215.03
		-		(4,032.14)
7	Interest Accrued on Loan	256.18	-	-
		(171.00)		

The following balances were due from / to the related parties as on 31-03-2025

(Rs. In Lakhs)				
Sr.No.	TRANSACTIONS	Category I	Category II	Category III
1	Loans/Advances/Receivables	5,322.12	-	1.75
		(4,975.43)		(0.98)
2	Loans/Advances/Payable	-	-	41.53
		-		-

**Note: Figures in brackets indicates previous year figure.**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Review of outstanding balances is undertaken each financial year through examining the financial position of the related party and the market in which related party operates. These balances are unsecured and their settlement occurs through banking channel.



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Compensation of key management personnel:

The remuneration of director and other member of key management personnel during the year was as follows:

(Rs. In Lakh)		
Particulars	2024-25	2023-24
Short-term benefits	195.23	188.17
Other long term benefits	-	-

### Note 37 - Earning per Share (EPS)

Basic as well as Diluted EPS	2024-25	2023-24
Net Profit after Tax (Rs. in Lakhs)	3,115.68	1,757.38
Weighted Average No. of Equity Shares for Basic EPS	1,60,82,319	1,59,29,314
Weighted Average No. of Equity Shares for Diluted EPS	1,60,82,319	1,59,29,314
Nominal Value of Equity Shares (Rs.)	10.00	10.00
Basic Earnings Per Share (Rs.)	19.37	11.03
Diluted Earnings Per Share (Rs.)	19.37	11.03

### Note 38 - contingent liabilities not provided for in Respect of:

a) Demand notices received on account of Property Tax pertaining to FY 2019-20 is aggregating's. 53.20 Lakhs (P.Y. Rs. 53.20 Lakhs) are disputed by the Company. The Company has filed a suit and the matter is pending in the Supreme Court and Company has not yet deposited any amount in this regard.

b) Demand notices received on account of principal amount of CESS during FY 2019-20 pertaining to FY 1999-2000 and FY 2000-2001 is aggregating Rs. 22.85 Lakhs (P.Y.Rs. 22.85 Lakhs ) are disputed by the Company. The Company has filed a suit and the matter is pending in the Supreme Court and Company has not yet deposited any amount in this regard.

The above litigations are not expected to have any material adverse effect on the financial position of the company.

### Note 39 - Auditors' Remuneration:

(Rs. In Lakhs)		
Particulars	2024-25	2023-24
Audit fees	5.00	5.00
<b>Total</b>	<b>5.00</b>	<b>5.00</b>

### Note 40 - loans and Advances In the nature of loans given to Subsidiaries and Associates:

(Rs. In Lakhs)					
Sr. No.	Particulars	Relationship	As at 31st March 2025	Maximum balance during the year	As at 31st March 2024
1	Monarchy Healthserve Private Limited	Subsidiary	41.16	41.16	37.55
2	Kilitch Estro Biotech PLC	Subsidiary	5,280.96	5,280.96	4,937.88



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 41 – Impairment of Assets

The Company's Board, out of abundant caution and as a prudent practice in line with the standard accounting practices has not made any impairment provision against its investments for the financial year 2024-25.

### Note 42 – Balance Confirmation

The balances in respect of Trade Receivables & Payables, loans and advances, as appearing in the books of accounts are subject to confirmations by the respective parties and adjustments/reconciliation arising there from, if any.

### Note 43 – Investment in Limited Liability Partnership

The Company is a partner in a partnership firm M/s. Arham Neeta Realities LLP. The accounts of the partnership firm have been finalized up to the financial year 2024-25. The details of the Capital Accounts of the Partners as per the latest Financial Statements of the firm are as under:

(Rs. in Lakhs)				
Sl. No.	Name of the Partners	Profit Sharing Ratio	Total Capital on 31st March, 2025	Total Capital on 31st March, 2024
1	Kilitch Drugs (India) Limited	65.00%	2,108.99	2,122.49
2	Mukund Mehta	16.25%	(2.59)	(2.72)
3	Bhavin Mehta	16.25%	(3.24)	(3.36)
4	Mira Mehta	2.50%	(1.97)	(1.99)

The Company has accounted for its share of loss amounting to Rs. 0.04 Lakhs (P.Y. Rs. 0.20 Lakhs) pertaining to the financial 2024-25.

### Note 44 – Event after Reporting Date:

There are no major events occurred after the reporting date."

### Note 45 – Corporate Social Responsibility

The company is required to comply the requirements of CSR as per Section 135 of the Companies Act, 2013 read with Schedule VII. Accordingly the company has spent an amount of Rs. 38.56 Lakhs during the Financial Year 2024-25.

Expenditure related to corporate social responsibility is :

(Rs. In Lakhs)		
Particulars	2024-25	2023-24
1) Education activities for Children	23.56	18.00
2) Women Empowerment, Medical, Farmer welfare and Healthcare rural development	15.00	10.00
<b>Total</b>	<b>38.56</b>	<b>28.00</b>

### Note 46 – Fair Value of Financial Assets and Liabilities:

Set out below is the comparison by class of carrying amounts and fair value of Company's financial instruments that are recognised in the financial statements.



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

(Rs. In Lakhs)				
Particulars	As at 31st March 2025		As at 31st March 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets designated at fair value through Other Comprehensive Income</b>				
Investments				
in Equity shares	49.85	49.85	47.98	47.98
in Mutual Funds	4,951.77	4,951.77	4,942.84	4,942.84
<b>Financial Assets Designated at Amortised Cost</b>				
Trade Receivables	8,339.83	8,339.83	6,180.46	6,180.46
Cash and Cash Equivalents	740.85	740.85	1,794.88	1,794.88
Loans and Advances	5,423.15	5,423.15	5,046.95	5,046.95
Other Bank Balances	4.73	4.73	68.08	68.08
Other Financial Assets	5.01	5.01	4.62	4.62
Other Investment	125.35	125.35	113.01	113.01
<b>Total</b>	<b>19,640.54</b>	<b>19,640.54</b>	<b>18,198.80</b>	<b>18,198.80</b>
<b>Financial Liabilities Designated at Amortised Cost</b>				
Borrowings	4,909.47	4,909.47	3,131.71	3,131.71
Trade Payables and Others	4,742.22	4,742.22	2,626.12	2,626.12
Other Financial Liabilities	7.03	7.03	7.80	7.80
<b>Total</b>	<b>9,658.71</b>	<b>9,658.71</b>	<b>5,755.63</b>	<b>5,755.63</b>

### Fair valuation techniques:

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The following methods and assumptions were used to estimate the fair values

- Fair value of the Equity Shares are based on price quoted on stock exchange.
- Fair value of investment in unquoted equity shares are considered same as carrying value as the same are recently acquired.
- Fair value of Financial Assets & Financial Liability (except which are show at their fair value) are carried at amortised cost is not materially different from its carrying cost. The Financial Assets do not include investments in group companies which are carried at cost.

### Fair Value hierarchy:

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

**Level 1:** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). Fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2





## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

**Level 3:** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(Rs. In Lakhs)						
Purchases	As at 31st March 2025			As at 31st March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair Value						
Investments						
-in Equity shares	49.85	-	4,900.91	47.98	-	4,843.80
-in Bonds	-	-	58.33	-	-	59.77
-in Mutual Funds	-	4,951.77	-	-	4,942.84	-
-in Others	-	-	2,176.01	-	-	2,175.72

### Note 47 - Financial Risk Management:

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

#### Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

#### Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to foreign exchange risk through purchases of goods or services from overseas supplier in foreign currency. The Company generally transacts in US dollar. The foreign exchange rate exposure is balanced by purchasing of goods or services in the respective currency.

The Company is exposed to insignificant foreign exchange risk as at the respective reporting dates.

#### Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

#### Commodity and Other price risk

The Company is not exposed to the commodity and other price risk.

#### Credit Risk

Credit risk is the risk of financial loss to the Company that a customer or counter party to a financial instrument fails to



## Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

meet its obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds, financial institutions and other financial instruments

#### Trade and other receivables:

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and aging of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability.

Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Company continues regular follow-up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstanding.

The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum and hence, the concentration of risk with respect to trade receivables is low. The Company also takes security deposits, advances, post-dated cheques etc. from its customers, which mitigate the credit risk to an extent."

#### Cash and cash equivalents another investments:

The Company is exposed to counter party risk relating to medium term deposits with banks and investment in mutual funds.

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings."

#### Exposure to credit risk:

The gross carrying amount of financial assets, net of impairment losses recognised represents the maximum credit exposure.

The maximum exposure to credit risk as at 31st March 2025 and 31st March 2024 is as follows:

(Rs. In Lakhs)		
Particulars	As at 31st March 2025	As at 31st March 2024
<b>Financial assets for which loss allowances is measured using 12 months Expected Credit Losses (ECL):</b>		
Current Investment	4,951.77	4,942.84
Cash and cash equivalents	740.85	1,794.88
Other Bank Balances	4.73	68.08
Other financial assets	3.20	3.37
<b>Financial assets for which loss allowances is measured using Life time Expected Credit Losses (ECL):</b>		
Trade receivables	8,339.83	6,180.46



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Life time Expected credit loss for Trade receivables under simplified approach

(Rs. In Lakhs)					
Ageing of Trade Receivables	Present Due				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
<b>As at 31st March 2025</b>					
Gross Carrying Amount	8,288.02	465.26	615.63	-	9,368.91
Expected credit losses (Loss allowance provision)	(177.73)	(346.04)	(505.31)	-	(1,029.08)
<b>Net Carrying Amount</b>	<b>8,110.29</b>	<b>119.22</b>	<b>110.32</b>	<b>-</b>	<b>8,339.83</b>
Ageing of Trade Receivables	Past Due				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
<b>As at 31st March 2024</b>					
Gross Carrying Amount	5,651.47	758.05	684.05	-	7,093.57
Expected credit losses (Loss allowance provision)	(56.61)	(401.07)	(455.43)	-	(913.11)
<b>Net Carrying Amount</b>	<b>5,594.86</b>	<b>356.98</b>	<b>228.62</b>	<b>-</b>	<b>6,180.46</b>

### Reconciliation of Changes in the life time expected credit loss allowance:

(Rs. In Lakhs)		
Particulars	2024-25	2023-24
Loss allowance on 1st April	913.11	676.76
Provided during the year	(1,942.19)	236.35
Reversal of provision	-	-
Loss allowance on 31st March	(1,029.08)	913.11

Cash and Cash equivalent, other Investment, Loans and other financial assets are neither past due nor impaired. Management is of view that these financial assets are considered good and 12 months ECL is not provided.

### Liquidity risk:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds.

The current borrowings are sufficient to meet its short to medium term expansion needs. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company is required to maintain ratios (such as debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels and also cash deposits with banks to mitigate the risk of default in repayments. In the event of any failure to meet these covenants, these loans become callable to the extent of failure at the option of lenders, except where exemption is provided by lender.



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

(Rs. In Lakhs)						
Particulars	As at 31st March 2025					
	Carrying Amount	On Demand	Less than 12 months	2- 5 years	>5 years	Total
Borrowings	4,909.47	-	2,132.43	1,836.30	940.74	<b>4,909.47</b>
Other Financial Liabilities	7.03	-	7.03	-	-	<b>7.03</b>
Trade and other payables	4,742.22	-	4,742.22	-	-	<b>4,742.22</b>
Particulars	As at 31st March 2024					
	Carrying Amount	On Demand	Less than 12 months	2-5 years	>5 years	Total
Borrowings	3,131.71	-	3,131.71	-	-	<b>3,131.71</b>
Other Financial Liabilities	7.80	-	7.80	-	-	<b>7.80</b>
Trade and other payables	2,616.12	-	2,616.12	-	-	<b>2,616.12</b>

### Capital management

The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2025 and March 31, 2024.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

(Rs. In Lakhs)		
Particulars	2024-25	2023-24
- Loans and Borrowings	4,909.47	3,131.71
Less: Cash and cash equivalents + Bank Deposits	(747.39)	(1,864.21)
Net Debt	4,162.08	1,267.50
Total Capital	25,294.37	22,292.36
Capital + Net Debt	29,456.45	23,559.86
Gearing Ratio	0.16	0.06

### Note 48 – Taxation:

Income tax related to items charged or credited to profit or loss during the year:

(Rs. In Lakhs)		
A. Statement of Profit or Loss		
Particulars	2024-25	2023-24
1. Current Income Tax (Net of MAT Credit)	985.00	636.50
2. Tax adjustments of earlier years	-	-
	<b>985.00</b>	<b>636.50</b>
3. Deferred Tax expenses/ (benefits):		
Relating to origination and reversal of temporary differences	(31.70)	(58.57)
<b>Total Income tax Expenses (1 to 3)</b>	<b>953.30</b>	<b>577.93</b>



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

<b>B. Reconciliation of Current Tax expenses:</b> (Rs. In Lakhs)		
<b>Particulars</b>	<b>2024-25</b>	<b>2023-24</b>
Profit/(Loss) from Continuing operations	4,068.99	2,335.31
Applicable Tax Rate	25.17%	25.17%
Computed tax expenses	1,024.08	587.75
Income not allowed/exempt for tax purposes	(15.10)	(154.70)
Expenses not allowed for tax purposes	104.99	346.06
Other temporary allowances	(46.79)	(128.77)
Tax paid at lower rate	(82.18)	(13.84)
<b>Current Income Tax</b>	<b>985.00</b>	<b>636.50</b>
<b>Deferred Tax Recognised in statement of profit and Loss relates to the following:</b> (Rs. In Lakhs)		
<b>Particulars</b>	<b>2024-25</b>	<b>2023-24</b>
Difference between book and Tax depreciation	(1.60)	(1.10)
Expenses allowable on payment basis	33.30	59.67
Deferred Tax Liabilities/ (Asset)	31.70	58.57
<b>Reconciliation of deferred tax liabilities/(asset) net:</b> (Rs. In Lakhs)		
<b>Particulars</b>	<b>2024-25</b>	<b>2023-24</b>
Opening balance as on 1st April	255.95	197.38
Tax expenses / (income) during the period	31.70	58.57
<b>Closing balance as on 31st March</b>	<b>287.64</b>	<b>255.95</b>

### Note 49 – Share Based Payments and Arrangements:

As per the ESOS, 2007 as amended from time to time the outstanding ESOPs which can be exercised by our employees at Rs. 10 each (Face Value Rs. 10/ share). Detailed analysis of the same has been enumerated below:

<b>Sr. No.</b>	<b>Particulars of Options / Scheme</b>	<b>Total (Numbers)</b>
1	Outstanding as at beginning of the Year	17,526
2	Add : Granted during the Year	NIL
3	Less : Forfeited/Cancelled/Lapsed during the Year	NIL
4	Less : Exercised and allotted during the Year	NIL
5	Outstanding as at the end of the Year	17,526

As per the ESOS, 2020 as amended from time to time the outstanding ESOPs which can be exercised by our employees at Rs. 10 each (Face Value Rs. 10/ share). Detailed analysis of the same has been enumerated below:

<b>Sr. No.</b>	<b>Particulars of Options / Scheme</b>	<b>Total (Numbers)</b>
1	Outstanding as at beginning of the Year	105,264
2	Add : Granted during the Year	NIL
3	Less : Forfeited/Cancelled/Lapsed during the Year	NIL
4	Less : Exercised and allotted during the Year	NIL
5	Outstanding as at the end of the Year	105,264



## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

**Note 50** - The previous year figures have been regrouped, reworked, rearranged and reclassified, wherever necessary and are to be read in relation to the amounts and other disclosures relating to the current year.

### **Note 51 - Additional regulatory information required by Schedule III :**

#### **Details of benami property held -**

No proceedings have been initiated on or are pending against the company for holding benami property under the benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

#### **Borrowing secured against current assets**

The company does not have borrowings from banks and financial institutions on the basis of security of current assets.

#### **Wilful defaulter**

Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

#### **Relationship with struck off companies**

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

#### **Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under the Companies Act, 2013.

#### **Compliance with approved scheme(s) of arrangements**

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

#### **Utilisation of borrowed funds and share premium**

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

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

#### **Undisclosed income**

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

#### **Details of crypto currency or virtual currency**

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.





## Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Valuation of PPE, Intangible Asset and investment property

The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

#### Note 52 - Ratio

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance
Current Ratio	16,237.76	7,719.85	2.10	2.20	(0.09)
Debt - Equity Ratio	4,909.47	25,294.37	0.19	0.14	0.05
Debt Service Coverage Ratio	3,501.96	4,909.47	0.71	0.66	0.05
Return on Equity Ratio	3,002.01	25,294.37	0.12	0.08	0.04
Inventory/Stock turnover ratio	9,202.07	964.88	9.54	13.24	(3.70)
Trade Receivables turnover ratio	18,158.73	7,260.14	2.50	1.49	1.01
Trade payables turnover ratio	10,334.22	3,679.17	2.81	1.61	1.20
Net Working capital turnover ratio	18,158.73	8,517.91	2.13	1.71	0.43
Net profit ratio	3,002.01	19,530.26	0.15	0.13	0.03
ROI	3,002.01	25,294.37	0.12	0.08	0.04

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyoupane (Company Secretary) M. No. A64047



## INDEPENDENT AUDITORS' REPORT

TO  
THE MEMBERS  
**KILITCH DRUGS (I) LIMITED**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated financial statements of Kilitch Drugs (India) Limited (herein referred to as the Holding Company) and its subsidiaries (the Holding company and its subsidiaries together referred together as "The Group"), comprising of the Consolidated Balance Sheet as at March 31, 2025 the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein referred to as "the Consolidated Financial Statements").

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

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these

requirements and the 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Revenue Recognition [Export Sales]	<p>Obtaining an understanding of an assessing the design, implementation and operating effectiveness of the Company's key internal controls over revenue recognition process.</p> <ul style="list-style-type: none"> <li>• Testing a sample of contracts and testing the revenues recognised with respect thereto by agreeing information back to contract terms.</li> <li>• Testing the controls over the sale data collated for the purpose of recognizing the revenue on sample basis.</li> <li>• Assessing the adequacy of company's disclosure with respect to revenue recognised.</li> </ul>
2.	Trade Receivables	<p>Our audit procedures to assess the appropriateness of Trade receivables disclosure and provision against trade receivables included the Note 11 &amp; Note 3 paragraph "H" of significant accounting policies.</p>



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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Management's Responsibility for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are 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 state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of directors of the entities are responsible for 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit



procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company 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.

### Materiality

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

### Communication with those charged with Governance

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

(a) The comparative figures of the Company the year ended March 31, 2024 were audited by M/s Suryaprakash Maurya & Co. who, vide their report dated 27th May, 2024 expressed an unmodified conclusion on the same. C. Sharat & Associates Chartered Accountants has been appointed as the statutory auditor on 27th September 2024.

(b) We did not audit the financial statement other information of One subsidiary, whose financial statements reflect total assets of Rs. 1,857.10 Lakhs as at March 31, 2025, total revenues of Rs. NIL, total net (loss) after tax of Rs. (88.19) lakhs, total comprehensive income of Rs. (88.19) Lakhs, for the year ended on that date respectively, and net cash outflows of Rs. 0.01 lakhs for the year ended March 31, 2025, as considered in the Statement which have been audited by another independent auditor. Whose report have been furnished to us by the management of the Company and our opinion in so far as it relates to the amounts included in respect of these subsidiary is based solely on the report of other auditor.

(c) We have relied on the unaudited financial statements of one foreign subsidiary, whose financial statements reflects total assets of Rs. 5,341.53 Lakhs as at 31st March, 2025, total revenue of Rs. 1,971.83 Lakhs, total net loss after tax of Rs. (553.48) Lakhs and total comprehensive loss Rs. (533.48) Lakhs for year ended



31st March, 2025 and net cash inflow of Rs. 137.91 Lakhs for the year ended 31st March, 2025 as considered in the consolidated financial statements. These unaudited financial statements have been furnished to us by the management and our opinion on the statement, in so far as it relates to the amounts included in respect of the said subsidiary is solely based on such unaudited financial statements certified by the management.

Our conclusion on the consolidated financial statement is not modified in respect of the other matters above.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of 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 the group companies, incorporated in India, there are no matters which require reporting as specified in paragraph 3(xxii) of the Order. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Other Comprehensive Income, 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. On the basis of written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group internal financial controls over financial reporting;

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 38 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March, 2025, and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

vi. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such



subsidiaries to or in any other person(s) 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 respective 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 incorporated in India 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, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person(s) 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 circumstances performed by us and those performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. 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 the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For C. Sharat & Associates**

Chartered Accountants

Registration No : 128593W

**Chintan Sharatchandra Shah**

Membership No. : 127551

ICAI UDIN: 25127551BMIIJD5977

Place : Mumbai

Date : 19<sup>th</sup> May, 2025





## **“Annexure A” to Independent Auditors’ report referred of even date on the Consolidated Financial Statements.**

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

We have audited the internal financial controls over financial reporting of **Kilitch Drugs (India) Limited** (herein after referred to as (“the Holding”) and its subsidiary companies (the Holding Company and its subsidiaries together referred to as “the Group”) which are companies incorporated in India as of 31st March, 2025 in conjunction with our audit of the consolidated financial statements of the Company for the year then ended.

### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of

India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting**



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

### **Opinion**

In our opinion, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting

were operating effectively as at 31st March, 2025, based on the internal controls 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 ICAI.

### **Other matters**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one subsidiary, which is incorporated in India, is based on the corresponding reports of the auditors of such subsidiary. The Holding Company did not have any associate company incorporated in India and did not exercise joint control over any entity incorporated in India.

### **For C. Sharat & Associates**

Chartered Accountants

Registration No : 128593W

### **Chintan Sharatchandra Shah**

Membership No. : 127551

ICAI UDIN: 25127551BMIIJD5977

Place : Mumbai

Date : 19<sup>th</sup> May, 2025



KILITCH DRUGS (INDIA) LIMITED

## Consolidated Balance Sheet

As at 31<sup>st</sup> March, 2025

(Rs. In Lakh)			
Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	4,552.43	4,215.52
Capital Work-In-Progress	5	4,729.45	596.50
Other Intangible Assets	5	1,888.74	1,982.28
<b>Financial Assets</b>			
-Investments	6(A)	2,284.19	2,283.48
-Loans & Advances	7	142.19	71.51
-Other Financials Assets	8	1.81	1.25
Deferred Tax Assets (Net)	9	287.92	256.34
<b>(A)</b>		<b>13,886.73</b>	<b>9,406.88</b>
<b>Current Assets</b>			
Inventories	10	1,530.96	398.80
<b>Financial Assets</b>			
-Investments	6(B)	4,951.77	4,942.84
-Trade Receivables	11	8,473.88	6,322.38
-Cash and Cash Equivalents	12	980.05	1,896.18
-Other Bank Balances	13	4.73	68.08
-Other Financials Assets	14	3.20	3.37
Other Current Assets	15	1,447.06	967.63
<b>(B)</b>		<b>17,391.65</b>	<b>14,599.28</b>
<b>TOTAL (A + B)</b>		<b>31,278.38</b>	<b>24,006.16</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	16	1,608.23	1,608.23
Other Equity	17	18,624.68	16,020.89
<b>Equity Attributable to The Owners</b>		<b>20,232.91</b>	<b>17,629.12</b>
Non-Controlling Interest		(187.11)	(61.79)
<b>(A)</b>		<b>20,045.80</b>	<b>17,567.33</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
-Borrowings	18	2,777.04	-
Provisions	19	24.53	17.24
<b>(B)</b>		<b>2,801.57</b>	<b>17.24</b>
<b>Current Liabilities</b>			
Financial Liabilities			
-Borrowings	20	2,165.36	3,164.65
-Trade Payables	21		
Micro and Small Enterprises		-	-
Others		5,415.74	2,558.89
-Other Financial Liabilities	22	7.03	7.80
Provisions	23	148.48	139.12
Current Tax Liabilities (Net)	24	668.55	530.51
Other Current Liabilities	25	25.85	20.62
<b>(C)</b>		<b>8,431.01</b>	<b>6,421.59</b>
<b>TOTAL (A+B+C)</b>		<b>31,278.38</b>	<b>24,006.16</b>

Significant Accounting Policies and Notes on Financial Statements 1 to 52

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyupane (Company Secretary) M. No. A64047



KILITCH DRUGS (INDIA) LIMITED

## Consolidated Statement of Profit and Loss

For the year ended 31st March, 2025

(Rs. In Lakh)				
Particulars		Note No.	Year Ended 31st March, 2025	Year Ended 31st March, 2024
	INCOME			
I	Revenue From Operations	26	19,831.85	15,437.25
II	Other Income	27	1,116.06	447.89
III	Total Income (I+II)		20,947.91	15,885.14
	EXPENSES			
	Cost of Materials Consumed	28	10,574.97	7,907.82
	Variation in inventories of finished goods & work-in-progress	29	(116.99)	(11.61)
	Employee Benefits Expenses	30	1,132.38	1,001.31
	Finance Cost	31	504.13	592.94
	Depreciation and Amortization Expense	5	311.02	334.96
	Export Product Registration/Commission	32	1,995.02	1,395.25
	Other Expenses	33	3,099.96	2,729.02
IV	Total Expenses		17,500.49	13,949.69
	Profit Before Tax Exceptional Items and Tax		3,447.42	1,935.45
	Add: Exceptional Item		-	-
V	Profit Before Tax		3,447.42	1,935.45
	Less :Tax Expenses:			
	a) Current Income Tax		985.00	636.50
	b) Deferred Tax		(31.59)	(58.57)
	Profit After Tax		2,494.01	1,357.52
	Add/(Less) : Share of Profit/(Loss) in Associates		-	-
	Profit For The Year		2,494.01	1,357.52
	Other Comprehensive Income			
	A) Items that will not be reclassified To Profit & Loss A/c			
	a) Change in fair value of Investments		(115.96)	744.86
	b) Employee benefits		2.28	4.93
	B) Income Tax relating to the items that will not be reclassified to Profit & Loss A/c			
	Change in fair value of Investments		-	(193.66)
	Total comprehensive income for the Year		(113.68)	556.13
	TOTAL COMPREHENSIVE INCOME AFTER TAXES		2,380.33	1,913.65
	Net Profit / (Loss) attributable to			
	a) Owner of the Company		2,670.06	1,460.14
	b) Non-Controlling Interest		(176.05)	(102.62)
	Other Comprehensive Income attributable to			
	a) Owner of the Company		(113.68)	556.13
	b) Non-Controlling Interest			
	Total Income attributable to			
	a) Owner of the Company		2,556.38	2,016.27
	b) Non-Controlling Interest		(176.05)	(102.62)
	Earning per Share	37		
	(a) Basic (not annualised) (In Rs.)		16.60	9.17
	(b) Diluted (not annualised) (In Rs.)		16.60	9.17
Significant Accounting Policies and Notes on Financial Statements1 to 52				

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyupane (Company Secretary) M. No. A64047



## Consolidated Cash Flow Statement

For the year ended 31st March, 2025

(Rs. In Lakh)				
Particulars	Year Ended 31st March, 2025		Year Ended 31st March, 2024	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) before extraordinary items and tax		3,447.43		1,935.45
Adjustments for:				
Depreciation and Amortisation	311.02		334.96	
Interest Income	(102.56)		(40.74)	
Dividend Income	(0.55)		(1.20)	
(Profit)/Loss on Sale of Investments	(652.17)		(138.85)	
Share of (Profit)/ Loss from Partnership Firm	0.04		0.20	
Provision for Gratuity & Leave Encashment	0.44		0.50	
Interest Expenses	504.13		592.94	
Expected Credit Loss	115.96		313.88	
Net Unrealised Exchange (gain) / Loss	(59.99)	116.32	(15.85)	1,045.83
Operating Profit / (Loss) before Working Capital Changes		3,563.76		2,981.28
Changes in Working Capital:				
Operating Assets:				
Inventories	(1,132.16)		(194.34)	
Trade Receivables	(2,207.48)		(1,191.71)	
Other Current Assets	(432.07)		187.07	
Deposits/Advances	(70.67)		(9.45)	
Operating Liabilities:				
Trade Payables	2,856.85		(1,228.55)	
Other Financial Liabilities	(0.77)		3.93	
Other Current Liabilities	5.23		(0.50)	
Short-Term Provisions	18.49	(962.58)	2.33	(2,431.22)
Gross Cash Flow from / (Used in) Operating Activities		2,601.18		550.06
Direct Taxes (Paid) / Refunded		(846.95)		(703.55)
Net Cash Flow from / (Used in) Operating Activities (A)		1,754.23		(153.49)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment and CWIP	(4,687.34)		(645.04)	
Proceeds/(Purchases) of Current Investments	527.33		(139.45)	
Proceeds/(Purchases) of Non-Current Investments	(0.75)		(17.71)	
Movement in other Bank Balance	62.79		(54.14)	
Interest Received	102.73		39.52	
Dividend Received	0.55		1.20	
Net cash flow from / (used in) investing activities (B)		(3,994.69)		(815.62)



## Consolidated Cash Flow Statement

For the year ended 31st March, 2025

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Equity Share Capital issued - incl. Premium (Net of conversion of Appl. Money on warrants received)	-		385.75	
Proceeds from Borrowings (Net of Repayments)	1,777.75		945.29	
Proceeds from Minorities	50.71		142.57	
Interest paid	(504.13)		(592.94)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>1,324.33</b>		<b>880.67</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>(916.13)</b>		<b>(88.43)</b>
Cash and cash equivalents at the beginning of the year		1,896.18		1,984.60
<b>Cash and cash equivalents at the end of the year</b>		<b>980.05</b>		<b>1,896.18</b>
<b>Cash and cash equivalents at the end of the year *</b>				
* Comprises:				
(a) Cash on hand		3.58		1.24
(b) Balances withbanks				
(i) In current accounts		972.65		1,891.10
(ii) In earmarked accounts		3.82		3.84
		<b>980.05</b>		<b>1,896.18</b>

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyupane (Company Secretary) M. No. A64047

**Consolidated Statement of Changes in Equity****For the year ended 31st March, 2025**

<b>(a) Equity Share Capital</b>					(Rs. In Lakh)
As at 1st April 2023	Changes during the Year	As at 31st March 2024	Changes during the Year	As at 31st March 2025	
1,558.23	50.00	1,608.23	-	1,608.23	

<b>(b) Statement of Changes in Other Equity</b>												
Particulars	Securities Premium account	General Reserve	Employee Stock Options	Foreign Exchange Fluctuation Reserve	Other Reserves (Call on shares forfeited A/c)	Share Warrants	Other Comprehensive Income	Surplus in the Statement of Profit and Loss	Capital reserve on consolidation	Total Other Equity	Non-controlling interest	Total
<b>Balance as on 31st March, 2023</b>	<b>3,832.63</b>	<b>1,579.74</b>	<b>35.42</b>	<b>15.52</b>	<b>58.00</b>	<b>500.00</b>	<b>603.76</b>	<b>6,963.13</b>	<b>13.28</b>	<b>13,601.49</b>	<b>(101.73)</b>	<b>13,499.76</b>
Profit for the Year	-	-	-	-	-	-	-	1,460.14	-	1,460.14	(102.62)	1,357.52
Change In Fair Value of Investments	-	-	-	-	-	-	556.13	-	-	556.13	-	556.13
Foreign Exchange Fluctuation	-	-	-	67.37	-	-	-	-	-	67.37	34.03	101.40
Security Premium	835.75	-	-	-	-	-	-	-	-	835.75	-	835.75
Money Received Against Share Warrants Converted into Shares	-	-	-	-	-	(500.00)	-	-	-	(500.00)	-	(500.00)
Additional Capital Introduced	-	-	-	-	-	-	-	-	-	-	108.53	108.53
<b>Balance as on 31st March, 2024</b>	<b>4,668.38</b>	<b>1,579.74</b>	<b>35.42</b>	<b>82.89</b>	<b>58.00</b>	<b>-</b>	<b>1,159.89</b>	<b>8,423.27</b>	<b>13.28</b>	<b>16,020.89</b>	<b>(61.79)</b>	<b>15,959.10</b>
Profit for the Year	-	-	-	-	-	-	-	2,670.06	-	2,670.06	(176.05)	2,494.01
Change In Fair Value of Investments	-	-	-	-	-	-	(113.68)	-	-	(113.68)	-	(113.68)
Foreign Exchange Fluctuation	-	-	-	47.42	-	-	-	-	-	47.42	27.38	74.80
Additional Capital Introduced	-	-	-	-	-	-	-	-	-	-	23.35	23.35
<b>Balance as on 31st March, 2025</b>	<b>4,668.38</b>	<b>1,579.74</b>	<b>35.42</b>	<b>130.31</b>	<b>58.00</b>	<b>-</b>	<b>1,046.21</b>	<b>11,093.33</b>	<b>13.28</b>	<b>18,624.68</b>	<b>(187.11)</b>	<b>18,437.58</b>

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyupane (Company Secretary) M. No. A64047





## Consolidated Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### Note 1: Corporate Information

Kilitch Drugs India Limited ("KDIL" or "Parent") is domiciled and incorporated under the provisions of the Companies Act applicable in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the Bombay Stock Exchange ('BSE'), in India. The registered office of the company is located at C-301-2, M.I.D.C. TTC Industrial Area, Pawane Village, Thane – 400705, Maharashtra, India.

Group is engaged in operation and management of Pharmaceutical Products.

These financial statements were approved and adopted by the Board of Directors of the Company in their meeting dated 19<sup>th</sup> May, 2025.

#### Note 2 - Basis of Preparation of Financial Statements:

The Financial Statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes on Financial Statements and are applied consistently to all the periods presented.

#### Note 3 - Material Accounting Policies:

##### • Functional and presentation of currency:

The financial statements are presented in Indian Rupees, which is the Group's functional currency and all amounts are rounded to the nearest rupees in lakhs.

##### • Basis of measurement:

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention except following which have been measured at fair value, except the following:

- Certain financial assets and liabilities are measured at fair value.
- Defined benefit plans – plan assets measured at fair value.
- Share Based Payments.

##### • Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and its subsidiaries and associates. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but has no control or joint control over those policies.

#### Consolidation Procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the



subsidiary.

- Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
- Adjustments are made to the financial statements of subsidiaries, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.
- All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- Carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity are eliminated. Business combinations policy explains how the related goodwill is accounted at the time of acquisition of subsidiary.
- Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Parent Company.
- Investment in Associates has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures. The Company accounts for its share of postacquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.
- **Use of Estimates:**

The preparation of the financial statements requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

#### • **Business Combinations**

The acquisitions of businesses are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard. Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities recognized and contingent liabilities assumed. In the case of bargain purchase, resultant gain is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity. The interest of non-controlling shareholders in the acquiree is initially measured at the noncontrolling shareholders proportionate share of the acquiree's identifiable net assets.

#### • **Property, Plant and Equipment**

Freehold land is carried at historical cost. Capital work



in progress, and all other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the 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 charged to profit or loss during the reporting period in which they are incurred. Depreciation methods, estimated useful lives and residual value Leasehold land is amortized over the period of lease. Depreciation on other fixed assets (excluding land and lease land in perpetuity) is provided on written down value method as per the useful life specified in schedule II to the Companies Act, 2013, in the manner state therein. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives and method of depreciation 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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss.

- **Intangible Assets**

Identifiable intangible assets are recognized a) when the Group controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Group and c) the cost of the asset can be reliably measured. Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised over the period on straight line basis. The assets useful life reviewed at each financial year end.

- **Financial Instrument:**

A financial instrument is any contract that gives rise to a

financial asset of one entity and a financial liability or equity instruments of another entity. Classifications of financial instruments are in accordance with the substance of the contractual arrangement and as per the definitions of financial assets, financial liability and an equity instruments.

## **Financial Assets and investments**

- **Initial recognition and measurement:**

At initial recognition, the group measures a financial asset (other than financial asset at fair value through profit or loss) at its fair value plus or minus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit & loss.

- **Subsequent recognition and measurement:**

Subsequent measurement of financial asset depends on the group's business model for managing the asset and the cash flow characteristics of the asset. For the purpose of subsequent recognition and measurement financial assets are classified in four categories:

- **Debt instrument at amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Debt instrument at fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in the statement of profit & loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses).



Interest income from these financial assets is included in other income using the effective interest rate method.

- **Debt instrument at fair value through profit and loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit & loss and presented net in the statement of profit & loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Equity instruments:**

All equity instruments other than in associates are initially measured at fair value. Any subsequent fair value gain/loss is recognised through profit or loss if such investments are held for trading purposes. The fair value gains or losses of all other equity investments are recognised in Other Comprehensive Income.

- **Investment in Associates:**

The Group has accounted for its Investment in associates at cost

- **Derecognition:**

A financial asset is primarily derecognised i.e. removed from Group's financial statements when:

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained

substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

- **Trade receivables:**

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at fair value less provision for impairment.

### **Financial Liabilities:**

- **Initial recognition and measurement:**

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

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

- **Subsequent measurement:**

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

Financial liabilities at fair value through profit and loss  
financial liabilities at fair value through profit or loss include financial liabilities held for trading and has designated upon initial measurement recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as



such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

- **Loans and Borrowings:**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit & loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Trade and other payables:**

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

**Derecognition:**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit or loss.

- **Impairment of Assets**

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).

- **Impairment of Goodwill**

For the purposes of impairment testing, goodwill is

allocated to each of the Group's cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or when there is an indication that the unit may be impaired. The recoverable amount of cash generating unit is determined for each legal entity based on a value in use calculation which uses cash flow projections and appropriate discount rate is applied. The discount rate takes into account the expected rate of return to shareholders, the risk of achieving the business projections, risks specific to the investments and other factors. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

- **Impairment of Non – Financial Asset:**

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. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where 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 the 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.



#### • **Impairment of Financial asset:**

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets carried at amortised cost;
- Financial asset measured at FVOCI debt instruments.

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 uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

#### • **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and at bank, deposits with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### • **Inventories**

Inventories are valued at lower of cost or net realisable value. Cost is determined on FIFO basis.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### • **Foreign currency transactions:**

The transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currency at the end of year are translated using the closing rate of exchange. Non- monetary items that are to be carried at historical cost are recorded using exchange rate prevailing on the date of transaction.

Non- monetary items that are to be carried at fair value are recorded using exchange rate prevailing on the date of fair value measured. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the statement of profit or loss.

#### • **Classification of assets and liabilities as current and non-current:**

The Group presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting 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 classified as 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.

All other liabilities are classified as non-current.

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

#### • **Equity share capital**

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

#### • **Revenue recognition**

Revenue is recognised to the extent that it is probable that the future economic benefits will flow to the entity and it can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

#### • **Sale of goods**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of goods, it is probable that the economic benefit will flow the Group, the associated costs and possible return of goods can be estimated reliably, there is neither continuing management involvement to the degree usually associated with ownership nor effective control over the goods sold and the amount of revenue can be measured reliably.

Provisions for chargeback, rebates, discounts and medical aid payments are estimated and provided for in the year of sales and recorded as reduction of revenue.

#### • **Sales Returns**

With respect to established products, the Group considers its historical experience of sales returns, levels of inventory in the distribution channel, estimated

shelf life, product discontinuances, price changes of competitive products, and the introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. With respect to new products introduced by the Group, such products have historically been either extensions of an existing line of product where the Group has historical experience or in therapeutic categories where established products exist and are sold either by the Group or the Group's competitors.

#### • **Interest income**

Interest income from debt instrument is recognised using effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of financial asset to the gross carrying amount of financial asset. When calculating effective interest rate, the Group expects cash flows by considering all contractual terms of financial instrument but does not consider the expected credit losses.

#### • **Dividends**

Dividends are recognised when the right to receive the payment is established.

#### • **Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for such capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds.

#### • **Employee Benefits**

##### • **Short-term Employee benefits:**

All employees' benefits payable wholly within 12 months





rendering services are classified as Short Term obligations. Benefits such as salaries, wages, short term compensated absences, performance incentives, expected cost of bonus and ex-gratia are recognised during the period in which the employees renders related services.

- **Post-employment benefits**
- **Defined Contribution Plan**

The defined contribution plan is post-employment benefit plan under which the Group contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Group's contribution to defined contribution plans are recognised in the statement of profit & loss in the period in which the employee renders the related services.

- **Defined benefit plan**

The Group has defined benefit plans comprising of gratuity. Group's obligation towards gratuity liability is partially funded as Management has initiated a decision to be funded and managed by Life Insurance Corporation of India over the period of 20 equated quarterly instalments over a period of 5 years.

The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit & loss in subsequent periods.

The expected return on plan assets is the Group's expectation of average long-term rate of return on the investment of the fund over the entire life of the related

obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognised under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

- **Other long-term benefits**

The Group's employees have other long-term benefits in the form of leave benefits. The present value of the other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit & loss as income or expense.

Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

- **Share-based payments**

Share-based compensation benefits are provided to employees via Employee Stock Option Plans with the ESOS 2007 & ESOS 2020.

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g.
- profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense, other than in respect of options



granted to employees of group companies, is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The cost of options granted to employees of group companies is debited to the cost of the investment of the respective companies. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions.

It recognises the impact of the revision to original estimates, if any, in the statement of profit & loss / Investment, with a corresponding adjustment to other equity.

- **Income Taxes:**

- **Current Income Tax:**

Current Income Tax liabilities are measured at the amount expected to be paid to the taxation authorities using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and creates provisions where appropriate.

- **Deferred Tax:**

Deferred Tax is provided, using the Balance sheet approach, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred Tax is determined using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period.

Deferred Tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Current tax asset and liabilities are offset where the Group has a legally enforceable right and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of profit & loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

- **Provisions and contingencies**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using the government securities' interest rate for the equivalent period. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

- **Earning per share:**

Basic earning per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Note 4 - Use of Significant Accounting Estimates,



**Judgments and Assumptions** In the process of applying the Group's accounting policies, management has made the following estimates and judgements, which have significant effect on the amounts recognised in the financial statements:

- **Depreciation and useful lives of Property, Plant and Equipment**

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

- **Recoverability of trade receivables**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. The Group uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

- **Defined Benefit plans**

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

- **Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future

outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change.

Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

- **Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgment 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.

Estimates and judgments are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. They are continuously evaluated.

- **Fair Value measurement**

The Group measures financial instrument e.g. investments, at fair value at each balance sheet date.

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

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

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

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

A fair value measurement of a non-financial asset takes



into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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

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

## Consolidated Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### Note 5 - Property, Plant & Equipment

(Rs. In Lakhs)

Particulars	Land	Rights on Lease Hold Land	Factory Building	Office premises	Plant & Machinery	Furniture & Equipment	Computer	Motor Car	Office Equipment	Air Conditioners	Electrical Installations	Laboratory Equipment	Mobile Phone	Computer software	Goodwill	Total
<b>Gross Block</b>																
As at 31/03/2023	764.53	96.78	267.00	133.24	4,822.68	145.97	68.91	182.80	38.70	37.99	47.63	249.82	17.41	42.25	4,212.73	11,128.44
Additions	-	6.52	-	-	95.19	4.37	3.01	24.77	13.99	3.20	-	10.69	3.60	28.93	-	194.27
Disposals/Transfers	-	-	-	-	(83.81)	-	-	-	-	-	-	-	-	-	-	(83.81)
As at 31/03/2024	764.53	103.30	267.00	133.24	4,834.07	150.33	71.93	207.57	52.69	41.19	47.63	260.51	21.01	71.18	4,212.73	11,238.90
Additions	-	-	16.96	-	363.43	116.42	5.52	-	3.50	2.52	15.19	22.74	0.49	7.61	-	554.39
Disposals/Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/03/2025	764.53	103.30	283.97	133.24	5,197.49	266.76	77.44	207.57	56.18	43.71	62.82	283.26	21.50	78.79	4,212.73	11,793.29
<b>Accumulated Depreciation</b>																
As at 31/03/2023	-	-	247.97	86.71	1,546.91	102.19	62.01	126.58	29.70	28.02	39.25	217.92	12.34	15.92	2,190.62	4,706.15
Depreciation Charge for the Year	-	-	1.07	2.25	168.49	27.85	5.04	16.36	7.22	1.75	1.75	7.01	1.07	10.83	84.25	334.96
As at 31/03/2024	-	-	249.04	88.96	1,715.40	130.04	67.05	142.94	36.92	29.77	40.99	224.94	13.41	26.75	2,274.88	5,041.11
Depreciation Charge for the Year	-	-	28.91	2.14	116.34	22.46	4.38	15.49	6.84	1.89	2.06	8.08	1.27	16.89	84.25	311.02
As at 31/03/2025	-	-	277.95	91.10	1,831.74	152.50	71.43	158.43	43.76	31.66	43.06	233.01	14.69	43.64	2,359.13	5,352.13
<b>Net Block</b>																
As at 31/03/2025	764.53	103.30	6.02	42.14	3,365.75	114.25	6.02	49.14	12.42	12.06	19.76	50.24	6.81	35.15	1,853.60	6,441.17
As at 31/03/2024	764.53	103.30	17.96	44.28	3,118.66	20.29	4.87	64.63	15.77	11.43	6.63	35.57	7.59	44.43	1,937.85	6,197.80

\*The above PPE have been pledged to secure borrowings of company from Kotak Bank Ltd, Standard chartered Bank & HDFC Bank under mortgage agreement (refer note 18)

**Consolidated Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025****A) Capital Work-in-Progress**

Particulars	As at 1 April 2024	Expenditure during the year	Capitalized during the year	Closing as at 31 March 2025
Investment Property	596.50	4,132.95	-	4,729.45

Particulars	As at 1 April 2023	Expenditure during the year	Capitalized during the year	Closing as at 31 March 2024
Investment Property	131.15	465.35	-	596.50

**B) CWIP ageing schedule:**

As on 31st March, 2025						(Rs. In Lakh)
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in progress	4,132.95	465.35	131.15	-	4,729.45	
Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>4,132.95</b>	<b>465.35</b>	<b>131.15</b>	<b>-</b>	<b>4,729.45</b>	

As on 31st March, 2024						(Rs. In Lakh)
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in progress	465.35	131.15	-	-	596.50	
Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>465.35</b>	<b>131.15</b>	<b>-</b>	<b>-</b>	<b>596.50</b>	

**C) Projects which are overdue or exceeded costs as per original plan**

As on 31st March, 2025					(Rs. In Lakh)
CWIP	To be Completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	
Projects temporarily suspended	-	-	-	-	

As on 31st March, 2024					(Rs. In Lakh)
CWIP	To be Completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	
Projects temporarily suspended	-	-	-	-	



## Consolidated Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### Note 6 - Investments

(Rs. In Lakhs)		
<b>A] Non-Current Investments</b>		
Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Non-Trade Investments</b>		
<b>A. Investments in Shares:</b>		
<b>i. Quoted Shares: (At Fair Value through Other Comprehensive Income)</b>		
<b>[Equity Shares of Face value Rs. 10/- each, fully paid - up, unless otherwise stated]</b>		
15 (Previous Year : 15) - Bengal and Assam Co Ltd.	1.08	1.28
1,000 (Previous Year : 1000) - Century Enka Ltd.	5.42	4.01
500 (Previous Year : 500) - Century Textiles & Ind Ltd.	9.85	8.16
200 (Previous Year :200) - Colgate Palmolive India Ltd.	4.78	5.42
720 (Previous Year : 720) - J K Laxmi Cement Ltd.	5.57	6.28
400 (Previous Year : 400) - Pfizer Ltd.	16.02	16.77
62 (Previous Year :62) - Ultratech Cement Ltd.	7.13	6.04
<b>Fair Value of Quoted Instruments (Total of A. i )</b>	<b>49.85</b>	<b>47.98</b>
<b>Total Investment in Shares (A.i)</b>	<b>49.85</b>	<b>47.98</b>
<b>B. Investment in Portfolio Managment Scheme</b>		
<b>(At Fair Value through Other Comprehensive Income)</b>		
Club Millionaire Financial Services Pvt Ltd.	67.02	53.24
<b>C. Investment in the Capital of Partnership Firm (LLP) ( At Cost )</b>		
Arham Neeta Realities LLP	2,108.99	2,122.49
<b>D. Investments in Bonds:</b>		
National Highways Authority of India	50.05	51.29
Housing And Urban Development Corporation Ltd	8.28	8.48
<b>Total Investment in Bonds (D)</b>	<b>58.33</b>	<b>59.78</b>
<b>Total (A+B+C+D)</b>	<b>2,284.19</b>	<b>2,283.48</b>
1. Aggregate Value of Quoted Investment		
Book Value	49.85	47.98
Market Value	49.85	47.98
2. Aggregate Book Value of other Unquoted Investment	2,234.34	2,235.50





## Consolidated Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

B] Current Investments		(Rs. In Lakhs)	
Particulars	As at 31st March 2025	As at 31st March 2024	
<b>Investment in Units of Mutual Funds : (At fair value through Other Comprehensive income)</b>			
<b>Mutual Fund- Kotak</b>			
49,773.0630 (Previous Year: 162,706.7670) HDFC Small Cap Fund Regular Growth	60.38	191.43	
41,029.8960 (Previous Year: 77,649.1390) L&T Midcap Fund Growth (HSBC Midcap Fund)	138.93	243.74	
686,927.9730 (Previous Year: 20,58,500.4490 ) Mirae Asset Midcap Fund Regular Plan Growth	201.92	589.70	
206,930.0720 (Previous Year: 2,06,930.0720) Aditya Birla Sun Life Corporate Bond Fund Growth	228.92	210.55	
715,151.4420 (Previous Year: 7,15,151.4420) HDFC Short Term Debt Fund Regular Plan Growth	223.91	206.58	
21,16,536.3590 (Previous Year: 21,16,536.3590) IDFC Banking and PSU Debt Fund Regular Plan Growth	510.19	472.83	
NIL (Previous Year: 14,390.0320) Axis Banking & PSU Debt Fund Growth	-	343.64	
395,200.7610 (Previous Year: 395,200.7610) ICICI Prudential Banking and PSU debt Fund Growth	126.64	117.20	
185,493.6510 (Previous Year : 185,493.6510) Kotak (Flexi Cap) Standard Multicap Fund Regular Plan Growth	143.51	132.50	
424,033.3490 (Previous Year: 424,033.3490 ) Mirae Asset India Equity Fund Regular Plan Growth	443.67	408.90	
537,127.7120 (Previous Year : 537,127.7120 ) HDFC Corporate Bond Fund Regular Plan Growth	171.16	157.56	
1445,042.2980 (Previous Year : 1445,042.2980) IDFC CRISIL Gilt 2027 Index Fund-Regular Plan Growth	181.71	168.32	
74.9650 (Previous Year : 85.797) WELSPUN ONE LOGISTICS PARKS FUND -1	129.49	85.80	
772,419.6500 (Previous Year : 772419.6500) Motilal Oswal Nasdaq 100 Fund of Fund Reg Plan Growth	289.52	241.05	
740,212.210 (Previous Year : 740212.210) Kotak NASDAQ 100 Fund Regular Plan Growth	122.54	113.01	
1,496,931.1420 (Previous Year: 1496,931.1420 ) Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund Regular	180.81	167.69	
55,616.3170 (Previous Year: 55616.3170) SBI Focused Equity Fund Growth	181.30	162.73	
603,706.9030 (Previous Year :587,985.3360) NIPPON INDIA Large Cap Fund Growth	503.88	459.72	
59,882.5280 ( Previous Year: 59,882.5280) HDFC Large and Mid Cap Fund-Regular Plan Growth	185.63	172.28	
37,754.8900 (Previous Year: 37,754.8900) NIPPON India Banking and Financial Services Fund Growth	217.33	193.16	
202.2168 (Previous Year :NIL) Kotak Iconic Fund class D1 Direct	255.58	-	
171.3123 (Previous Year :NIL) Kotak Iconic Fund class D2 Direct	216.28	-	
65,718.4480 (Previous Year :NIL) HDFC Focused 30 Fund Regular Plan Growth	140.60	-	
<b>Mutual Fund - SPA Capital</b>			
UTI Structured Debt Opportunities Fund I (SPA)	-	15.33	
<b>Mutual Fund - RNB CORPORATE</b>			
51,130.478 (Previous Year: 51,130.478) HDFC DYNAMIC DEBT Growth Plan	45.19	41.70	
17,508.552 (Previous Year: 17,508.552) UTI FLEXI CAP Regular Growth Plan	52.67	47.41	
<b>Total</b>	<b>4,951.77</b>	<b>4,942.84</b>	
<b>Market Value of Unquoted Investments</b>	<b>4,951.77</b>	<b>4,942.84</b>	
1. Aggregate Value of Quoted Investment			
Book Value	-	-	
Market Value	-	-	
2. Aggregate Book Value of other Unquoted Investment	4,951.77	4,942.84	



## Consolidated Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### Note 7 - Loans and Advances

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
Deposits	73.53	56.09
Other Advances	68.66	15.42
<b>Total</b>	<b>142.19</b>	<b>71.51</b>

#### Note 8 - Other Financial Assets

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
Fixed Deposits with Bank (Maturity more than 12 months)	1.81	1.25
<b>Total</b>	<b>1.81</b>	<b>1.25</b>

#### Note 9 - Deferred Tax Asset (Net)

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
As at the beginning	256.34	197.77
Charges/(credit) to profit and loss	31.58	58.57
<b>At the end of the year</b>	<b>287.92</b>	<b>256.34</b>
<b>Deferred Tax Asset</b>		
Related to Property, Plant and Equipment	19.63	21.28
Provision for Gratuity/Leave Encashment	9.29	5.25
Provision for ECL	259.00	229.81
<b>Total</b>	<b>287.92</b>	<b>256.34</b>

#### Note 10 - Inventories

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
[As taken, valued and certified by the Management]		
a. Raw Materials and components	1,340.62	325.45
b. Work-in-progress	-	18.68
c. Finished goods	190.34	54.67
<b>Total</b>	<b>1,530.96</b>	<b>398.80</b>



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 11 - Trade Receivables

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
[Unsecured]		
a) Considered Good	8,473.88	6,322.38
Less : Allowance for expected credit loss	-	-
b) Significant increase in Credit Risk	-	-
Less: Allowance for Expected Credit loss	-	-
c) Credit impaired	1,029.08	913.11
Less : Allowance for expected credit loss	(1,029.08)	(913.11)
<b>Total</b>	<b>8,473.88</b>	<b>6,322.38</b>

Aging of Trade Receivables	Present Due				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
<b>As at 31st March, 2025</b>					
Gross Carrying Amount	8,422.07	465.26	615.63	-	9,502.96
<b>Total</b>	<b>8,422.07</b>	<b>465.26</b>	<b>615.63</b>	<b>-</b>	<b>9,502.96</b>
Aging of Trade Receivables	Past Due				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
<b>As at 31st March, 2024</b>					
Gross Carrying Amount	5,793.39	758.05	684.05	-	7,235.49
<b>Total</b>	<b>5,793.39</b>	<b>758.05</b>	<b>684.05</b>	<b>-</b>	<b>7,235.49</b>

### Note 12 - Cash and Cash Equivalents

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
a. Cash on hand	4.68	1.32
b. Balances with banks:		
In Current Accounts	688.47	837.03
In Fixed Deposit (Maturity less than 3 months)*	286.90	1,057.83
<b>Total</b>	<b>980.05</b>	<b>1,896.18</b>
Bank Balances include:		
Earmarked Balances (eg/- unpaid dividend accounts)	3.82	3.84
Margin money	1.34	1.34

\* Fixed Deposit with Kotak bank Ltd having maturity less than 3 months held by the group of Rs. 24.14 lakhs (PY Rs.62.83 lakhs) are pledged with the bank to fulfill the collateral requirement of letter of credit taken by the group.



## Consolidated Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### Note 13 - Other Bank Balances

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Fixed Deposit (Maturity less than 12 months)	4.73	68.08
<b>Total</b>	<b>4.73</b>	<b>68.08</b>

#### Note 14 - Other Financial Assets

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
Accured Interest	3.20	3.37
<b>Total</b>	<b>3.20</b>	<b>3.37</b>

#### Note 15 - Other Current Asset

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
Balances with Government Authorities	349.95	253.27
Advance to Suppliers	443.68	532.56
Prepaid Expenses	19.75	8.59
Goods in Transit	626.87	159.38
Rental Deposit	6.81	13.82
<b>Total</b>	<b>1,447.06</b>	<b>967.63</b>

#### Note 16 - Equity Share Capital

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Authorised</b>		
250,00,000 (Previous Year : 250,00,000) Equity Shares of Rs.10 each	2,500.00	2,500.00
<b>Issued, Subscribed &amp; Paid up</b>		
1,60,82,319 (Previous Year : 1,60,82,319) Equity Shares of Rs. 10 each fully paid up	1,608.23	1,608.23
<b>Total</b>	<b>1,608.23</b>	<b>1,608.23</b>

**Consolidated Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025****Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31st March, 2025	As at 31st March, 2024
	Number	Number
Equity Shares outstanding at the beginning of the year	1,60,82,319	1,55,82,319
Add : Preferential allotment during the year Pursuant to conversion of convertible warrents	-	5,00,000
Less : Equity Shares bought back during the year	-	-
<b>Equity Shares outstanding at the end of the year</b>	<b>1,60,82,319</b>	<b>1,60,82,319</b>

**Shares in the company held by each shareholder holding more than 5 % shares**

	As at 31st March, 2025		As at 31st March, 2024	
Name of Shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kilitch Company Pharma Limited	66,29,342	41.22%	66,29,342	41.22%
Bhavin Mukund Mehta	25,23,138	15.69%	33,64,184	20.92%
Mukund Prataprai Mehta	11,40,647	7.09%	11,40,647	7.09%
Mira Bhavin Mehta	8,41,046	5.23%	-	0.00%

The company has only one class of Equity Shares having a face value of Rs. 10 per share. Each holder of Equity Share is entitled to one vote per share.

**% Changes in Promoter holding**

	As at 31st March, 2025			As at 31st March, 2024		
Promoter Name (Equity shares of INR 10 each fully paid)	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Kilitch Company Pharma Limited	66,29,342	41.22%	0.00%	66,29,342	41.22%	(1.32%)
Bhavin Mukund Mehta	25,23,138	15.69%	(5.23%)	33,64,184	20.92%	0.94%
Mukund Prataprai Mehta	11,40,647	7.09%	0.00%	11,40,647	7.09%	1.37%
Mira Bhavin Mehta	8,41,046	5.23%	5.23%	-	-	0.00%

Details of Shares held by holding company / ultimate holding company and/or their subsidiaries / associates at the end of the year	As at 31st March, 2025		As at 31st March, 2024	
Name of the shareholder (Equity shares of INR 10 each fully paid)	No. of Shares	% of holding	No. of Shares	% of holding
Kilitch Company Pharma Limited	66,29,342	41.22%	66,29,342	41.22%



## Consolidated Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### Note 17 - Other Equity

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
a. Securities Premium	4,668.38	4,668.38
b. General Reserve	1,579.74	1,579.74
c. Employee Stock Options	35.42	35.42
d. Other Reserves Call on shares forfeited A/c	58.00	58.00
e. Capital Reserve on Consolidation	13.28	13.28
f. Retained Earning	8,423.27	6,963.13
(+/-) Final Dividend including DDT	-	-
(+/-) Net Profit for the current year	2,670.06	1,460.14
	<b>11,093.33</b>	<b>8,423.27</b>
g. Other Comprehensive Income	1,159.89	603.76
(+/-) Change in Fair value of Investments at FVOCI	(113.68)	556.13
At the end of the Year	<b>1,046.21</b>	<b>1,159.89</b>
h. Foreign Exchange Fluctuation Reserve	130.31	82.89
<b>Total</b>	<b>18,624.68</b>	<b>16,020.89</b>

1) Securities Premium: Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

2) Share Option Outstanding Account: Reserve relates to stock options granted by the Company to the employees under an employee stock options plan.

3) General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

4) Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

#### Note 18 – Borrowings (Non - Current)

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Secured		
Term Loans from Banks and Financial Institutions	2,777.04	-
<b>Total</b>	<b>2,777.04</b>	<b>-</b>

1) Total Term Loan of Rs. 2,777.04 lakhs [P.Y.- nil] which is Secured by property, plant & equipment (Refer Note 5)

2) Maturity Profile of Term Loan from Banks and Financial Institutions are set out below:

Financials Year	Amount
FY 2025-2026	-
FY 2026-2027	184.93
FY 2027-2028	541.14
FY 2028-2029	550.19
FY 2029-2030	560.03
FY 2030-2031	570.75
FY 2031-2032	369.99

**Consolidated Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025****Note 19 - Provisions (Non-Current)**

Rs. (In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
Provision for Gratuity	16.99	11.09
Provision for Compensated Absences	7.54	6.15
<b>Total</b>	<b>24.53</b>	<b>17.24</b>

**Note 20 - Borrowings**

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
<b>Secured</b>		
Working Capital Loan*	-	44.56
Export Packing Credit Loan	2,132.43	3,087.16
<b>Unsecured Loan (Repayable on Demand)</b>		
- Mr. Mukund P. Mehta	32.93	32.93
<b>Total</b>	<b>2,165.36</b>	<b>3,164.65</b>

\*The above stated Borrowings were secured against the Mutual Funds managed by Kotak Wealth.

**Note 21 - Trade Payables**

Rs. (In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
i) Dues to Micro & Small Enterprises #	-	-
ii) Dues to Others	5,415.74	2,558.89
<b>Total</b>	<b>5,415.74</b>	<b>2,558.89</b>

#There are no Micro and Small Enterprises, to whom the company owes dues, for more than 45 days during the year as at March 31, 2025 and March 31, 2024. The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.

The disclosure pursuant to the said Act is as under :

	As at 31st March, 2025	As at 31st March, 2024
a) Principal amount due to supplier under MSMED Act, 2006	-	-
b) Interest Accrued and due on the above amount, unpaid	-	-
c) Payment made beyond the appointed day during the year	-	-
d) Interest paid	-	-
e) Interest due and payable for the period of delay	-	-
f) Interest remaining due and payable in succeeding year	-	-



**Consolidated Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025**

<b>Aging of Trade Payable</b>						
(Rs. In Lakhs)						
<b>Particulars</b>	<b>Present Due</b>					
	<b>Less than 1 Year</b>	<b>1-2 Year</b>	<b>2-3 Years</b>	<b>More than 3 Years</b>	<b>Provision for Expenses</b>	<b>Total</b>
Micro & Small Enterprises	-	-	-	-	-	-
Others	5,008.73	178.36	164.37	-	64.28	5,415.74
<b>As at 31st March 2025</b>	<b>5,008.73</b>	<b>178.36</b>	<b>164.37</b>	<b>-</b>	<b>64.28</b>	<b>5,415.74</b>
<b>Particulars</b>	<b>Past Due</b>					
	<b>Less than 1 Year</b>	<b>1-2 Year</b>	<b>2-3 Years</b>	<b>More than 3 Years</b>	<b>Provision for Expenses</b>	<b>Total</b>
Micro & Small Enterprises	-	-	-	-	-	-
Others	2,319.71	180.21	-	-	58.97	2,558.89
<b>As at 31st March 2024</b>	<b>2,319.71</b>	<b>180.21</b>	<b>-</b>	<b>-</b>	<b>50.97</b>	<b>2,558.89</b>

**Note 22 - Other financial liabilities**

(Rs. In Lakhs)		
<b>Particulars</b>	<b>As on 31st March, 2025</b>	<b>As on 31st March, 2024</b>
Unpaid dividends	3.87	3.87
Other Payables	3.16	3.93
<b>Total</b>	<b>7.03</b>	<b>7.80</b>

**Note 23 - Provisions**

(Rs. In Lakhs)		
<b>Particulars</b>	<b>As on 31st March, 2025</b>	<b>As on 31st March, 2024</b>
<b>Provision for employee benefits:</b>		
Salary & Reimbursements	136.07	125.10
Provision for Gratuity	11.96	9.01
Provision for compensated absences	0.44	5.01
<b>Total</b>	<b>148.48</b>	<b>139.12</b>

**Note 24 - Current Tax Liabilities (Net)**

(Rs. In Lakhs)		
<b>Particulars</b>	<b>As on 31st March, 2025</b>	<b>As on 31st March, 2024</b>
Provision for Tax (Net of Taxes Paid)	668.55	530.51
<b>Total</b>	<b>668.55</b>	<b>530.51</b>

**Consolidated Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025****Note 25 - Other Current Liabilities**

(Rs. In Lakhs)		
Particulars	As on 31st March, 2025	As on 31st March, 2024
Statutory dues	25.85	20.62
<b>Total</b>	<b>25.85</b>	<b>20.62</b>

**Note 26 - Revenue from Operations**

(Rs. In Lakhs)		
Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Sale of Products/Services:		
Local Sales	5,886.82	5,381.59
Out of Maharashtra Sales	2,738.05	1,682.75
Export Sales	11,099.11	8,296.28
Other Operating Revenues	107.87	76.63
<b>Total</b>	<b>19,831.85</b>	<b>15,437.25</b>

**Note 27 - Other Income**

(Rs. In Lakhs)		
Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Interest Income	359.45	40.79
Dividend Income	0.55	1.20
Foreign Exchange Gain :		
Realised	220.75	200.66
Unrealised	59.99	15.85
Profit on Sale of Investments	395.99	138.85
Other Service Income	-	48.30
Miscellaneous Income	79.33	2.24
<b>Total</b>	<b>1,116.06</b>	<b>447.89</b>

**Note 28 - Cost of Materials Consumed**

(Rs. In Lakhs)		
Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Opening Stock	396.76	142.71
Purchases	12,114.41	8,090.56
Less: Closing Stock	(1,936.20)	(325.45)
<b>Total</b>	<b>10,574.97</b>	<b>7,907.82</b>

**Consolidated Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025****Note 29 - Variation in inventories of Finished Goods and work-In-progress**

(Rs. In Lakhs)			
Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024	
Opening Stock :			
Work-in-Process	18.68	16.75	
Finished Goods	54.67	45.00	
	<b>73.36</b>	<b>61.75</b>	
Closing Stock :			
Work-in-Process	-	18.68	
Finished Goods	190.34	54.67	
	<b>190.34</b>	<b>73.35</b>	
<b>Total</b>	<b>(116.99)</b>	<b>(11.61)</b>	

**Note 30 - Employee benefits expenses**

(Rs. In Lakhs)			
Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024	
Salaries and incentives	1,049.53	928.55	
Contributions to fund	34.86	26.78	
Staff welfare expenses	48.00	45.98	
<b>Total</b>	<b>1,132.38</b>	<b>1,001.31</b>	

**Note 31 - Finance Cost**

(Rs. In Lakhs)			
Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024	
Interest expense for financial liabilities at amortised cost	504.13	592.94	
<b>Total</b>	<b>504.13</b>	<b>592.94</b>	

**Note 32 - Export Product Registration/Commission**

(Rs. In Lakhs)			
Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024	
Export Product Registration & Commission	1,977.82	1,391.16	
Export Expenses	17.20	4.08	
<b>Total</b>	<b>1,995.02</b>	<b>1,395.25</b>	



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 33 - Other Expenses

(Rs. In Lakhs)		
Particulars	Year Ended 31st March, 2025	Year Ended 31st March, 2024
Consumption of stores and spare parts	217.28	150.59
Labour Charges	327.25	282.14
Power and Fuel	262.92	233.10
CSR Expenses	38.56	28.00
Water Charges	9.89	10.64
Foreign Exchange Loss – Unrealised	-	16.93
Bank & Other Charges	27.89	10.70
Repairs – Others	73.39	43.03
Insurance	18.21	30.78
Rent, Rates and Taxes	111.80	139.15
Auditors Remuneration (Refer Note : 39)	6.41	6.41
Miscellaneous expenses	70.41	289.14
Directors' Sitting Fees	0.90	0.79
Foreign Travelling Expenses	123.03	113.24
Printing & Stationery	13.67	20.79
Professional Charges	254.80	319.15
Communication Expenses	22.50	19.57
Vehicle Expenses	15.69	7.83
<u>Travelling Expenses:</u>		
Directors	26.09	21.72
Others	172.16	91.14
Marketing & Business Expenses - BD	194.22	111.38
Clearing & Forwarding Expenses	942.35	497.20
Share of Loss from Partnership Firm	0.04	0.20
Provision for Expected Credit Loss	115.96	236.35
Office Expenses	54.55	49.05
<b>Total</b>	<b>3,099.96</b>	<b>2,729.02</b>

### Note 34 - Disclosure as per IND AS – 19 “employee benefits”.

#### (A) Expenses recognised for Defined Contribution Plan:

Employer's Contribution to Provident and Pension Fund Rs.25.74 Lakhs (PY Rs. 23.58 Lakhs).

Employer's Contribution to ESIC Rs. 5.83 Lakhs (PY Rs. 5.53 Lakhs)

The Company makes contributions towards provident fund and pension fund for qualifying employees to the Regional Provident Fund Commissioner.

#### (B) Expenses recognised Defined Benefit Plan:

The Group provides gratuity benefit to its employees which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.



## Consolidated Notes to the Financial Statements

### For year ended 31<sup>st</sup> March 2025

#### i. Change in Defined Benefit Obligation during the year:

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
	Gratuity	Gratuity
Present value of the obligation at the beginning of the year	57.19	50.72
Current Service Cost	9.91	8.39
Interest Cost	3.48	3.11
Actuarial (Gain) / Loss on Obligation	(1.91)	(4.68)
Benefits Paid	-	(0.35)
<b>Present value of the obligation at the beginning of the year</b>	<b>68.67</b>	<b>57.19</b>

#### ii. Amount to be recognized in Balance sheet

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
	Gratuity	Gratuity
Present Value of Defined Benefit Obligation	68.67	57.19
Fair value of Plan Assets at the end of the year	(39.72)	(37.10)
<b>Amount to be recognized in Balance sheet</b>	<b>28.95</b>	<b>20.09</b>

#### iii. Current/Non-Current bifurcation

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
	Gratuity	Gratuity
Current Benefit Obligation	11.96	9.00
Non - Current Benefit Obligation	16.99	11.09

#### iv. Expenses recognised in the statement of financial position for the year

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
	Gratuity	Gratuity
Current Service Cost	9.91	8.39
Interest cost on Obligation	3.48	3.11
Net Actuarial (Gain) / Loss recognised in the year	-	-
<b>Net Cost Included in Personnel Expenses</b>	<b>13.39</b>	<b>11.50</b>

#### v. Maturity profile of defined benefit obligation

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
Within the next 12 months	12.81	10.19
between 2 to 5 Years	17.08	8.70
between 6 to 10 Years	21.27	22.10



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### vi. Actuarial Assumptions used for estimating defined benefit obligations

(Rs. in Lakhs)		
Particulars	2024-25	2023-24
Discount Rate	6.76% P.A.	7.25% P.A.
Salary Escalation Rate	6.50% P.A.	6.50% P.A.
Mortality Rate	IALM (2012-14)	IALM (2012-14)
Withdrawal Rate	1.00%	1.00%
The Weighted Average Duration of the Plan	11 Years	11 Years
No. of Employees	182	156
Average Age	35	35
Total Salary (Rs. in Lakhs)	21.25	16.89
Average Salary (Rs. in Lakhs)	0.12	0.11
Average Service	5 Years	5 Years
Accrued Benefit	0.00	57.19
Actuarial Liability	28.95	20.09

#### Notes:

- Salary escalation rate is arrived after taking into account regular increments, price inflation and promotion and other relevant factors such as supply and demand in employment market.
- Discount rate is based on prevailing market yields of Indian Government Securities as at balance sheet date for estimated term of obligations.
- Attrition rate/ withdrawal rate is based on Company's policy towards retention of employees, historical data and industry outlook.
- The above information is certified by actuary.

### vii. Sensitivity analysis:

#### Increase/ (decrease) on present value of defined benefits obligations at the end of the year:

(Rs. in Lakhs)			
Particulars	Change in assumption	Effect on Gratuity obligation	
		2024-25	2023-24
Discount rate	1%	62.45	52.04
	-1%	76.14	63.36
Salary Escalation rate	1%	76.07	63.39
	-1%	62.39	51.96

These gratuity plan typically expose the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

#### Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

#### Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Longevity risk

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

### Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

### C) Unfunded Schemes - Earned Leaves

(Rs.in Lakhs)		
Particulars	Year ended 31st March 2025	Year ended 31st March 2024
Present value of unfunded obligations	8.00	6.65
Expenses recognised in the statement of profit and loss	2.65	3.18
In Other comprehensive income	(2.28)	(4.93)
Actuarial (Gain) / Loss - Plan liabilities	-	-
Actuarial (Gain) / Loss - Return On Plan Assets	-	-
Net (Income)/ Expense For the period Recognized in OCI	0.37	(1.75)
Discount rate (per annum)	6.76%	7.25%
Salary escalation rate (per annum)	6.50%	6.50%

### Note 35 - Segment Reporting

The group is mainly engaged in the development and operations of Pharmaceutical business. Accordingly, the group has only one identifiable segment reportable under Ind AS 108 - Operating Segments.

Managing Director (the 'Chief Operational Decision Maker' as defined in Ind AS 108) monitors the operating results of the group's business for the purpose of making decisions about resource allocation and performance assessment.

The revenues from transactions with a single customer exceeding 10 per cent or more of the group's revenues were stated below:

### Note 36 - Related Party Disclosures 1

In view of the INDAS 24 "Related Parties Disclosures", the disclosure in respect of related party transactions for the year ended on Previous Year is as under:

RELATIONSHIPS	
Category I : Key Managerial Personnel	
Key Person	Designation
Mukund Prataprai Mehta	Chairman & Managing Director
Bhavin Mukund Mehta	Whole-time Director
Mira Bhavin Mehta	Managing Director
Sunil Jain	Chief Financial Officer
Pushpa Nyoupane	Company Secretary & Compliance Officer



**For year ended 31<sup>st</sup> March 2025**

Category II : Enterprises over which Key Managerial Personnel are able to exercise significant control			
NBZ Healthcare LLP.			
Arham Neeta Realities LLP			
Kilitch Pharma (Co.) Ltd.			
(Rs. In Lakhs)			
Sr. No.	TRANSACTIONS	Category I	Category II
1.	Purchases	-	-
			(1,234.42)
2.	Sales	-	195.39
			(47.95)
3.	Remuneration and Sitting Fees	195.23	-
		(188.17)	
4.	Expenses incurred by KDL	-	-
		-	
5.	Advance/Loan Given to Parties	-	2,750.16
			(4,033.12)
6.	Advance/Loan Returned By Parties	-	3,215.03
			(4,032.14)

**The following balances were due from / to the related parties as on 31-03-2025**

TRANSACTIONS		Category I	Category II
1.	Loans/Advances/Receivables	-	1.75
			(0.98)
2.	Loans/Borrowings/Payables	32.93	41.53
		(32.93)	-

Note: Figures in brackets indicates previous year figure.

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Review of outstanding balances is undertaken each financial year through examining the financial position of the related party and the market in which related party operates. These balances are unsecured and their settlement occurs through banking channel.

**Compensation of key management personnel:**

The remuneration of director and other member of key management personnel during the year was as follows:

(Rs. In Lakh)		
Particulars	2024-25	2023-24
Short-term benefits	195.23	188.17
Other long term benefits	-	-



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 37 - Earning per Share (EPS)

(Rs. In Lakh)		
Basic as well as Diluted EPS	2024-25	2023-24
Net Profit after Tax (Rs. in Lakhs)	2,670.06	1,460.14
Weighted Average No. of Equity Shares for Basic EPS	1,60,82,319.00	1,59,29,314.00
Weighted Average No. of Equity Shares for Diluted EPS	1,60,82,319.00	1,59,29,314.00
Nominal Value of Equity Shares (Rs.)	10.00	10.00
Basic Earnings Per Share (Rs.)	16.60	9.17
Diluted Earnings Per Share (Rs.)	16.60	9.17

### Note 38 - contingent liabilities not provided for in Respect of:

a) Demand notices received on account of Property Tax pertaining to FY 2019-20 is aggregating's. 53.20 Lakhs (P.Y. Rs. 53.20 Lakhs) are disputed by the Company. The Company has filed a suit and the matter is pending the Supreme Court and Company has not yet deposited any amount in this regard.

b) Demand notices received on account of principal amount of CESS during FY 2019-20 pertaining to FY 1999-2000 and FY 2000-2001 is aggregating Rs. 22.85 Lakhs (P.Y. Rs. 22.85 Lakhs ) are disputed by the Company. The Company has filed a suit and the matter is pending the Supreme Court and Company has not yet deposited any amount in this regard.

The above litigations are not expected to have any material adverse effect on the financial position of the group.

### Note 39 - Auditors' Remuneration:

(Rs. In Lakh)		
Particulars	2024-25	2023-24
Audit fees	6.41	6.41
<b>Total</b>	<b>6.41</b>	<b>6.41</b>

### Note 40 -Subsidiary Companies Considered in these consolidated Financial Statements

Sr. No.	Particulars	Country of Incorporation	Proportion of Ownership	Proportion of Ownership
			FY 2024-25	FY 2023-24
1	Monarchy Healthserve Private Limited	India	100%	100%
1	Kilitch Estro Biotech PLC	Ethiopia	67%	67%

### Note 41 - Balance Confirmation

The balances in respect of Trade Receivables & Payables, loans and advances, as appearing in the books of accounts are subject to confirmations by the respective parties and adjustments/reconciliation arising there from, if any.

### Note 42 - Investment in Limited Liability Partnership

The Company is a partner in a partnership firm M/s. Arham Neeta Realities LLP. The accounts of the partnership firm have been finalized up to the financial year 2024-25. The details of the Capital Accounts of the Partners as per the latest Financial Statements of the firm are as under:

**Consolidated Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025**

(Rs. in Lakhs)				
Sr. No.	Name of the Partners	Profit Sharing Ratio	Total Capital on 31st March, 2025	Total Capital on 31st March, 2024
1	Kilitch Drugs (India) Limited	65.00%	2,108.99	2,122.49
2	Mukund Mehta	16.00%	(2.59)	(2.72)
3	Bhavin Mehta	16.00%	(3.24)	(3.36)
4	Mira Mehta	3.00%	(1.97)	(1.99)

The Company has accounted for its share of loss amounting to Rs. 0.04 Lakhs (P.Y. Rs. 0.20 Lakhs) pertaining to the financial year 2024-25.

**Note 43 - Event after Reporting Date:**

There are no major events occurred after the reporting date.

**Note 44 - Corporate Social Responsibility**

The group is required to comply the requirements of CSR as per Section 135 of the Companies Act, 2013 read with Schedule VII. Accordingly the group has spent an amount of Rs. 38.56 Lakhs during the Financial Year 2024-25.

Expenditure related to corporate social responsibility is :

(Rs. In Lakh)		
Particulars	2024-25	2023-24
1) Education activities for Children	23.56	18.00
2) Women Empowerment, Medical, Farmer welfare and Healthcare rural development	15.00	10.00
<b>Total</b>	<b>38.56</b>	<b>28.00</b>

**Note 45 - Additional information as required under section 186 (4) of the Companies Act, 2013:**

- For Investment (Refer Note No. 6A and 6B)
- No Guarantees were given by the Company.
- No Loans or advances were given by the company to any Body Corporate or Persons.

**Note 46 - Investment in Associates**

The Group does not have any associates companies. The company's interest in associate is accounted using the equity method in the consolidated financial statements.

**Note 47- Details required as per schedule III of the companies Act 2013 as below**

Details of Net Assets and Share in Profit and Loss Account

(Rs. In Lakhs)								
Particulars	Net Assets (Total Assets less Total Liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Profit	Amount
Monarchy Healthserve Private Limited	8.76%	1,771.98	(3.45%)	(88.19)	-	-	(3.45%)	(88.19)
Kilitch Estro Biotech PLC	(1.87%)	(378.35)	(13.98%)	(357.43)	-	-	(13.98%)	(357.43)



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Note 48 - Fair value of financial assets and liabilities: -

Set out below is the comparison by class of carrying amounts and fair value of Company's financial instruments that are recognised in the financial statements.

(Rs. In Lakhs)				
Particulars	As at 31st March 2025		As at 31st March 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial assets designated at fair value through Other Comprehensive Income</b>				
Investments				
In Equity Shares	49.85	49.85	47.98	47.98
In Mutual Funds	4,951.77	4,951.77	4,942.84	4,942.84
<b>Financial assets designated at amortised cost</b>				
Trade Receivables	8,473.88	8,473.88	6,322.38	6,322.38
Cash and Cash Equivalents	980.05	980.05	1,896.18	1,896.18
Loans and Advances	142.19	142.19	71.51	71.51
Other Bank Balances	4.73	4.73	68.08	68.08
Other Financial Assets	5.01	5.01	4.62	4.62
Other Investment	125.35	125.35	113.01	113.01
<b>Total</b>	<b>14,732.82</b>	<b>14,732.82</b>	<b>13,466.61</b>	<b>13,466.61</b>
<b>Financial liabilities designated at amortised cost</b>				
Borrowings	4,942.39	4,942.39	3,164.65	3,164.65
Trade Payables and Others	5,415.74	5,415.74	2,558.89	2,558.89
Other Financial Liabilities	7.03	7.03	7.80	7.80
<b>Total</b>	<b>10,365.16</b>	<b>10,365.16</b>	<b>5,731.34</b>	<b>5,731.34</b>

### Fair valuation techniques:

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The following methods and assumptions were used to estimate the fair values

- Fair value of the Equity Shares are based on price quoted on stock exchange.
- Fair value of investment in unquoted equity shares are considered same as carrying value as the same are recently acquired.
- Fair value of Financial Assets & Financial Liability (except which are show at their fair value) are carried at amortised cost is not materially different from its carrying cost.
- The Financial Assets do not include investments in group companies which are carried at cost.

### Fair Value hierarchy:

The following table provides the fair value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 3 as described below:

**Level 1:** Quoted prices / published NAV (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

**Level 2:** Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). Fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Group specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2

**Level 3:** Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(Rs. In Lakhs)						
Purchases	As at 31st March, 2025			As at 31st March, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Assets /Liabilities measured at fair Value</b>						
Investments						
- in Equity shares	49.85	-	-	47.98	-	-
- in Bonds	-	-	58.33	-	-	59.77
- in Mutual Funds	-	4,951.77	-	-	4,942.84	-
- in Others	-	-	2,176.01	-	-	2,175.72

### Note 49 - Financial Risk management:

The Group's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk. Market risk:

#### Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign exchange risk through purchases of goods or services from overseas supplier in foreign currency. The Group generally transacts in US dollar. The foreign exchange rate exposure is balanced by purchasing of goods or services in the respective currency.

The Group is exposed to insignificant foreign exchange risk as at the respective reporting dates.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group is not exposed to interest rate risk as the Group has fixed rate of borrowings as at the respective reporting dates.

#### Commodity and Other price risk

The Group is not exposed to the commodity and other price risk.



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Credit Risk

Credit risk is the risk of financial loss to the Group that a customer or counter party to a financial instrument fails to meet its obligations. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds, financial institutions and other financial instruments.

### Trade and other receivables

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Group periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and aging of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability.

Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Group continues regular follow-up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstanding. The Group is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum and hence, the concentration of risk with respect to trade receivables is low. The Group also takes security deposits, advances, post-dated cheques etc. from its customers, which mitigate the credit risk to an extent.

### Cash and cash equivalents another investments

The Group is exposed to counter party risk relating to medium term deposits with banks and investment in mutual funds. The Group considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Group has also availed borrowings.

### Exposure to Credit risk

The gross carrying amount of financial assets, net of impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at 31st March, 2025 and 31st March, 2024 is as follows:

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
<b>Financial assets for which loss allowances is measured using 12 months Expected Credit Losses (ECL):</b>		
Current Investments	4,951.77	4,942.84
Cash and cash equivalents	980.05	1,896.18
Loans & Advances	142.19	71.51
Other Bank Balances	4.73	68.08
Other financial assets	5.01	4.62
<b>Financial assets for which loss allowances is measured using Life time Expected Credit Losses (ECL):</b>		
Trade receivables	8,473.88	6,322.38



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

### Life time Expected credit loss for Trade receivables under simplified approach

(Rs. In Lakhs)					
Aging of Trade Receivables	Present Due				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
<b>As at 31st March, 2025</b>					
Gross Carrying Amount	8,422.07	465.26	615.63	-	9,502.96
Expected credit losses (Loss allowance provision)	(177.73)	(346.04)	(505.31)	-	(1,029.08)
Net Carrying Amount	<b>8,244.34</b>	<b>119.22</b>	<b>110.32</b>	<b>-</b>	<b>8,473.88</b>
Aging of Trade Receivables	Past Due				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Year	Total
<b>As at 31st March, 2024</b>					
Gross Carrying Amount	5,793.39	758.05	684.05	-	7,235.49
Expected credit losses (Loss allowance provision)	(56.61)	(401.07)	(455.43)	-	(913.11)
Net Carrying Amount	<b>5,736.78</b>	<b>356.98</b>	<b>228.62</b>	<b>-</b>	<b>6,322.38</b>

### Reconciliation of Changes in the life time expected credit loss allowance:

(Rs. In Lakhs)		
Particulars	2024-25	2023-24
Loss allowance on 1 April	913.11	676.76
Provided during the year	(1,942.19)	236.35
Reversal of provision	-	-
Loss allowance on 31st March	(1,029.08)	913.11

Cash and Cash equivalent, other Investment, Loans and other financial assets are neither past due nor impaired. Management is of view that these financial assets are considered good and 12 months ECL is not provided.

### Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current borrowings are sufficient to meet its short to medium term expansion needs. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company is required to maintain ratios (such as debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels and also cash deposits with banks to mitigate the risk of default in repayments. In the event of any failure to meet these covenants, these loans become callable to the extent of failure at the option of lenders, except where exemption is provided by lender.



**Consolidated Notes to the Financial Statements****For year ended 31<sup>st</sup> March 2025**

(Rs. In Lakhs)						
Particulars	As at 31st March, 2025					
	Carrying Amount	On Demand	Less than 12 months	2-5 years	>5 years	Total
Borrowings	4,942.40	-	2,165.36	1,836.30	940.74	4,942.40
Other Financial Liabilities	7.03	-	7.03	-	-	7.03
Trade and other payables	5,415.74	-	5,415.74	-	-	5,415.74
Particulars	As at 31st March, 2024					
	Carrying Amount	On Demand	Less than 12 months	2-5 years	>5 years	Total
Borrowings	3,164.65	32.93	3,131.72	-	-	3,164.65
Other Financial Liabilities	7.80	-	7.80	-	-	7.80
Trade and other payables	2,558.89	-	2,558.89	-	-	2,558.89

**Capital Management**

The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March, 2025 and 31st March, 2024

(Rs. In Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March, 2024
Loans and Borrowings	4,942.40	3,164.65
Less: Cash and cash equivalents + Bank Deposits	(986.59)	(1,965.51)
Net Debt	3,955.81	1,199.13
Total Capital	20,232.91	17,629.12
Capital + Net Debt	24,188.72	18,828.26
Gearing Ratio	0.20	0.07

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and term deposits.

**Note 50 - Taxation**

Income tax related to items charged or credited to profit or loss during the year:

A. Statement of Profit or Loss			(Rs. In Lakhs)
Particulars	2024-25	2023-24	
1. Current Income Tax ( Net of MAT Credit)	985.00	636.50	
2. Tax Adjustment of earlier year	-	-	
3. Deferred Tax expenses/ (benefits):	(31.59)	(58.57)	
Relating to origination and reversal of temporary differences	-	-	
<b>Total Income tax Expenses (1 to 2)</b>	<b>953.41</b>	<b>577.93</b>	



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

<b>B. Reconciliation of Current Tax expenses:</b> (Rs. In Lakhs)		
<b>Particulars</b>	<b>2024-25</b>	<b>2023-24</b>
Profit /(Loss) from Continuing operations	3,447.42	1,935.45
Applicable Tax Rate	25.17	25.17
Computed tax expenses	<b>867.72</b>	<b>487.15</b>
Income not allowed/exempt for tax purposes	(15.10)	(154.70)
Expenses not allowed for tax purposes	261.35	446.66
Other temporary allowances	(46.79)	(128.77)
Tax paid at lower rate	(82.18)	(13.84)
<b>Current Income Tax</b>	<b>985.00</b>	<b>636.50</b>
<b>Deferred Tax Recognised in statement of profit and Loss relates to the following:</b> (Rs. In Lakhs)		
<b>Particulars</b>	<b>2024-25</b>	<b>2023-24</b>
Difference between book and Tax depreciation	(1.62)	(1.10)
Expenses allowable on payment basis	33.21	59.67
Deferred Tax Liabilities/ (Asset)	<b>31.59</b>	<b>58.57</b>
<b>Reconciliation of deferred tax liabilities/(asset) net:</b> (Rs. In Lakhs)		
<b>Particulars</b>	<b>2024-25</b>	<b>2023-24</b>
Opening balance as on 1st April	256.34	197.77
Tax expenses / (income) during the year	31.59	58.57
<b>Closing balance as on 31st March</b>	<b>287.92</b>	<b>256.34</b>

### Note 51 – Share Based Payments and Arrangements:

As per the ESOS, 2007 as amended from time to time the outstanding ESOPs which can be exercised by our employees at Rs. 10 each (Face Value Rs. 10/ share). Detailed analysis of the same has been enumerated below:

<b>Sr. No.</b>	<b>Particulars of Options / Scheme</b>	<b>Total (Numbers)</b>
1	Outstanding as at beginning of the Year	17,526
2	Add : Granted during the Year	NIL
3	Less : Forfeited/Cancelled/Lapsed during the Year	NIL
4	Less : Exercised and allotted during the Year	NIL
5	Outstanding as at the end of the Year	17,526

As per the ESOS, 2020 as amended from time to time the outstanding ESOPs which can be exercised by our employees at Rs. 10 each (Face Value Rs. 10/ share). Detailed analysis of the same has been enumerated below:

<b>Sr. No.</b>	<b>Particulars of Options / Scheme</b>	<b>Total (Numbers)</b>
1	Outstanding as at beginning of the Year	105,264
2	Add : Granted during the Year	NIL
3	Less : Forfeited/Cancelled/Lapsed during the Year	NIL
4	Less : Exercised and allotted during the Year	NIL
5	Outstanding as at the end of the Year	105,264



## Consolidated Notes to the Financial Statements

For year ended 31<sup>st</sup> March 2025

**Note 52** - The previous year figures have been regrouped, reworked, rearranged and reclassified, wherever necessary and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date	
For C. Sharat & Associates	For and on behalf of the Board of Directors Kilitch Drugs India Limited
Chartered Accountants	
FRN: 128593W	Mukund P. Mehta (Managing Director) [DIN: 00147876]
Chintan Sharatchandra Shah Partner M. No. 127551	Bhavin M. Mehta (Whole-time Director) [DIN: 00147895]
	Sunil Jain (Chief Financial Officer)
Place: Mumbai Dated: 19 <sup>th</sup> May, 2025	Pushpa Nyoupane (Company Secretary) M. No. A64047



**KILITCH DRUGS (INDIA) LIMITED**

**Registered Office:**

C-301/2, MIDC, TTC Industrial Area, Pawane Village, Navi Mumbai - 400 705.

**Tel.:** 022-61214100/22

**[www.kilitch.com](http://www.kilitch.com)**