

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF TRISTAR INTERMEDIATES PRIVATE LIMITED**

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

##### **Opinion**

We have audited the accompanying Financial Statements of TRISTAR INTERMEDIATES PRIVATE 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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, 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 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 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 financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 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.

Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue recognition</b></p> <p>Refer Note 2A(i) and 24 to the accompanying standalone financial statements for the related accounting policy on revenue recognition and details of revenue recognised during the year.</p> <p>The Company drives its revenue from the sales of specialty chemical products to distributors and end consumers. The Company recognises the revenue from customers in accordance with Ind AS 115 “Revenue from Contracts with Customers” when the performance obligation is satisfied which is determined to be at the point of time when the customer obtains controls of the goods. The revenue is measured based on the transaction price specified in the contract, net of discounts, returns and goods and services tax.</p> <p>Revenue is a key performance indicator and there is presumed fraud risk of revenue being overstated during the year on account of variation in the timing of transfer of control due pressure to achieve performance targets and meeting the external expectations.</p> <p>Owing to the above, volume of transactions and diverse terms of contracts with customers, revenue is determined to be an area involving significant risk in line with the requirements of Standards on Auditing, and hence, requires significant auditor attention. Further, the application of Ind AS 115 involves significant judgements / estimates such as determining timing of revenue recognition and transaction price, including impact of variable consideration in the form of rebates and discounts as per the terms of contracts with the customers.</p> <p>Considering the materiality of the amount involved and above mentioned significant attention required by the auditor, revenue recognition has been identified as a key audit matter for the current year audit.</p>	<p><b>Our audit procedures in relation to revenue recognition included, but were not limited, to the following:</b></p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management’s process for revenue recognition and evaluated the appropriateness of the accounting policy adopted by the management on revenue recognition in accordance with Ind AS 115.</li> <li>• Evaluated the design and tested the operating effectiveness of key controls over the recognition and measurement of revenue.</li> <li>• Performed substantive analytical procedures on revenue which included ratio analysis, region wise sale analysis, etc.</li> <li>• On a sample basis, tested the revenue transactions recorded during the year, including during a specific period before and after year end, with supporting documents such as invoices, agreement, dispatch memos etc. to ensure revenue is recognised in the correct period and with correct amounts.</li> <li>• Tested the provision calculations related to management price difference discounts and actual discount provided by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents.</li> <li>• Tested all the manual sales-related adjustments made to revenue to ensure the appropriateness of revenue recognition during the year.</li> <li>• Evaluated the appropriateness of disclosures made in the standalone financial statements with respect to revenue recognized during the year in accordance with Ind AS 115.</li> </ul>

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

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board’s Report including Annexures to Board’s Report but does not include the statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 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 financial statements that give a true and fair view of the financial position, financial performance 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with 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 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.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, based on our audit we report that:

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.

- a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - b) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - c) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act,
  - d) On the basis of the written representations received from the directors as on March 31, 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.
  - e) With respect to the adequacy of the internal financial controls 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.
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any material pending litigations which would impact its financial position as on 31 March 2025.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (a) The management has represented that, to the best of its knowledge and belief, other than 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 person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. The Company has not declared / paid dividend during the year and the same is not in contravention with section 123 of the Companies Act 2013 to the extent it applies for payment of dividend.
- vi. As stated in Note 49 of the accompanying standalone financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exception given below. Furthermore, except for instances mentioned below, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

Nature of exception noted	Details of Exception
Instances of accounting software maintained by a third party where we are unable to comment on the audit trail feature at database level and preservation of audit trail logs at the database level	The accounting software used for maintenance of books of accounts of the Company is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made and preservations of the audit trail logs at the database level in the ‘Independent Service Auditor’s Assurance Report on the Description of Controls, their Design and Operating Effectiveness’ (‘Type 2 report’ issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **JMT & ASSOCIATES**

Chartered Accountants

Firm's Registration No:104167W

**SANJAY PICHHOLIA**

Partner

Membership No: 122651

UDIN:25122651BMKXPG7923

Place: Mumbai

Date: 24.04.2025

## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TRISTAR INTERMEDIATES PRIVATE LIMITED of even date)**

- i. In respect of the Company's Property, Plant and Equipment & 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) 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 a regular program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this program, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
  - (d) 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 revalued its property, plant and equipment (including right of use assets) or intangible assets or both 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 are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii. In respect of the Company's Inventories:
  - a) In our opinion, physical verification of inventory other than with third parties is conducted at reasonable intervals by the Management. As information and explanation given to us there is no inventory is kept with the third parties.



- b) During the year, the company has been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. As on date of verification it is observed that the quarterly returns or statements as required by the banks of financial institutions are in agreement with the books of account of the Company.

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 made any investments in or provided security to companies, firms, limited liability partnerships or any other parties during the year. The Company has provided guarantees, granted loans and advances in the nature of loans during the year to companies and other parties, details of which are stated below. The Company has not provided guarantees or granted loans or advances in the nature of loans during the year to firms or limited liability partnerships.

- a) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has provided guarantees and granted advances in the nature of loans to other parties as below:

<b>Particulars</b>	<b>Advances in Nature of Loans – Employee Advances (Rs. In Millions)</b>
Aggregate amount during the year - Other parties	0.86
Balance outstanding as at the balance sheet date - Other parties	0.94

- c) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.
- d) 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, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- 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 overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.
- f) 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 loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans or advances

in the nature of loans given to same parties.

- g) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- 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 neither made any investments nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 (“the Act”) and the Company has not provided any security as specified under Section 186 of the Act. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act in relation to loans given, guarantees provided and investments made.
- v. The Company has filed DPT 3 for FY 23 24 on 17.06.2025.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act for the business activities carried out by the Company. As observed and information provided to us, such accounts and records have been made and maintained by the Company. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) 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 amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees’ State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities;  
  
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, Duty of Customs, Cess 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute
- viii. 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- 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 the

repayment of loans or borrowings 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 balance sheet 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 standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2025.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

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 preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii. According to the information and explanations given to us, the Company is not a

Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) The Company have appointed independent internal auditor during the year and earlier to that management have ensured independent checks and controls commensurate with size and nature of its business.  
  
(b) We have considered the reports of internal auditor and internal audit system needs to be strengthened in line with the volume of business as company is having the status of subsidiary of public company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable  
  
(b) 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)(c) of the Order is not applicable.  
  
(c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of statutory auditor during the year. Accordingly, clause 3(xviii) of the order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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.
- xxi. The Company does not have subsidiary and no consolidated accounts are prepared. Therefore, this clause is not applicable to the Company.

**For JMT & ASSOCIATES**

Chartered Accountants

Firm's Registration No:104167W

**SANJAY PICHHOLIA**

Partner

Membership No:122651

UDIN: 25122651BMKXPG7923

Place: Mumbai

Date: 24.04.2025

**ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**  
(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of TRISTAR INTERMEDIATES PRIVATE LIMITED of even date)

**Report on the Internal Financial Controls Over Financial Reporting 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 **TRISTAR INTERMEDIATES PRIVATE LIMITED** (“the Company”) as of March 31, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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 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 theCompaniesAct,2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standard 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 internal financial controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls Over Financial Reporting**

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

### **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 control 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, to the best of our information and according to the explanations given to us, 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 **JMT & ASSOCIATES**

Chartered Accountants

Firm's Registration No:104167W

**SANJAY PICHHOLIA**

Partner

Membership No:122651

UDIN: 25122651BMKXPG7923

Place: Mumbai

Date: 24.04.2025



**TRISTAR INTERMEDIATES PRIVATE LIMITED**  
**Balance Sheet as at 31st March, 2025**

<i>Rs. In million</i>			
Particulars	Note No	As at 31st March, 2025	As at 31st March, 2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3a	206.44	205.39
(b) Right of Use - Assets	3b	40.50	41.06
(c) Capital Work-in-Progress	3c	17.27	16.56
(d) Other Intangible Assets	4	2.83	3.56
(e) Financial Assets			
(i) Other Financial Assets	5	5.73	5.69
(f) Income Tax Assets (Net)	6	2.86	2.84
(g) Deferred Tax Assets (Net)	7	1.06	-
(h) Other Non-current Assets	8	0.62	0.79
<b>TOTAL NON-CURRENT ASSETS</b>		<b>277.31</b>	<b>275.89</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	9	234.09	139.83
(b) Financial Assets			
(i) Trade Receivables	10	705.09	456.91
(ii) Cash and Cash Equivalents	11a	16.23	0.78
(iii) Bank Balances other than (ii) above	11b	3.99	3.77
(iv) Loans	12	0.94	0.26
(c) Other Current Assets	13	27.48	85.19
<b>TOTAL CURRENT ASSETS</b>		<b>987.82</b>	<b>686.74</b>
<b>TOTAL ASSETS</b>		<b>1,265.13</b>	<b>962.63</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	9.30	9.30
(b) Other Equity	15	736.95	596.97
<b>TOTAL EQUITY</b>		<b>746.25</b>	<b>606.27</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Provisions	16	8.41	7.20
(b) Deferred Tax Liabilities (Net)	17	-	0.23
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>8.41</b>	<b>7.43</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	18	-	65.58
(ii) Trade Payables			
a) total outstanding dues of Micro Enterprises and Small Enterprises	19	4.97	3.13
b) total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	19	486.05	258.79
(iii) Other Financial Liabilities	20	12.74	11.34
(b) Other Current Liabilities	21	1.31	1.26
(c) Provisions	22	3.96	3.75
(d) Current Tax Liabilities (Net)	23	1.44	5.08
<b>TOTAL CURRENT LIABILITIES</b>		<b>510.47</b>	<b>348.93</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,265.13</b>	<b>962.63</b>

The accompanying notes 1 to 50 are an integral part of the Standalone Financial Statements

In terms of our report attached.

**For JMT & Associates**  
Chartered Accountants  
Firm Registration No. 104167W

**For and on behalf of the Board of Directors of**  
**Tristar Intermediates Private Limited**

**SANJAY PICHHOLIA**  
Partner  
Membership No. 122651

**SANJAY RAMKRISHNA MARBALLI**  
Director  
DIN: 00002476

**SUNIL CHARI**  
Director  
DIN: 00149083

**Place: Mumbai**  
**Date: 24th April, 2025**

**Place: Mumbai**  
**Date: 24th April, 2025**

**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Statement of Profit and Loss for the year ended 31st March, 2025**

		<i>Rs. In million</i>	
Particulars	Note No	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
I Revenue from operations	24	2,617.49	2,530.62
II Other Income	25	0.72	0.79
<b>III Total Income (I + II)</b>		<b>2,618.21</b>	<b>2,531.41</b>
<b>IV EXPENSES</b>			
(a) Cost of materials consumed	26	2,100.56	2,060.73
(c) Changes in inventories of finished goods and work-in-progress	27	(23.20)	(1.54)
(d) Employee benefits expense	28	90.11	83.41
(e) Finance costs	29	7.36	14.04
(f) Depreciation and amortization expenses	30	36.22	32.69
(g) Other expenses	31	218.86	225.10
<b>Total Expenses</b>		<b>2,429.91</b>	<b>2,414.43</b>
<b>V Profit before tax (III - IV)</b>		<b>188.30</b>	<b>116.98</b>
<b>VI Tax Expense</b>			
Current tax	32(a)	49.69	33.28
Deferred tax	32(a)	(1.31)	(2.55)
<b>Total Tax Expense</b>		<b>48.38</b>	<b>30.73</b>
<b>VII Profit for the year (V - VI)</b>		<b>139.92</b>	<b>86.25</b>
<b>VIII Other comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit		0.08	(0.05)
(ii) Income tax relating to items that will not be reclassified to profit or loss	32(b)	(0.02)	0.01
<b>Total Other Comprehensive income</b>		<b>0.06</b>	<b>(0.04)</b>
<b>IX Total comprehensive income (VII + VIII)</b>		<b>139.98</b>	<b>86.21</b>
<b>X Earnings per equity share (in Rs.)</b>	<b>33</b>		
Basic		150.45	92.74
Diluted		150.45	92.74

The accompanying notes 1 to 50 are an integral part of the Standalone Financial Statements

In terms of our report attached.

**For JMT & Associates**

Chartered Accountants

Firm Registration No. 104167W

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

**Tristar Intermediates Private Limited**

**SANJAY PICHHOLIA**

Partner

Membership No. 122651

**SANJAY RAMKRISHNA MARBALLI**

Director

DIN: 00002476

**SUNIL CHARI**

Director

DIN: 00149083

**Place: Mumbai**

**Date: 24th April, 2025**

**Place: Mumbai**

**Date: 24th April, 2025**

**TRISTAR INTERMEDIATES PRIVATE LIMITED****Statement of Changes in Equity for the year ended 31st March, 2025****(a) Equity Share Capital**

Particulars	<i>Rs. In million</i>	
	31st March, 2025	31st March, 2024
<b>Issued, Subscribed and Paid-up:</b>		
Balance as at the beginning of the year	9.30	9.30
Changes in equity share capital during the year	-	-
<b>Balance as at the end of the year</b>	<b>9.30</b>	<b>9.30</b>

**(b) Other Equity**

Particulars	<i>Rs. In million</i>			
	Reserves and Surplus			
	Deemed Capital Contribution	General Reserve	Retained Earnings	Total
<b>Balance as at 1<sup>st</sup> April, 2023</b>		<b>0.28</b>	<b>507.48</b>	<b>507.76</b>
Profit for the year		-	86.25	86.25
Other Comprehensive income / (loss) for the year (net of tax)		-	(0.04)	(0.04)
Total Comprehensive income for the year	-	-	86.21	86.21
Contribution during the year	3.00	-	-	3.00
<b>Balance as at 31st March, 2024</b>	<b>3.00</b>	<b>0.28</b>	<b>593.69</b>	<b>596.97</b>
Profit for the year		-	139.92	139.92
Other Comprehensive income / (loss) (net of tax)		-	0.06	0.06
Total Comprehensive income for the year	-	-	139.98	139.98
Contribution during the year	-	-	-	-
<b>Balance as at 31st March, 2025</b>	<b>3.00</b>	<b>0.28</b>	<b>733.67</b>	<b>736.95</b>

The accompanying notes 1 to 50 are an integral part of the Standalone Financial Statements

In terms of our report attached.

**For JMT & Associates**

Chartered Accountants

Firm Registration No. 104167W

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

**Tristar Intermediates Private Limited**

**SANJAY PICHHOLIA**

Partner

Membership No. 122651

**SANJAY RAMKRISHNA MARBALLI**

Director

DIN: 00002476

**SUNIL CHARI**

Director

DIN: 00149083

**Place: Mumbai**

**Date: 24th April, 2025**

**Place: Mumbai**

**Date: 24th April, 2025**

**TRISTAR INTERMEDIATES PRIVATE LIMITED**  
**Statement of Cash Flow for the year ended 31st March, 2025**

		<i>Rs. In million</i>	
	Particulars	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
<b>A</b>	<b>Cash flows from operating activities</b>		
	Profit before tax	<b>188.30</b>	<b>116.98</b>
	Adjustments for:		
	Depreciation and amortisation expenses	36.22	32.69
	(Profit)/Loss on disposal of property, plant and equipment	(0.09)	-
	Provision for expected credit loss	(0.18)	0.04
	Finance Costs	7.36	14.04
	Interest Income	(0.31)	(0.50)
	Net foreign exchange loss/(gain)	(1.60)	(1.83)
	<b>Operating profit before working capital changes</b>	<b>229.70</b>	<b>161.42</b>
	Changes in :		
	Trade Receivables and other assets	(190.92)	(16.41)
	Inventories	(94.26)	(35.08)
	Trade Payables and other liabilities	233.74	(41.08)
	<b>Cash generated from Operations</b>	<b>178.26</b>	<b>68.85</b>
	Income taxes paid (net of refunds)	(53.35)	(26.29)
	<b>Net cash flows generated from operating activities</b>	<b>124.91</b>	<b>42.56</b>
<b>B</b>	<b>Cash flows from investing activities</b>		
	Interest Received	0.31	0.50
	Payments to acquire property, plant and equipment		
	(including Capital work in progress) and intangible assets	(37.02)	(55.44)
	Proceeds from sale of property, plant and equipment and intangible assets	0.42	-
	(Increase)/Decrease in bank balances not considered as cash and cash equivalents	(0.22)	23.11
	<b>Net cash flows used in investing activities</b>	<b>(36.51)</b>	<b>(31.83)</b>
<b>C</b>	<b>Cash flows from financing activities</b>		
	Proceeds / (Repayment) from short term borrowing (net)	(65.58)	(2.69)
	Interest paid	(7.37)	(14.04)
	Deemed Contribution	-	3.00
	<b>Net cash flow generated from / (used in ) financing activities</b>	<b>(72.95)</b>	<b>(13.73)</b>
	<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>15.45</b>	<b>(3.00)</b>
	<b>Opening Cash and cash equivalents</b>	<b>0.78</b>	<b>3.78</b>
	Effects of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	-	-
	<b>Closing Cash and cash equivalents</b>	<b>16.23</b>	<b>0.78</b>

**Notes:**

The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS 7) – Statement of Cash flow.

The accompanying notes 1 to 50 are an integral part of the Standalone Financial Statements

In terms of our report attached.

**For JMT & Associates**  
Chartered Accountants  
Firm Registration No. 104167W

**For and on behalf of the Board of Directors of  
Tristar Intermediates Private Limited**

**SANJAY PICHHOLIA**  
Partner  
Membership No. 122651

**SANJAY RAMKRISHNA MARBALLI**  
Director  
DIN: 00002476

**SUNIL CHARI**  
Director  
DIN: 00149083

**Place: Mumbai**  
**Date: 24th April, 2025**

**Place: Mumbai**  
**Date: 24th April, 2025**

## **1. Corporate Information**

Tristar Intermediates Private Limited ('the Company') was incorporated in the year 1997, having Corporate Identity number U24231MH1997PTC410875. The registered office of the Company is at Rossari House, Golden Oak, LBS Marg, Surya Nagar, Opp. Mahindra Showroom, Vikhroli (West), Mumbai - 400079. The Company is mainly engaged in manufacturing / Trading of Perfumery Chemicals, Speciality Chemicals, Dye Intermediates and high-tech distillation facilities.

## **2. Statement of Compliances and Basis of Preparation and Presentation**

- (a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting as a going concern except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented.

- (b) The aforesaid Financial Statements were approved by the Company's Board of Directors and authorized for issue on 24th April, 2025.
- (c) A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has established policies and procedures with respect to the measurement of fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognized in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Assets and Liabilities are classified as Current or Non-Current as per the provisions of Schedule III to the Companies Act, 2013 and the Company's Normal Operating Cycle. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

**(d) Use of estimates and judgements:**

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements, and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in Notes.

Accounting Estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**(e) Critical estimates and judgements**

**Useful lives of property, plant and equipment and intangible assets:**

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation/amortization is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Useful lives of intangible assets are determined on the basis of estimated benefits to be derived from use of such intangible assets. The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Their reassessments may result in change in the depreciation /amortization expense in future periods.

**Fair value measurements and valuation processes**

Some of the Company's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

**Defined benefit obligation**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Information about such valuation is provided in notes to the financial statements.

**Provision for income tax and deferred tax assets**

The Company uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

**Provisions and contingent liabilities**

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

**Notes accompanying the Financial Statements for the year ended 31<sup>st</sup> March, 2025 (Contd.)**

The Company uses significant judgements to assess contingent liabilities. 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 the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

**Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**Allowance for doubtful debts**

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Individual trade receivables are written off if the same are not collectible.

**Inventories obsolescence**

The factors that the Company considers in determining the provision for slow moving, obsolete and other non-saleable inventory include planned product discontinuances, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory obsolescence to reflect its actual experience on a periodic basis.

**2A. Material accounting policies**

**i. Revenue Recognition**

**(a) Sale of Goods:**

Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains control of the asset.

Revenue is measured based on transaction price stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

**(b) Export Incentive:**

Income from export incentives such as duty drawback and Remission of Duties and Taxes on Export Products ('RoDTEP') scheme are recognized on an accrual basis.

**Notes accompanying the Financial Statements for the year ended 31<sup>st</sup> March, 2025 (Contd.)****(c) Dividend and Interest Income:**

Dividend income from investments is recognized when the shareholder's right to receive dividend has been established.

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

**ii. Property, Plant & Equipment**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.

Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use.

Depreciation is provided on Written Down Value basis for property, plant and equipment so as to expense the depreciable amount, i.e. the cost less estimated residual value, over its estimated useful lives. The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.

The cost of an item of property, plant and equipment shall be as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

As per para 67, Ind AS 16, the carrying amount of an item of property, plant equipment shall be reduced:

- (a) on disposal; or
- (b) when no future economic benefits are expected from its use or disposal

The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013.

<b>Property, Plant and Equipment</b>	<b>Useful Life</b>
Buildings	30 to 60 Years
Plant and Equipments	5 to 20 Years
Furniture & Fittings	10 to 15 Years
Vehicles	8 Years
Office Equipments	5 to 10 Years
Computer Equipments	3 to 6 Years
Leasehold Improvements	5 Years

**iii. Intangible Assets**

Intangible assets are initially recognised at cost.

Intangible assets with definite useful lives are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

**(a) Trademark, Copyright & Patent:**

The expenditure incurred is amortized over the estimated period of benefit, not exceeding six years commencing with the year of purchase.

**(b) Software expenditure:**

The expenditure is amortized over six financial years equally commencing from the year in which the expenditure is incurred.



**iv. Research & Development**

Revenue expenditure incurred on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred. Capital expenditure is included in the Cost of acquisition of the appropriate property plant and equipment and depreciation thereon is charged as per the rates prescribed.

**v. Impairment**

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant & equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

**vi. Inventories**

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and packing materials is determined on the basis of weighted average cost method.

Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realizable value whichever is lower.

Stores, spares and consumables other than obsolete and slow-moving items are carried at cost. Obsolete and slow-moving items are valued at cost or estimated net realizable value, whichever is lower.

**vii. Employee Benefits**

**a) Defined Contribution Plan:**

Contribution payable to recognized provident fund, ESIC which are substantially defined contribution plans, is recognized as expense in the Statement of Profit and Loss, as they are incurred.

**b) Defined Benefit Plan:**

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods. The retirement

**Notes accompanying the Financial Statements for the year ended 31<sup>st</sup> March, 2025 (Contd.)**

benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

**c) Long term Compensated Absences**

Company's liability towards long term compensated absences are determined by independent actuaries, using the projected unit credit method

**viii. Taxation**

Income tax expense represents the sum of the current tax currently payable and deferred tax.

**(a) Current Tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**(b) Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiary, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting periods and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in periods in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**(c) Current and Deferred Tax for the year**

Current and Deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**ix. Borrowing Costs**

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- Borrowing costs that are attributable to the acquisition or construction of qualifying tangible and intangible assets that necessarily take a substantial period of time to get ready for their intended use, which are capitalized as part of the cost of such assets.
- Expenses incurred on raising long term borrowings are amortized using effective interest rate method over period of borrowings. Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

**x. Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

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

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

Notes accompanying the Financial Statements for the year ended 31<sup>st</sup> March, 2025 (Contd.)

The Company has elected not to apply the requirements of Ind AS 116 - Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

**Company as a lessor**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 - Revenue from contracts with customers to allocate the consideration in the contract.

**xi. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation. 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 the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

**xii. Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit or Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or Loss is recognized immediately in Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

**Classification and subsequent measurement**

**(a) Financial Assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at:

Notes accompanying the Financial Statements for the year ended 31<sup>st</sup> March, 2025 (Contd.)

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI); or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in a period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Any gain / loss on derecognition are recognized in Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognized in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments as at FVTOCI as the Company believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in Statement of Profit and Loss. Dividend income received on such equity investments are recognized in Statement of Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognized in Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of Profit and Loss.

**(i) Financial assets at Fair value through Statement of Profit & loss**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other Income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

**(ii) Impairment of Financial Assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information

**(iii) De-recognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than its entirety, (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received / receivable for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal

**Notes accompanying the Financial Statements for the year ended 31<sup>st</sup> March, 2025 (Contd.)**

of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

**(iv) Foreign Exchange Gains & Losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

**(v) Financial liabilities and equity instruments**

**(a) Classification as debt or equity**

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**(b) Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**(c) Compound Financial Instruments**

The component parts of compound financial instruments (convertible instruments) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instruments' maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Notes accompanying the Financial Statements for the year ended 31<sup>st</sup> March, 2025 (Contd.)

(d) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost or at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance cost' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(vi) Offsetting

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

(vii) Financial guarantee contracts and loan commitments

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; or
- The amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115.

**2B. Other accounting policies**

**i. Dividend Distribution**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**ii. Earnings per share**

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

**iii. Share-based payment arrangements**

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a



**Notes accompanying the Financial Statements for the year ended 31<sup>st</sup> March, 2025 (Contd.)**

corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

**iv. Foreign Exchange Transactions and Translations**

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognized in Statement of Profit and Loss in the period in which they arise.

**Forward Exchange Contracts**

The use of foreign currency forward contract is governed by the Company's strategy. The Company uses foreign currency forward contract to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions for amount in excess of natural hedge available on export realization against import payment. The Company doesn't use forward contracts for speculative purpose.

All derivative contracts are marked to- market and losses/gains are recognized in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**2C. Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

## Note 3a - Property, Plant and Equipment

Particulars	Buildings	Leasehold Improvements	Plant and Equipments	Furniture & Fittings	Vehicles	Office Equipment	Computer Equipment	<i>Rs. In million</i>
								Total
<b>(I) Gross Carrying Amount (Deemed Cost)</b>								
Balance as at 1st April, 2023	78.24	-	206.81	3.05	4.03	2.08	1.73	295.94
Additions during the year	3.71	-	33.27	0.11	-	0.55	0.35	37.99
Less: Disposals / adjustments during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2024</b>	<b>81.95</b>	<b>-</b>	<b>240.08</b>	<b>3.16</b>	<b>4.03</b>	<b>2.63</b>	<b>2.08</b>	<b>333.93</b>
Additions during the year	3.63	1.07	28.76	0.76	1.28	0.59	0.23	36.32
Less: Disposals / adjustments during the year	-	-	(0.55)	-	-	-	-	(0.55)
<b>Balance as at 31st March, 2025</b>	<b>85.58</b>	<b>1.07</b>	<b>268.29</b>	<b>3.92</b>	<b>5.31</b>	<b>3.22</b>	<b>2.31</b>	<b>369.70</b>
<b>(II) Accumulated depreciation</b>								
Balance as at 1st April, 2023	17.67	-	73.73	1.69	2.17	1.17	0.71	97.14
Depreciation expense for the year	6.39	-	22.88	0.46	0.59	0.48	0.60	31.40
Less: Disposals / adjustments during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31st March, 2024</b>	<b>24.06</b>	<b>-</b>	<b>96.61</b>	<b>2.15</b>	<b>2.76</b>	<b>1.65</b>	<b>1.31</b>	<b>128.54</b>
Depreciation expense for the year	6.22	0.10	27.08	0.39	0.50	0.37	0.28	34.94
Less: Disposals / adjustments during the year	-	-	(0.22)	-	-	-	-	(0.22)
<b>Balance as at 31st March, 2025</b>	<b>30.28</b>	<b>0.10</b>	<b>123.47</b>	<b>2.54</b>	<b>3.26</b>	<b>2.02</b>	<b>1.59</b>	<b>163.26</b>
<b>(III) Net carrying amount (I-II)</b>								
Balance as at 1st April, 2023	60.57	-	133.08	1.36	1.86	0.91	1.02	198.80
Balance as at 31st March, 2024	57.89	-	143.47	1.01	1.27	0.98	0.77	205.39
Balance as at 31st March, 2025	55.30	0.97	144.82	1.38	2.05	1.20	0.72	206.44

## Notes:

(i) The title deeds of all the immovable properties are held in the name of the company.

## Note 3b - Right of use assets

Particulars	Leasehold Land	<i>Rs. In million</i>
		Total
<b>(I) Gross Carrying Amount</b>		
Balance as at 1st April, 2023	42.98	42.98
Additions during the year	-	-
Less: Disposals during the year	-	-
<b>Balance as at 31st March, 2024</b>	<b>42.98</b>	<b>42.98</b>
Additions during the year	-	-
Less: Disposals during the year	-	-
<b>Balance as at 31st March, 2025</b>	<b>42.98</b>	<b>42.98</b>
<b>(II) Accumulated depreciation</b>		
Balance as at 1st April, 2023	1.37	1.37
Depreciation expense for the year	0.56	0.56
Less: Disposals during the year	-	-
<b>Balance as at 31st March, 2024</b>	<b>1.93</b>	<b>1.93</b>
Depreciation expense for the year	0.55	0.55
Less: Disposals during the year	-	-
<b>Balance as at 31st March, 2025</b>	<b>2.48</b>	<b>2.48</b>
<b>(III) Net carrying amount (I-II)</b>		
Balance as at 1st April, 2023	41.61	41.61
Balance as at 31st March, 2024	41.06	41.06
Balance as at 31st March, 2025	40.50	40.50

## Note:

The lease agreements are duly executed in favour of the company.

## Note 3c: Capital Work in Progress (CWIP)

CWIP ageing schedules as on 31st March, 2025

CWIP	<i>Rs. In million</i>				
	Amount in CWIP for a period of				Total
	Less than 1 years	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	12.93	4.34	-	-	17.27
Projects temporarily suspended	-	-	-	-	-
<b>Total CWIP</b>	<b>12.93</b>	<b>4.34</b>	<b>-</b>	<b>-</b>	<b>17.27</b>

<b>Note No. 4 - Intangible Assets</b>		<b>Rs. In million</b>	
	<b>Particulars</b>	<b>Computer Software</b>	<b>Total</b>
(I)	<b>Gross Carrying Amount</b>		
	Balance as at 1st April, 2023	0.08	0.08
	Additions during the year	4.25	4.25
	Deductions during the year	-	-
	<b>Balance as at 31st March, 2024</b>	<b>4.33</b>	<b>4.33</b>
	Additions during the year	-	-
	Deductions during the year	-	-
	<b>Balance as at 31st March, 2025</b>	<b>4.33</b>	<b>4.33</b>
(II)	<b>B. Accumulated amortisation</b>		
	Balance as at 1st April, 2023	0.04	0.04
	Amortisation expense for the year	0.73	0.73
	Deductions for the year	-	-
	<b>Balance as at 31st March, 2024</b>	<b>0.77</b>	<b>0.77</b>
	Amortisation expense for the year	0.73	0.73
	Deductions for the year	-	-
	<b>Balance as at 31st March, 2025</b>	<b>1.50</b>	<b>1.50</b>
(III)	<b>Net carrying amount (I-II)</b>		
	Balance as at 1st April, 2023	0.04	0.04
	<b>Balance as at 31st March, 2024</b>	<b>3.56</b>	<b>3.56</b>
	<b>Balance as at 31st March, 2025</b>	<b>2.83</b>	<b>2.83</b>

**Notes:**

The amortization expense of intangible assets has been included under Note 30 'Depreciation and amortization expense' in the Statement of Profit and Loss.

**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**
**Note 5: Other Financial Assets (Non Current)**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
<b>Financial Assets at Amortized Cost:</b>		
(unsecured, considered good unless otherwise stated)		
Security Deposits	5.73	5.69
<b>Total Other Financial Assets</b>	<b>5.73</b>	<b>5.69</b>

**Note 6: Income Tax Assets (Net) (Non Current)**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Advance Income Tax	2.86	2.84
(net off Provision for Tax of Rs. 35.80 million (31st March 2024 – Rs. 35.89 million))		
<b>Total Income Tax Assets (Net) (Non-current)</b>	<b>2.86</b>	<b>2.84</b>

**Note 7: Deferred Tax Assets**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Deferred Tax Assets	1.06	-
<b>Total Deferred Tax Assets (Net)</b>	<b>1.06</b>	<b>-</b>

**Note 7.1 Movement in Deferred Tax Liability:**

Particulars	As at 31st March, 2024	Charge / (credit) to profit or loss	Charge / (credit) to OCI	As at 31st March, 2025
<b>Tax effect of items constituting deferred tax liabilities:</b>				
a) Allowances on property, plant & equipment and other assets	(3.93)	1.51		(2.42)
<b>Tax effect of items constituting deferred tax assets:</b>				
Allowances for credit losses	0.06	(0.04)		0.02
Provision for Gratuity	2.03	0.33	(0.02)	2.34
Others	1.61	(0.49)		1.12
<b>Net Tax Asset/(Liability)</b>	<b>(0.23)</b>	<b>1.31</b>	<b>(0.02)</b>	<b>1.06</b>

Particulars	As at 31st March, 2023	Charge / (credit) to profit or loss	Charge / (credit) to OCI	As at 31st March, 2024
<b>Tax effect of items constituting deferred tax liabilities:</b>				
a) Allowances on property, plant & equipment and other assets	(5.31)	1.38		(3.93)
<b>Tax effect of items constituting deferred tax assets:</b>				
Allowances for credit losses	0.05	0.01		0.06
Provision for Gratuity	1.75	0.27	0.01	2.03
Others	0.72	0.89		1.61
<b>Net Tax Asset/(Liability)</b>	<b>(2.79)</b>	<b>2.55</b>	<b>0.01</b>	<b>(0.23)</b>

**Note 8: Other Non-Current Assets**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Capital advances	0.62	0.65
Balance with government authorities		
Prepaid Expenses	-	0.14
<b>Total Other Non-Current Assets</b>	<b>0.62</b>	<b>0.79</b>

**Note 9: Inventories**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Raw Materials	149.35	78.67
Packing Materials	3.14	2.73
Work-in-progress	64.99	31.52
Finished goods	16.61	26.88
Consumables, stores and spares	-	0.03
<b>Total Inventories</b>	<b>234.09</b>	<b>139.83</b>

**Notes:**

9.1. The Company has written down the value of Inventories towards provision of net realizable value Rs. 0.35 million (31st March, 2024 Rs. 0.01) and included in the changes in inventories of finished goods, work-in-progress and stock in trade in statement of profit and loss

9.2. The Company has availed credit facilities from banks which are secured interalia by hypothecation of inventories.

9.3. The method of valuation of inventories is stated in sub note vi of Note 2.

**Note 10: Trade Receivables**
**Rs. In million**

**TRISTAR INTERMEDIATES PRIVATE LIMITED**

Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Considered good	705.17	457.16
Less: Allowance for Expected Credit Losses	(0.08)	(0.25)
<b>Total Trade Receivables</b>	<b>705.09</b>	<b>456.91</b>

**Notes:**

10.1: Trade Receivables ageing schedule as on 31st March, 2025

Particulars	Not Due	Less than 6 months	6 months - 1 year	Outstanding for following periods from due date of payment			Total
				1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	693.54	10.47	1.16	-	-	-	705.17
Less: Allowance for Expected Credit Losses							(0.08)

10.2: Trade Receivables ageing schedule as on 31st March, 2024

Particulars	Not Due	Less than 6 months	6 months - 1 year	Outstanding for following periods from due date of payment			Total
				1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	435.95	17.19	4.02	-	-	-	457.16
Less: Allowance for Expected Credit Losses							(0.25)

10.3. Refer Note 38 for receivables outstanding from Related Parties.

10.4. Refer Note 42 for disclosures related to credit risk and Note 43 for impairment of trade receivables under expected credit loss model and related disclosures.

10.5 Trade receivables are hypothecated to banks against working capital facility.

**Note 11a: Cash and Cash Equivalents**

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Balances with banks		
- in Current Account	16.06	0.60
Cash on hand	0.17	0.18
<b>Total Cash and cash Equivalents</b>	<b>16.23</b>	<b>0.78</b>

**Note 11b: Bank Balances other than cash and cash equivalents**

Particulars	As at	As at
	31st March, 2025	31st March, 2024
<b>Bank Balances other than cash and cash equivalents</b>		
- Fixed Deposits with original maturity of more than 3 months but balance maturity less than 12 months	3.99	3.77
<b>Total Bank Balances other than cash and cash</b>	<b>3.99</b>	<b>3.77</b>

**Note 12: Loans (Current)**

Particulars	As at	As at
	31st March, 2025	31st March, 2024
<b>Financial Assets at Amortized Cost:</b>		
(unsecured, considered good unless otherwise stated)		
Other Loans	0.94	0.26
<b>Total Loans (Current)</b>	<b>0.94</b>	<b>0.26</b>

**Notes:**

12.1 Other Loans mainly includes loans to employees

12.2 Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

**Note 13: Other Current Assets**

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Balances with Government Authorities	23.29	83.90
Prepaid expenses	1.00	0.82
Advance paid to suppliers	3.19	0.47
<b>Total Other Current Assets</b>	<b>27.48</b>	<b>85.19</b>

**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**
**Note 14: Equity Share Capital**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
<b>Authorized:</b>		
1,000,000 (31st March, 2024 - 1,000,000) Equity shares of Rs.10 each	10.00	10.00
<b>Total</b>	<b>10.00</b>	<b>10.00</b>
<b>Issued, Subscribed and Paid-up:</b>		
930,000 (31st March, 2024 - 930,000) Equity shares of Rs.10 each, fully paid up	9.30	9.30
<b>Total Equity Share Capital</b>	<b>9.30</b>	<b>9.30</b>

**a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year**

Particulars	No of Shares	As at	No of Shares	As at
		31st March, 2025		31st March, 2024
Issued, Subscribed and Paid-up:				
Balance as at the beginning of the year.	930,000	9.30	930,000	9.30
<b>Total</b>	<b>930,000</b>	<b>9.30</b>	<b>930,000</b>	<b>9.30</b>

**b) Terms of Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of equity shares held by each shareholder holding more than 5% shares:**

Name of shareholder	As at 31st March, 2025		As at 31st March, 2024	
	No. of shares	% shareholding	No. of shares	% shareholding
<b>Equity shares:</b>				
Rossari Biotech Limited	929,940	99.994%	929,940	99.994%

**d) Shareholding of Promoters**
**Shares held by promoters at the end of 31st March, 2025**

Promoter Name	No. of Shares	% of total shares	% Change during the year
Rossari Biotech Limited	929,940	99.994%	0.000%
Edward Menezes	10	0.001%	0.000%
Sunil Chari	10	0.001%	0.000%
Prasad Prabhakar Gadkari	10	0.001%	0.000%
Mikhail Menezes	10	0.001%	0.000%
Yash Sunil Chari	10	0.001%	0.000%
Sanjay R Marballi	10	0.001%	0.000%
<b>TOTAL</b>	<b>930,000</b>		

**Shares held by promoters at the end of 31st March, 2024**

Promoter Name	No. of Shares	% of total shares	% Change during the year
Rossari Biotech Limited	929,940	99.994%	23.996%
Edward Menezes	10	0.001%	0.000%
Sunil Chari	10	0.001%	0.000%
Prasad Prabhakar Gadkari	10	0.001%	0.001%
Mikhail Menezes	10	0.001%	0.001%
Yash Sunil Chari	10	0.001%	0.001%
Sanjay R Marballi	10	0.001%	-2.399%
<b>TOTAL</b>	<b>930,000</b>		

**TRISTAR INTERMEDIATES PRIVATE LIMITED**

Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)

**Note 15: Other Equity**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Deemed Capital Contribution	3.00	3.00
General Reserve	0.28	0.28
Retained earnings	733.67	593.69
<b>Total Other Equity</b>	<b>736.95</b>	<b>596.97</b>

**Movement in Reserves**

Particulars	As at	
	31st March, 2025	31st March, 2024
<b>Deemed Capital Contribution</b>		
Balance as at the beginning of the year	3.00	-
Movement during the year	-	3.00
<b>Balance as at the end of the year</b>	<b>3.00</b>	<b>3.00</b>

Particulars	As at	
	31st March, 2025	31st March, 2024
<b>General Reserve</b>		
Balance as at the beginning of the year	0.28	0.28
Movement during the year	-	-
<b>Balance as at the end of the year</b>	<b>0.28</b>	<b>0.28</b>

Particulars	As at	
	31st March, 2025	31st March, 2024
<b>Retained Earnings</b>		
Balance as at the beginning of the year	593.69	507.48
Add: Profit during the year	139.92	86.25
Less: Remeasurement gain/(loss) on defined benefit plan	0.06	(0.04)
<b>Balance as at the end of the year</b>	<b>733.67</b>	<b>593.69</b>
<b>Total</b>	<b>733.95</b>	<b>593.97</b>

**Description of Nature and purpose of other equity:**
**Retained earnings:**

Retained earnings represent the amount of accumulated earnings.

**Deemed Capital Contribution:**

Deemed capital Contribution represents amount received from Rossari Biotech Limited (Holding Company) paid to key employees as retention bonus

**General Reserve:**

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**
**Note 16: Provisions (Non-current)**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
<b>Provision for employee benefits</b>		
Gratuity (Unfunded)	8.41	7.20
<b>Total Provisions (Non-current)</b>	<b>8.41</b>	<b>7.20</b>

**Notes:**

16.1. For disclosures related to employee benefits, refer note 39

**Note 17: Deferred Tax Liability (Net) (Non-current)**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Deferred Tax Liability (refer note 7.1)	-	0.23
<b>Total Deferred Tax Liability (Net) (Non-current)</b>	<b>-</b>	<b>0.23</b>

**Note 18: Borrowings (Current)**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
<b>Carried at Amortized Cost:</b>		
<b>Secured loans</b>		
Working Capital Loans from Banks	-	65.58
<b>Total Borrowings (Current)</b>	<b>-</b>	<b>65.58</b>

**Notes:**

18.1 The rate of interest is 8.25%

18.2 Working capital facilities are secured by first Pari Passu charge on all the present and future Current Assets of the Company.

**Note 19: Trade Payables (Current)**

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Total outstanding dues of micro enterprises and small enterprises	4.97	3.13
Total outstanding dues other than micro enterprises and small enterprises	486.05	258.79
<b>Total Trade Payables (Current)</b>	<b>491.02</b>	<b>261.92</b>

**Notes:**

19.1 Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Dues remaining unpaid:		
Principal	4.97	3.13
Interest	0.38	0.16
Interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the Act") along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date	43.77	31.33
- Interest paid in terms of Section 16 of the Act	-	-
Amount of interest due and payable for the year of delay on payments made beyond the appointed day during the year	0.41	1.71
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	0.78	1.86
Amount of interest accrued and remaining unpaid	3.55	2.77

**19.2 Trade Payables ageing schedule as on 31st March, 2025**

19.2 Trade Payables ageing schedule as on 31st March, 2023							Rs. in million
Particulars	Unbilled	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	4.97	-	-	-	4.97
(ii) Others	9.24	408.06	68.75	-	-	-	486.05



19.3 Trade Payables ageing schedule as on 31st March, 2024

2015 Trade Payables ageing schedule as on 31st March, 2024							Rs. in million
Particulars	Unbilled	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	3.13	-	-	-	3.13
(ii) Others	30.92	189.39	38.48	-	-	-	258.79

Note 20: Other Financial Liabilities (Current)

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
<b>Measured at Amortized Cost:</b>		
Creditors for capital goods & services	0.12	0.42
Interest Accrued	3.55	2.77
Deferred Govt Grants	3.61	3.90
Others	5.46	4.25
<b>Total Other Financial Liabilities (Current)</b>	<b>12.74</b>	<b>11.34</b>

Note 21: Other Current Liabilities

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
i. Advances received from customers	-	0.18
ii. Statutory dues		
- Taxes Payable	1.01	0.75
- GST Payable	0.12	0.18
- Employee Liabilities	0.18	0.15
<b>Total Other Current Liabilities</b>	<b>1.31</b>	<b>1.26</b>

Note 22: Provisions (Current)

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
<b>Provision for employee benefits</b>		
Gratuity (Unfunded)	0.97	0.87
Compensated absences (unfunded)	2.99	2.88
<b>Total Provisions (Current)</b>	<b>3.96</b>	<b>3.75</b>

Notes:

For disclosures related to employee benefits, refer note 39

Note 23: Current Tax Liabilities (Net)

Particulars	Rs. In million	
	As at 31st March, 2025	As at 31st March, 2024
Provision for tax	1.44	5.08
(net of Advance Income Tax of Rs. 81.54 million (31 <sup>st</sup> March 2024 – 28.20 million)		
<b>Total Current Tax Liabilities (Net)</b>	<b>1.44</b>	<b>5.08</b>

**TRISTAR INTERMEDIATES PRIVATE LIMITED**

Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)

**Note 24: Revenue from operations**

Particulars	<i>Rs. In million</i>	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
<b>Revenue from contracts with customers:</b>		
Sale of products	2,586.38	2,492.96
Sale of Services	29.73	36.57
<b>Other operating revenues:</b>		
i. Others*	1.38	1.09
<b>Total Revenue from operations</b>	<b>2,617.49</b>	<b>2,530.62</b>

\*Includes Export Incentives

Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price

Particulars	<i>Rs. In million</i>	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Contract Price	2,586.38	2,492.96
Less : Discount		
	<b>2,586.38</b>	<b>2,492.96</b>

**Note 25: Other Income**

Particulars	<i>Rs. In million</i>	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Interest Income (on financial assets measured at Amortised cost):		
- On bank deposits	0.25	0.38
- On others	0.06	0.12
Profit/ Loss on Sale of Assets	0.09	-
Government Grant Amortisation	0.29	0.29
Others	0.03	-
<b>Total Other Income</b>	<b>0.72</b>	<b>0.79</b>

**TRISTAR INTERMEDIATES PRIVATE LIMITED**

Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)

**Note 26: Cost of materials consumed**

	<i>Rs. In million</i>	
<b>Particulars</b>	<b>For the Year ended 31st March, 2025</b>	<b>For the year ended 31st March, 2024</b>
Opening Stock of raw materials and packing materials	81.43	47.89
Add: Purchases (Net)	2,171.62	2,094.27
Less: Closing Stock of raw materials and packing materials	152.49	81.43
<b>Total Cost of materials consumed</b>	<b>2,100.56</b>	<b>2,060.73</b>

**Note 27: Changes in inventories of finished goods and work-in-progress**

	<i>Rs. In million</i>	
<b>Particulars</b>	<b>For the Year ended 31st March, 2025</b>	<b>For the year ended 31st March, 2024</b>
<b>Opening inventories</b>		
Finished Goods	26.88	22.22
Work-in-progress	31.52	34.64
<b>TOTAL</b>	<b>58.40</b>	<b>56.86</b>
<b>Less: Closing inventories</b>		
Finished Goods	16.61	26.88
Work-in-progress	64.99	31.52
<b>TOTAL</b>	<b>81.60</b>	<b>58.40</b>
<b>Total (increase) / decrease in</b>	<b>(23.20)</b>	<b>(1.54)</b>

**Note 28: Employee Benefits Expense**

	<i>Rs. In million</i>	
<b>Particulars</b>	<b>For the Year ended 31st March, 2025</b>	<b>For the year ended 31st March, 2024</b>
Salaries and wages, including bonus	83.90	78.58
Contribution to provident and other funds (Refer note 39)	2.45	1.99
Gratuity and Compensated Absences Expenses (Refer note 39)	1.87	1.63
Share-based payments to employees	0.57	0.50
Workmen & Staff welfare expenses	1.32	0.71
<b>Total Employee Benefits Expense</b>	<b>90.11</b>	<b>83.41</b>

**Note 29: Finance Costs**

	<i>Rs. In million</i>	
<b>Particulars</b>	<b>For the Year ended 31st March, 2025</b>	<b>For the year ended 31st March, 2024</b>
<b>Interest Expense:</b>		
(i) On working capital facilities	5.52	11.73
(ii) Other Borrowing Cost	1.84	2.31
<b>Total Finance Costs</b>	<b>7.36</b>	<b>14.04</b>

Notes:

29.1 Other Borrowing cost includes interest payable to MSMED creditors

Analysis of Interest Expense by category:

	<i>Rs. In million</i>	
<b>Particulars</b>	<b>For the Year ended 31st March, 2025</b>	<b>For the year ended 31st March, 2024</b>
<b>Interest Expenses:</b>		
On financial liability at amortized cost	5.52	11.73

**TRISTAR INTERMEDIATES PRIVATE LIMITED**

Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)

**Note 30: Depreciation and amortization expenses**

Particulars	Rs. In million	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Depreciation on property, plant and equipment (refer note 3a)	34.94	31.40
Amortisation on right of use asset (refer note 3b)	0.55	0.56
Amortisation of intangible assets (refer note 4)	0.73	0.73
<b>Total Depreciation and amortization expenses</b>	<b>36.22</b>	<b>32.69</b>

**Note 31: Other Expenses**

Particulars	Rs. In million	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Consumption of stores, spares and consumables	9.14	9.21
Labour Contract Charges	10.49	6.37
Freight & Forwarding Charges	3.80	36.31
Selling & Distribution Expense	6.42	2.78
Commission on Sales	11.52	19.14
Legal and Professional Fees	15.84	4.47
Repairs & Maintenance	10.01	14.78
Travelling & Conveyance	3.20	2.13
Rent	1.27	-
Corporate Social Responsibility Expenditure	2.62	2.80
Power and Fuel	124.43	117.47
Insurance Charges	1.40	2.31
Donation	0.02	0.08
Provision for Expected credit loss	(0.18)	0.04
<u>Payments to the Auditors as</u>		
Statutory Audit Fees	0.53	0.51
For other services	-	0.10
Net Gain on foreign currency transactions & translation (refer note 39)	(2.11)	(6.53)
Miscellaneous expenses	20.46	13.13
<b>Total</b>	<b>218.86</b>	<b>225.10</b>

**Note 32: Income Tax recognized in profit or loss****(a) Income Tax recognized in Profit & Loss**

Particulars	Rs. In million	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
<b>I. Current Tax Charge:</b>		
In respect of Current year	49.69	33.28
<b>Total</b>	<b>49.69</b>	<b>33.28</b>

Particulars	Rs. In million	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
<b>II. Deferred Tax Credit:</b>		
In respect of current year origination	(1.31)	(2.55)
<b>Total</b>	<b>(1.31)</b>	<b>(2.55)</b>
<b>Total (I+II)</b>	<b>48.38</b>	<b>30.73</b>

**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**
**(b) Income tax recognized in other comprehensive income**

Particulars	<i>Rs. In million</i>	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Income taxes related to items that will not be reclassified to profit or loss	(0.02)	0.01
<b>Total</b>	<b>(0.02)</b>	<b>0.01</b>

**(c) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in statement of profit or loss is as follows:**

Particulars	<i>Rs. In million</i>	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Profit before tax	188.3	116.98
Applicable Income tax rate	25.17%	25.17%
Expected income tax expense	47.39	29.44
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses/provisions not deductible	1.05	1.43
Others	(0.06)	(0.14)
<b>Reported income tax expense</b>	<b>48.38</b>	<b>30.73</b>

**Note 33: Earning Per Share (EPS)**

Particulars		
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
<b>Profit for the year</b>	<b>139.92</b>	<b>86.25</b>
Weighted average no. of ordinary equity shares used in computing basic EPS	930,000	930,000
<b>Basic EPS (face value of Rs. 10 per share) (Rs)</b>	<b>150.45</b>	<b>92.74</b>
Weighted average no. of ordinary equity shares used in computing diluted EPS	930,000	930,000
<b>Diluted EPS (face value of Rs. 10 per share) (Rs)</b>	<b>150.45</b>	<b>92.74</b>

**Note 34: Segment Information**

The company deals in Specialty chemicals and considering the nature of products and the predominant risk and returns of the product are similar, the company has only one operating segment. Hence revenue from external customers shown under geographical information is representative of revenue base on products.

**Geographical Revenue:**

Particulars	<i>Rs. In million</i>	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Segment Revenue (Gross sales)		
India	2,483.62	2,076.31
Outside India	133.87	454.32
<b>Total</b>	<b>2,617.49</b>	<b>2,530.63</b>

Particulars	<i>Rs. In million</i>	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Carrying Value of Non-current assets <sup>#</sup>		
India	267.66	267.36
Outside India	-	-
<b>Total</b>	<b>267.66</b>	<b>267.36</b>

# excluding Financial Assets, Investments and Tax Assets

The operating segments have been reported in a manner consistent with the internal reporting provided to Managing Director, who is the Chief Operating Decision Maker and responsible for allocating resources and assessing the performance of operating segments.

The Company is not reliant on revenues from transactions with any single external customer.

**TRISTAR INTERMEDIATES PRIVATE LIMITED**

Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)

**Note 35: Details of Research & Development expenditures**

Particulars	<i>Rs. In million</i>	
	For the Year ended 31st March, 2025	For the year ended 31st March, 2024
Revenue expenditure	1.96	0.36
Capital expenditure	2.29	0.51
<b>Total</b>	<b>4.25</b>	<b>0.87</b>

**Note 36: Details of CSR Expenditure**

Expenditure incurred on Corporate Social Responsibility(CSR) under section 135 of the Companies Act, 2013 is as under:

Gross amount required to be spent by the Company during the year is Rs. 2.62 million (31st March, 2024 - Rs 2.80 million)

Amount spent during the year:

Particulars	In cash	Yet to be paid in cash	<i>Rs. In million</i>
			Total 31st March, 2025
Construction / Acquisition of Any assets	-	-	-
On purpose other than above	2.62	-	2.62
	<b>2.62</b>	<b>-</b>	<b>2.62</b>

Particulars	In cash	Yet to be paid in cash	<i>Rs. In million</i>
			Total 31st March, 2024
Construction / Acquisition of Any assets	-	-	-
On purpose other than above	2.80	-	2.80
	<b>2.80</b>	<b>-</b>	<b>2.80</b>

**Note 37: Commitments****Commitments**

Estimated amount of contracts remaining to be executed of Property, Plant & Equipment's (net of advances) and not provided for Nil. (31st March, 2024 - Nil).

**Note 38: Related Party Disclosures:**

i. List of Related Parties:

**a) Enterprises exercising control over the Company**

Rossari Biotech Limited (w.e.f. 1st September, 2021)

**b) Subsidiaries of enterprise exercising control over the Company**

Unitop Chemicals Private Limited (w.e.f. 1st September, 2021)

Buzil Rossari Private Limited (w.e.f. 1st September, 2021)

Romakk Chemicals Private Limited (w.e.f. 25th November, 2021)

**c) Enterprises on which key managerial persons or their relatives are able to exercise significant influence**

Rossari Biotech India Private Limited (w.e.f. 1st September, 2021)

**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**

ii. Transaction with related parties in ordinary course of business is given below:

Nature of Transaction	For the year ended 31st March, 2025			For the year ended 31st March, 2024		
	Enterprises exercising control over the Company	Subsidiaries of enterprise exercising control over the Company	Enterprises on which KMP or their relatives are able to exercise significant influence	Enterprises exercising control over the Company	Subsidiaries of enterprise exercising control over the Company	Enterprises on which KMP or their relatives are able to exercise significant influence
<b>A. Transactions during the year</b>						
<b>Sales:</b>						
Rossari Biotech Limited	1,738.86	-	-	1,442.63	-	-
Unitop Chemicals Private Limited	-	231.38	-	-	143.89	-
Romakk Chemicals Private Limited	-	8.79	-	-	2.64	-
	<b>1,738.86</b>	<b>240.17</b>	<b>-</b>	<b>1,442.63</b>	<b>146.53</b>	<b>-</b>
<b>Purchase:</b>						
Rossari Biotech Limited	39.94	-	-	4.87	-	-
Unitop Chemicals Private Limited	-	220.62	-	-	128.21	-
	<b>39.94</b>	<b>220.62</b>	<b>-</b>	<b>4.87</b>	<b>128.21</b>	<b>-</b>
<b>Commission Expenses:</b>						
Rossari Biotech Limited	12.11	-	-	17.72	-	-
	<b>12.11</b>	<b>-</b>	<b>-</b>	<b>17.72</b>	<b>-</b>	<b>-</b>
<b>Expenses Reimbursement</b>						
Rossari Biotech Limited	34.98	-	-	28.26	-	-
Buzil Rossari Private Limited	-	0.72	-	-	0.55	-
	<b>34.98</b>	<b>0.72</b>	<b>-</b>	<b>28.26</b>	<b>0.55</b>	<b>-</b>
<b>Sale of Export benefit license</b>						
Unitop Chemicals Private Limited	-	1.24	-	-	-	-
	<b>-</b>	<b>1.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sale of Fixed Assets</b>						
Rossari Biotech Limited	0.42	-	-	-	-	-
	<b>0.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Purchase of Fixed Assets</b>						
Rossari Biotech Limited	1.07	-	-	4.36	-	-
Unitop Chemicals Private Limited	-	-	-	-	0.02	-
	<b>1.07</b>	<b>-</b>	<b>-</b>	<b>4.36</b>	<b>0.02</b>	<b>-</b>
<b>B. Outstanding's:</b>						
<b>Receivables:</b>						
Rossari Biotech Limited	615.99	-	-	277.41	-	-
Unitop Chemicals Private Limited	-	-	-	-	41.80	-
Romakk Chemicals Private Limited	-	-	-	-	0.39	-
	<b>615.99</b>	<b>-</b>	<b>-</b>	<b>277.41</b>	<b>42.19</b>	<b>-</b>
<b>Payable:</b>						
Rossari Biotech Limited	7.87	-	-	6.34	-	-
Unitop Chemicals Private Limited	-	33.42	-	-	-	-
Buzil Rossari Private Limited	-	0.23	-	-	0.18	-
	<b>7.87</b>	<b>33.64</b>	<b>-</b>	<b>6.34</b>	<b>0.18</b>	<b>-</b>

**Note 39: Employee benefits**

**Defined contribution plan**

The Company makes contributions towards Provident Fund, Employee's State Insurance Corporation (ESIC) for qualifying employees. The Company has recognized Rs. 2.45 million (31 March, 2024 - Rs. 1.99 million), being Company's contribution to Provident Fund and ESIC, as an expense and included in Employee Benefit Expenses in the Statement of Profit and Loss.

**Defined benefit plan**

**i. Gratuity plan**

The Gratuity Benefits are classified as Post-Retirement Benefits as per Ind AS 19 and the accounting policy is outlined as follows.

As per Ind AS 19, the service cost and the net interest cost would be charged to the profit or loss. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognizes these remeasurements in the Other Comprehensive Income (OCI).

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

Through its gratuity plans the Company is exposed to a number of risks, the most significant of which are detailed below:

**a) Actuarial Risk**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**b) Investment Risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**c) Liquidity Risk**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company, there can be strain on the cash flows.

**d) Market Risk**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the evaluation of liability is exposed to fluctuations in the yields as at the valuation date.

**e) Legislative Risk**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the payment of gratuity act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.



**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**
**Gratuity as per actuarial valuation**

		<i>Rs. In millions</i>	
	Particulars	As at 31st March, 2025	As at 31st March, 2024
I	<b>Expense recognized in the Statement of Profit and Loss for the year ended</b>		
	1. Current Service Cost	1.05	0.92
	2. Interest cost on benefit obligation(Net)	0.55	0.48
	<b>Total expenses included in employee benefits expense</b>	<b>1.60</b>	<b>1.40</b>

		<i>Rs. In millions</i>	
	Particulars	As at 31st March, 2025	As at 31st March, 2024
II	<b>Recognized in other comprehensive income for the year</b>		
	1. Actuarial (gains)/ losses arising from changes in financial assumptions	0.25	0.09
	2. Actuarial (gains)/ losses arising from changes in experience adjustment	-0.33	(0.04)
	3. Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
	4. Return on plan asset	-	-
	<b>Recognized in other comprehensive income</b>	<b>(0.08)</b>	<b>0.05</b>

		<i>Rs. In millions</i>	
	Particulars	As at 31st March, 2025	As at 31st March, 2024
III	<b>Change in the present value of defined benefit obligation</b>		
	1. Present value of defined benefit obligation at the beginning of the year	8.07	6.96
	2. Current service cost	1.05	0.92
	3. Interest cost	0.55	0.48
	4. Remeasurements (gains)/ losses		
	(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	-
	(II) Actuarial (gains)/ losses arising from changes in financial assumption	0.25	0.08
	(III) Actuarial (gains)/ losses arising from changes in experience adjustment	(0.33)	(0.04)
	5. Past service cost	-	-
	6. Benefits paid	(0.21)	(0.33)
	7. Liabilities assumed/(settled)	-	-
	<b>Present value of defined benefit obligation at the end of the year</b>	<b>9.38</b>	<b>8.07</b>

		<i>Rs. In millions</i>	
	Particulars	As at 31st March, 2025	As at 31st March, 2024
IV	<b>Net (Liability) recognized in the Balance Sheet as at</b>		
	1. Present value of defined benefit obligation	9.38	8.08
	2. Fair value of plan assets	-	-
	3. Surplus/(Deficit)	(9.38)	(8.08)
	4. Current portion of the above	(0.97)	(0.87)
	5. Non-current portion of the above	(8.41)	(7.20)

**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**

VI	Actuarial assumptions	As at	As at
		31st March, 2025	31st March, 2024
	1. Discount rate	6.65%	7.15%
	2. Attrition rate	25.00% p.a at younger ages reducing to 5.00% p.a% at older ages	25.00% p.a at younger ages reducing to 5.00% p.a% at older ages
	3. Average salary escalation rate	10.00%	10.00%
	4. Mortality table used		Indian Assured Lives Mortality (2012-14) Table

The sensitivity analysis below, have been determined based on reasonable possible change of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity Analysis is given below:

VII	Impact on employee benefits obligations increase / (decrease)	Rs. In millions	
		As at 31st March, 2025	As at 31st March, 2024
	1. Discount rate varied by +0.5%	9.13	7.86
	2. Discount rate varied by -0.5%	(9.65)	(8.31)
	3. Salary growth rate varied by +0.5%	(9.60)	(8.27)
	4. Salary growth rate varied by -0.5%	9.16	7.88
	5. Withdrawal rate (W.R.) varied + 10%	9.28	8.00
	6. Withdrawal rate (W.R.) varied - 10%	(9.49)	(8.16)

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change, if any.

VIII	Maturity profile of defined benefit obligation	Rs. In millions
		As at 31st March, 2025
	Year 1	0.97
	Year 2	2.82
	Year 3	0.74
	Year 4	0.94
	Year 5	1.07
	More than 5 years	3.29

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognized in "Contribution to Provident and other funds" in the statement of Profit and Loss account. The Remeasurements of the net defined benefit liability are included in Other Comprehensive Income. The Compensated expenses have been recognized as part of "Salaries and wages, including bonus" in the Statement of Profit and Loss account.

**TRISTAR INTERMEDIATES PRIVATE LIMITED****Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)****Note 40: Capital management**

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.

The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

The Company may take appropriate steps in order to maintain, or if necessary, adjust, its capital structure. The Company has availed credit facilities from banks, which are secured inter alia by hypothecation of inventories, amounting to Rs. Nil (31 March, 2024 - Rs. 65.58 million).

**Note 41: Financial Risk management framework**

The company has formulated and implemented a policy on risk management, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analysing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Company's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Company's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks.

**Market Risk**

The Company's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk. This risk may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of this risk is explained below.

**Currency Risk**

The company is exposed to exchange rate risk as certain portion of the revenues and expenditure are denominated in foreign currencies. The Company imports certain raw materials, the price of which we are required to pay in foreign currency, which is mostly the U.S. dollar or Euro. Products that we export are paid for in foreign currency, which together acts as a natural hedge. Any appreciation/depreciation in the value of the Rupee against U.S. dollar, Euro or other foreign currencies would decrease / increase the Rupee value of debtors/ creditors. For exposure beyond natural hedge, the company uses foreign exchange derivatives such as foreign exchange forward contracts to minimize the risk.

Particulars	As at March 31, 2025		As at March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
USD	22.40	-	20.73	-

*Rs in million***Liquidity risk****Liquidity risk management**

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

i. Maturity profile of financial liabilities:

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

					<i><b>Rs in million</b></i>
<b>Particulars</b>	<b>Carrying amount in Balance sheet</b>	<b>Less than 1 Year</b>	<b>2nd and 3rd Year</b>	<b>4th and 5th Year</b>	<b>Above 5 years</b>
<b>As at 31st March, 2025</b>					
Short term borrowings	-	-	-	-	-
Trade payables	491.02	491.02	-	-	-
Other Financial Liabilities (current and non current)	12.74	12.74	-	-	-
<b>Total</b>	<b>503.76</b>	<b>503.76</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31st March, 2024</b>					
Short term borrowings	65.58	65.58	-	-	-
Trade payables	261.92	261.92	-	-	-
Other Financial Liabilities (current and non current)	11.34	11.34	-	-	-
<b>Total</b>	<b>338.84</b>	<b>338.84</b>	<b>-</b>	<b>-</b>	<b>-</b>

*Rs in million***Note 42: Credit Risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. The Company's customer base majorly has creditworthy counterparties which limits the credit risk. The Company's exposures are continuously monitored and wherever necessary we take advances/Letter of Credits to minimize the risk.

**Note 43: Trade receivable and advances**

The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The company has computed expected credit losses based on actual basis. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

Reconciliation of allowance for expected credit loss in respect of trade receivables:

Particulars	Rs in million	
	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	0.25	0.21
Additions during the year	(0.18)	0.04
<b>Balance as at end of the year</b>	<b>0.07</b>	<b>0.25</b>

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

**Note 44: Sensitivity Analysis****Foreign Currency Sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

Particulars	Currency	Change in rate	Effect on Profit Before Tax
Year ended 31st March 2025	USD	10%	2.28
Year ended 31st March 2024	USD	10%	2.07

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

**Interest Rate sensitivity**

The sensitivity analysis below has been determined based on exposure to interest rate for Working Capital loans.

The following table demonstrates the sensitivity in interest rates on that portion of loans and borrowings which are not hedged, with all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase/Decrease in basis points	Effect on Profit Before Tax
Year ended 31st March 2025	INR	+50	0.16
Year ended 31st March 2024	INR	+50	0.33

If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on Profit Before Tax and Pre-tax Equity Effect.

**Note 45: Offsetting of balances:**

The Company has not offset financial assets and financial liabilities, unless permissible contractually.

**Note 46: Fair Value Disclosures**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

**TRISTAR INTERMEDIATES PRIVATE LIMITED**
**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**
**Note 47: Analytical Ratios**

Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	% Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	1.94	1.97	-1.68%	Not Applicable
Debt- Equity Ratio	Total Debt	Shareholder's Equity	-	0.11	-100.00%	Reduction due to decrease in Short term borrowings.
Debt Service Coverage Ratio	PAT + Depreciation & Amortization + Interest	Principal repayment on long term debt + interest payments	-	-		
Return on Equity Ratio	Net Profit after Tax	Average Shareholder's Equity	20.69%	15.36%	34.74%	Increase due to increase in PAT
Inventory turnover Ratio	Sale of Products	Average Inventory	13.83	20.39	-32.14%	decreased on account of Increase in inventory
Trade Receivables turnover Ratio	Sale of Products and commission income	Average Trade Receivables	4.51	5.38	-16.32%	decreased due to increase in Receivables
Trade Payable turnover Ratio	Net Purchases of RM, PM and Stock in trade	Average Trade Payables	5.71	7.36	-22.43%	Decrease is on account of increased purchases on credit
Net Capital turnover Ratio	Net Sales	Average Working Capital	5.48	7.49	-26.80%	Decrease is on account of increased working capital
Net Profit Ratio	Net Profit	Net Sales	0.05	0.03	56.84%	increased due to
Return on Capital Employed	EBIT	Tangible Net Worth + Total Debt + Deferred Tax Liability	26.22%	21.60%	21.37%	decrease in COGS
Return on Investment	Income Earned from Investments made	Investments made	-	-	-	Refer note (a) below

**Notes:**

(a) During the current and previous year, the Company has not earned any significant income on the investments held.

**Note 48: Additional regulatory information required by Schedule III**
**(i) 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

**(ii) Borrowing secured against current assets**

The company have sanctioned borrowings/facilities from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts.

**(iii) Wilful defaulter**

The company has not been declared wilful defaulter by any bank or financial institution or any lender.

**(iv) Relationship with struck off companies**

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(v) Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under the Companies Act, 2013.

**(vi) 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.

**(vii) 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:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

**(viii) 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.

**(ix) 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.

**TRISTAR INTERMEDIATES PRIVATE LIMITED**

**Notes accompanying the Financial Statements for the period ended 31st March, 2025. (Contd.)**

**(x) Valuation of PP&E, 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.

**(xi) Title deeds of immovable properties not held in name of the company**

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes 3a and 3b to the financial statements, are held in the name of the company.

**(xii) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**Note 49: Audit Trail**

The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software – “SAP Rise” (SaaS based) for maintaining its books of account which has a feature of recording audit trail (edit log) facility. Presently, the log has been activated at the application level. The database of the accounting software is operated by a third-party software service provider and the availability of audit trail (edit logs) are not covered in the ‘Independent Service Auditor’s Assurance Report on the design and operation of controls’ (‘Type 2 report’ issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation) at database level.

The audit trail has been preserved by the Company as per the statutory requirements for record retention at the application level from 1 April 2024. Type 2 report does not cover the preservation of audit trail at the database level.

Note 50: Figures for previous periods have been regrouped wherever considered necessary.

**For and on behalf of the Board of Directors of  
Tristar Intermediates Private Limited**

**SANJAY RAMKRISHNA MARBALLI**

Director

DIN: 00002476

**SUNIL CHARI**

Director

DIN: 00149083

**Place: Mumbai**

**Date: 24th April, 2025**