

To,

Date: 26.05.2025

The Manager (Listing)  
BSE Limited  
Phiroz JeeJeebhoy Towers,  
Dalal Street, Fort Mumbai-400001

Scrip Code: 530313 [KIMIABL]

**Sub: Outcome of the Board Meeting held on Monday, May 26, 2025 under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Ma'am,

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") read with Para A of Part A of Schedule III to the said Regulations, we hereby inform you that the Board of Directors in their meeting held today i.e., May 26, 2025 (which commenced at 01:30 P.M. and concluded at 02:25 P.M.) inter-alia, had considered and approved the following:-

1. The Audited Financial Statements/Results of the Company for the quarter and Financial Year ended on 31st March, 2025 along with Auditors Report thereon, Declaration in respect of Audit Report with unmodified opinion under Regulation 33(3)(d) of the Listing Regulations, which are attached herewith.

The Board appreciated the performance of the company as the company records the profit of Rs. 1363.42 (in Lakhs) in FY 2024-25 against the loss of Rs. 718.37 (in Lakhs) in FY 2023-24.

Moreover, the company has also started redeeming its preference shares.

Thanking you,

For **KIMIA BIOSCIENCES LIMITED**

Sameer Goel  
Digitally signed  
by Sameer Goel  
Date: 2025.05.26  
14:45:42 +05'30'

**Sameer Goel**  
**Managing Director**

**KIMIA BIOSCIENCES LIMITED**

Regd. Office/Works  
Village Bhondsi, Damdama Lake Road,  
Gurugram, Haryana-122102  
Tel.: +91 9654746544, 9654206544

Corporate Office  
974, 9<sup>th</sup> Floor, Aggarwal Millennium Tower-II  
Netaji Subhash Place, Pitampura, New Delhi-110034, INDIA  
Tel.: +91 11 47063600, 470630601



**KIMIA BIOSCIENCES LIMITED**  
**BALANCE SHEET as at March 31, 2025**

(₹ Lakhs)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
<b><u>ASSETS</u></b>			
<b>I Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	3,046.06	3,149.96
(b) Capital Work-in-Progress	3A	0.32	57.62
(c) Right to Use Assets	3B	43.82	30.46
(d) Intangible Assets	4	237.82	4.09
(e) Financial Assets			
(i) Other Financial Assets	5	40.88	26.32
(f) Deferred Tax Assets (Net)	6	176.25	578.43
(g) Other Non-current Assets	7	46.85	9.03
<b>Total Non-Current Assets</b>		<b>3,592.00</b>	<b>3,855.91</b>
<b>II Current Assets</b>			
(a) Inventories	8	3,458.31	3,080.35
(b) Financial Assets			
(i) Investments	9	-	-
(ii) Trade Receivables	10	3,675.09	2,755.40
(iii) Cash and Cash Equivalents	11	20.61	14.76
(iv) Bank balances other than (iii) above	12	47.49	38.68
(v) Other Financial Assets	13	105.54	103.12
(c) Current Tax Assets (Net)	14	67.94	73.11
(d) Other Assets	15	154.18	75.33
<b>Total Current assets</b>		<b>7,529.16</b>	<b>6,140.75</b>
<b>Total Assets</b>		<b>11,121.16</b>	<b>9,996.66</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>I Equity</b>			
(a) Equity Share Capital	16	473.13	473.13
(b) Other Equity	17	523.48	(440.03)
<b>Total Equity</b>		<b>996.61</b>	<b>33.10</b>
<b>II Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	1,037.01	2,140.98
(ii) Lease Liabilities		27.59	18.45
(iii) Other Financial Liabilities	19	632.97	580.71
(b) Provisions	20	159.67	144.90
(c) Other Non-Current Liabilities	21	84.81	134.75
<b>Total Non-Current Liabilities</b>		<b>1,942.05</b>	<b>3,019.79</b>
<b>III Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	2,219.62	2,199.15
(ii) Lease Liabilities		18.62	12.13
(ii) Trade Payables	23		
- Total Outstanding due to Micro and Small Enterprises		4.73	4.95
- Total Outstanding due to other than Micro and Small Enterprises		5,044.16	3,993.87
(iii) Other Financial Liabilities	24	490.56	506.63
(b) Other Current Liabilities	25	395.08	224.39
(c) Provisions	26	9.73	2.65
<b>Total Current Liabilities</b>		<b>8,182.50</b>	<b>6,943.77</b>
<b>Total Equity and Liabilities</b>		<b>11,121.16</b>	<b>9,996.66</b>
Summary of material accounting policies and other notes on Financial Statements	<b>1 to 49</b>		
The accompanying notes are an integral part of these financial statements			

As per our report of even date attached

**For Neeraj Arora and Associates**

Chartered Accountants

Firm Reg. No. 021309

NEERAJ  
KUMAR  
ARORA  
ARORA  
Digitally signed by  
NEERAJ KUMAR  
ARORA  
Date: 2025.05.26  
14:08:34 +05'30'

**Neeraj Arora**

Partner

Membership No. 510750

Place: Gurgaon

Date: May 26, 2025

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

**SAMEER  
GOEL**

Digitally signed by SAMEER GOEL  
Date: 2025.05.26 13:58:22 +05'30'

**Sameer Goel**

Managing Director & CEO

DIN: 00161786

**Vipul Goel**  
Digitally signed by  
Vipul Goel  
Date: 2025.05.26  
14:01:40 +05'30'

**Vipul Goel**

Director

DIN: 00064274

**Pallavi  
Garg**  
Digitally signed by  
Pallavi Garg  
Date: 2025.05.26  
14:26:42 +05'30'

**Pallavi Garg**

Company Secretary & Compliance Officer

M.No. A69848

Place: Gurgaon



**KIMIA BIOSCIENCES LIMITED**  
**Statement of Profit & Loss for the Year Ended March 31, 2025**

(₹ Lakhs)

	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>I REVENUE</b>			
(a) Revenue from Operations	27	11,892.08	10,487.65
(b) Other Income	28	132.03	164.18
<b>Total Income</b>		<b>12,024.11</b>	<b>10,651.83</b>
<b>II EXPENSES</b>			
(a) Cost of Materials Consumed	29	7,455.02	6,735.80
(b) Changes in Inventories of Finished Goods and Work-in-Progress	30	(368.23)	789.73
(c) Employee Benefits Expense	31	1,367.89	1,515.25
(d) Finance Costs	32	455.70	504.98
(e) Depreciation and Amortization Expense	33	337.89	329.23
(f) Other Expenses	34	1,412.42	1,495.21
<b>Total Expenses</b>		<b>10,660.69</b>	<b>11,370.20</b>
<b>III Profit / (Loss) before exceptional items and Tax (I-II)</b>		<b>1,363.42</b>	<b>(718.37)</b>
<b>IV Exceptional Items</b>	35		-
<b>V Profit / (Loss) before Tax (III-IV)</b>		<b>1,363.42</b>	<b>(718.37)</b>
<b>VI Tax Expense</b>			
(a) Current Tax		-	-
(b) Deferred Tax Charge / (Credit)	6	402.18	(187.50)
<b>Total Tax Expense</b>		<b>402.18</b>	<b>(187.50)</b>
<b>VII Profit / (Loss) for the year (III-IV)</b>		<b>961.24</b>	<b>(530.87)</b>
<b>VIII Other Comprehensive income</b>			
(a) (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		3.04	23.64
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.77)	(5.95)
(b) (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive income (a+b)</b>		<b>2.27</b>	<b>17.69</b>
<b>VII Total comprehensive income for the year (V+VI)</b>		<b>963.51</b>	<b>(513.18)</b>
<b>VIII Earnings Per Share of ₹ 1 each</b>			
(i) Basic (in ₹)	36	2.03	(1.12)
(ii) Diluted (in ₹)		2.03	(1.12)
Summary of material accounting policies and other notes on Financial Statements	<b>1 to 49</b>		
The accompanying notes are an integral part of the financial statements			

As per our report of even date attached

**For Neeraj Arora and Associates**

Chartered Accountants

Firm Reg. No. 021309

NEERAJ KUMAR ARORA  
Digitally signed by NEERAJ KUMAR ARORA  
Date: 2025.05.26 14:09:11 +05'30'

**Neeraj Arora**

Partner

Membership No. 510750

Place: Gurgaon

Date: May 26, 2025

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

**SAMEER GOEL**  
Digitally signed by SAMEER GOEL  
Date: 2025.05.26 13:58:50 +05'30'

**Sameer Goel**

Managing Director & CEO

DIN: 00161786

**Vipul Goel**  
Digitally signed by Vipul Goel  
Date: 2025.05.26 14:02:08 +05'30'

**Vipul Goel**

Director

DIN: 00064274

**Pallavi Garg**  
Digitally signed by Pallavi Garg  
Date: 2025.05.26 14:27:08 +05'30'

Pallavi Garg

Company Secretary & Compliance Officer  
M.No. A69848

Place: Gurgaon



**KIMIA BIOSCIENCES LIMITED**  
**Statement of Cash Flows for the year ended March 31, 2025**

(₹ Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit / (Loss) before tax	1,363.42	(718.37)
<u>Adjustments for:</u>		
Depreciation and amortization expense	337.89	329.23
Finance costs	455.70	504.98
Gain on fair value of investment in mutual funds	-	-
Gain on sale of Investments in mutual funds	-	(0.02)
Interest income	(2.18)	(3.25)
Deferred revenue income	(50.00)	(50.00)
Unrealised (gain)/loss on foreign currency transactions and translations	(58.94)	(5.30)
Provision for expected credit loss	-	-
Provision for doubtful advances	-	-
	682.47	775.64
<b>Operating Profit Before Working Capital Changes</b>	<b>2,045.89</b>	<b>57.27</b>
<u>Adjustments for:</u>		
(Increase) / Decrease in inventories	(377.96)	1,743.03
(Increase)/ Decrease in trade and other receivables	(1,013.64)	391.47
Increase/ (Decrease) in trade and other payables	1,456.35	(771.37)
Increase/ (Decrease) in Lease Liabilities	15.63	30.58
	80.38	1,393.71
<b>Cash generated from operations</b>	<b>2,126.27</b>	<b>1,450.98</b>
Less : Income tax paid/ (refunds) [Net]	5.17	2.50
<b>Net Cash From Operating Activities</b>	<b>2,131.44</b>	<b>1,453.48</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchases of property, plant and equipments including intangible assets and capital advances	(459.92)	(150.67)
Sale of Investments	-	6.34
Net inflow / (outflow) in fixed deposits	(8.81)	(6.60)
Interest received	(1.38)	1.61
<b>Net Cash Used In Investing Activities</b>	<b>(470.11)</b>	<b>(149.32)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Receipts from non current borrowings	540.36	134.00
Repayment of non current borrowings	(1,644.33)	(1,076.58)
Net proceeds/(repayments) of current borrowings	20.47	(9.21)
Finance costs paid	(571.98)	(355.38)
<b>Net Cash Used in Financing Activities</b>	<b>(1,655.48)</b>	<b>(1,307.17)</b>
<b>Net Increase/( Decrease ) in Cash and Cash Equivalents</b>	<b>5.85</b>	<b>(3.01)</b>
Cash and Cash Equivalents at the beginning of the year	14.76	17.77
<b>Cash and Cash Equivalents at the End of the year</b>	<b>20.61</b>	<b>14.76</b>

**Notes:**

- The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows"
- As per Ind AS 7, the Company is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Company did not have any material impact on the Statement of Cash Flows therefore reconciliation has not been given.

As per our Report of even date attached.

**For Neeraj Arora and Associates**

Chartered Accountants

Firm Reg. No. 021309

NEERAJ  
KUMAR  
ARORA

Digitally signed by  
NEERAJ KUMAR  
ARORA  
Date: 2025.05.26  
14:09:44 +05'30'

**Neeraj Arora**

Partner

Membership No. 510750

Place: Gurgaon

Date: May 26, 2025

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

**SAMEER  
GOEL**

Digitally signed by  
SAMEER GOEL  
Date: 2025.05.26  
13:59:09 +05'30'

**Sameer Goel**

Managing Director & CEO

DIN: 00161786

**Vipul Goel**

Digitally signed by  
Vipul Goel  
Date: 2025.05.26  
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**Vipul Goel**

Director

DIN: 00064274

**Pallavi  
Garg**

Digitally signed  
by Pallavi Garg  
Date: 2025.05.26  
14:27:53 +05'30'

**Pallavi Garg**

Company Secretary & Compliance Officer

M.No. A69848

Place: Gurgaon



**KIMIA BIOSCIENCES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY for the year ended March 31, 2025**

(₹ Lakhs)

**A. Equity Share Capital**

	As at March 31, 2025		As at March 31, 2024	
	No of shares	Amount	No of shares	Amount
Equity Shares of ₹ 1 each issued, subscribed and fully paid				
Balance at the beginning of the year	4,73,12,741	473.13	4,73,12,741	473.13
Changes due to prior period errors	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>4,73,12,741</b>	<b>473.13</b>	<b>4,73,12,741</b>	<b>473.13</b>
Changes during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>4,73,12,741</b>	<b>473.13</b>	<b>4,73,12,741</b>	<b>473.13</b>

For detail of changes during the year, Refer Note - 16

**B. Other Equity**

	Reserves and Surplus		Total Equity
	Securities premium	Retained Earnings	
<b>Balance as at March 31, 2023</b>	<b>608.52</b>	<b>(535.37)</b>	<b>73.15</b>
Changes in accounting policy or prior period errors	-	-	-
<b>Restated balance as at March 31, 2023</b>	<b>608.52</b>	<b>(535.37)</b>	<b>73.15</b>
Profit / (Loss) for the year (A)	-	(530.87)	(530.87)
Other comprehensive income for the year (B)	-	17.69	17.69
<b>Total comprehensive income for the year (A+B)</b>	<b>-</b>	<b>(513.18)</b>	<b>(513.18)</b>
<b>Balance as at March 31, 2024</b>	<b>608.52</b>	<b>(1,048.55)</b>	<b>(440.03)</b>
Changes in accounting policy or prior period errors	-	-	-
<b>Restated balance as at March 31, 2024</b>	<b>608.52</b>	<b>(1,048.55)</b>	<b>(440.03)</b>
Profit / (Loss) for the year (A)	-	961.24	961.24
Other comprehensive income for the year (B)	-	2.27	2.27
<b>Total comprehensive income for the year (A+B)</b>	<b>-</b>	<b>963.51</b>	<b>963.51</b>
<b>Balance as at March 31, 2025</b>	<b>608.52</b>	<b>(85.04)</b>	<b>523.48</b>

(i) **Securities Premium** - This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

(ii) **Retained Earnings** - Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

**For Neeraj Arora and Associates**

Chartered Accountants

Firm Reg. No. 021309

NEERAJ Digitally signed  
by NEERAJ  
KUMAR ARORA  
Date: 2025.05.26  
14:10:12 +05'30'

**Neeraj Arora**

Partner

Membership No. 510750

Place: Gurgaon

Date: May 26, 2025

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

**SAMEER GOEL** Digitally signed  
by SAMEER GOEL  
Date: 2025.05.26  
13:59:27 +05'30'

**Sameer Goel**

Managing Director & CEO

DIN: 00161786

**Vipul Goel** Digitally signed by  
Vipul Goel  
Date: 2025.05.26  
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**Vipul Goel**

Director

DIN: 00064274

**Pallavi Garg** Digitally signed  
by Pallavi Garg  
Date: 2025.05.26  
14:28:14 +05'30'

**Pallavi Garg**

Company Secretary & Compliance Officer

M.No. A69848

Place: Gurgaon



# KIMIA BIOSCIENCES LIMITED

## Notes to Financial Statements for the Year Ended March 31, 2025

### 1 **Corporate Information**

KIMIA Biosciences Limited referred to as “the Company” is a public limited company incorporated in India with its registered office located at Village Bhonsi, Tehsil Sohna, Distt. Gurgaon -122102, Haryana, India. Equity shares of the Company are listed in India on the BSE Ltd..

The main objective of the Company is to carry on business of Pharmaceutical products. The Company has own manufacturing of Bulk Drugs-APIs at its plant located at Village Bhonsi, Tehsil Sohna, Distt. Gurgaon-122102, Haryana in accordance with Good Manufacturing Practices (GMP) Standards for pharmaceutical production. The Company has also obtained manufacturing license from the State Drugs Controller-cum-Licensing Authority, Food and Drugs Administration, Haryana in order to manufacture final product Bulk Drugs Active Pharmaceutical - (APIs).

#### **Statement of Compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standard) Rules, 2015 as amended time to Accounting Policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

The Board of Directors has approved the financial statements for the year ended March 31, 2025 and authorized for issue on May 26, 2025. However, shareholders have the power to amend the financial statements after issue.

#### **Basis of preparation**

The financial statements have been prepared on a historical cost basis except certain items that are measured at fair value as explained in accounting policies.

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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

These financial statements are presented in Indian National Rupee (‘₹’), which is the Company’s functional currency. All amounts have been rounded to the nearest ₹ Lakhs, except when otherwise indicated.

#### **Use of estimates and critical accounting judgements**

In the preparation of financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as disclosed below:

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

The Company has estimated the useful life if each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.



# KIMIA BIOSCIENCES LIMITED

## Notes to Financial Statements for the Year Ended March 31, 2025

### **Impairment**

An impairment loss is recognised for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount to determine the recoverable amount, management estimates expected future cash flows from each asset or cash generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring the Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

### **Valuation of current tax and deferred tax assets**

The tax jurisdictions for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of current and deferred taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

### **Provisions and contingent liabilities**

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability may arise from the ordinary course of business in relation to claims against the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events. Contingent liabilities are not recognised in the financial statements.

### **Fair value measurements of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### **Retirement benefit obligations**

The Company's retirement benefit obligations are subject to number of assumptions including discount rates, inflation and salary growth. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these assumptions based on previous experience and third party actuarial advice.

## **2 Material Accounting Policies**

Accounting Policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

### **a) Operating cycle and current versus non-current classification**

Based on the nature of goods manufactured and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ noncurrent classification of assets and liabilities.

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

An asset is classified as current when it is:

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

All the other assets are classified as non-current.

A liability is classified as current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

**b) Property, plant, and equipment**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP). Property, plant and equipment acquired under the Scheme of Amalgamation, has been stated at value determined on appointed date i.e. April 1, 2019 as defined under Ind AS 103 "Business Combination". Subsequent additions are made at cost. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs and incidental expenses incurred during the period of construction are capitalised upto the date when the assets are ready for intended use.

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

**c) Intangible assets (other than Goodwill)**

Intangible assets (other than goodwill) are stated at cost of acquisition or construction less accumulated amortisation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP). Intangible assets acquired under the Scheme of Amalgamation, has been stated at value determined on appointed date i.e. April 1, 2019 as defined under Ind AS 103 "Business Combination". Intangible assets subsequently purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

**d) Capital work-in-progress**

Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

**e) Depreciation and amortisation of property, plant and equipment and intangible assets**

Depreciation is calculated on Straight Line Method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013. In case of assets acquired under the Scheme of Amalgamation estimated life has been re-assessed by the Company basis technical assessment, which is equivalent to estimated useful lives stated in Schedule II to the Companies Act, 2013.

Assets value up to ₹5,000 are fully depreciated in the year of acquisition.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

Depreciation on all assets commences from the dates the assets are available for their intended use and are spread over their estimated useful economic lives or, in the case of leased assets, over the lease period or estimated useful life whichever is less. The estimated useful lives of assets and residual values are reviewed at each reporting date and, when necessary, are revised.

**f) Borrowing and Borrowing Costs**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of profit and loss over the period of the borrowings using the effective interest method. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a borrowings that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss as other gains/(losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

#### g) Impairment of non-financial assets

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

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

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

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

#### h) Inventories

Inventories are valued as follows:

**Raw materials and stores and spares** - Lower of cost and net realisable value. Cost is determined on a weighted average basis. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.

**Work-in-progress, plantation work-in-progress and finished goods** - Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads.

**Waste** - At net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Provision for obsolete/ old inventories is made, wherever required.

#### i) Revenue Recognition

The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when;

- effective control of goods along with significant risks and rewards of ownership has been transferred to customer;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue represents net value of goods sold to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, etc. For incentives offered to customers, the Company makes estimates related customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

The Company considers shipping and handling activities as costs to fulfill the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognizes revenue for such services when the performance obligation is completed.

Revenue are net of Goods and Service Tax. No element of significant financing is present as the sales are made with a credit term, which is consistent with market practice.

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Export incentives are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentives will be received.



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

#### **Interest and dividend income**

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

Dividends are recognised at the time the right to receive payment is established.

#### **Contract balances**

**Contract assets:** Contract assets are recognised when there are excess of revenues earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

**Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

#### **j) Research and Development Expenses**

Revenue expenditure on Research and Development is charged as expenses under the head "Research and Development" in the year in which it is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalised and depreciated according to the policy followed by the Company.

#### **k) Foreign currencies**

The Company's financial statements are presented in Indian Rupees, which is also its functional currency.

Transactions and balances

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rate of exchange at the reporting date.

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

#### **l) Income Taxes**

##### **Current tax**

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

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

Current tax assets is offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

##### **Deferred tax**

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

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

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



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

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

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

#### m) Employee benefit

##### Short-term benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### Defined contribution plans

Retirement benefit in the form of provident fund and superannuation fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund and superannuation fund. The Company recognizes contribution payable to the provident fund scheme and superannuation fund scheme as an expense, when an employee renders the related service.

##### Defined benefits plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. Gratuity is a defined benefit obligation.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method at each reporting date. In respect of post-retirement benefit re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to statement of profit or loss in subsequent periods.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

##### Other long-term benefits

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. Actuarial gains/ losses on the compensated absences are immediately taken to the statement of profit and loss and are not deferred. The obligation is measured on the basis of independent actuarial valuation using project unit credit method at each reporting date.

#### n) Leases

##### Company as a lessee

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

The Company recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the statement of operations on a straight line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if not readily determinable, the incremental borrowing rate specific to the company, term and currency of the contract. Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date, as well as any extension or purchase options, if the Company is reasonably certain to exercise these options. The lease liability is subsequently measured at amortized cost using the effective interest method and remeasured with a corresponding adjustment to the related right-of-use asset when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessments of options.

The right-of-use asset comprises, at inception, the initial lease liability, any initial direct costs and, when applicable, the obligations to refurbish the asset, less any incentives granted by the lessors. The right-of-use asset is subsequently depreciated, on a straight-line basis, over the lease term, if the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or, if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, over the estimated useful life of the underlying asset. Other are also subject to testing for impairment if there is an indicator for impairment. Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of operations in the period in which the events or conditions which trigger those payments occur. In the statement of financial position right-of-use assets and lease liabilities are classified respectively as part of property, plant and equipment and short-term/long-term debt.



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

**o) Provisions, contingent liabilities and contingent assets**

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

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is a possible obligation arising from past events and 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 but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in other notes to financial statements.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

**p) Earnings per share**

Basic earnings per equity share is computed by dividing net profit or loss for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing net profit or loss for the year attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

**q) Cash and cash equivalents**

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

**r) Fair value measurement**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

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. In addition, for financial reporting purposes, fair value measurements are categorized 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 /net asset value (unadjusted) in active markets for identical assets or liabilities that the company 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.



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

#### s) Government grant

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. The benefit of a Government loan at a below-market rate of interest is treated as a Government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss.

Government grants that compensate the Company for expenses incurred are recognised in the Statement of Profit and Loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

Government grant relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a systematic basis over the expected lives of the related assets to match them with the cost for which they are intended to compensate and presented within other income.

#### t) Financial instruments

##### Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. Financial instrument (except trade receivables) are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 for pricing adjustments embedded in the contract. Subsequent measurement of financial assets and financial liabilities is described below:

##### Non-derivative financial assets

###### **Subsequent measurement**

###### **i. Financial assets carried at amortised cost**

A financial asset is measured at the amortised cost, if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

###### **ii. Financial assets at fair value through Profit & Loss (FVTPL)**

Financial assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, are classified as at FVTPL

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

#### u) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets. ECL is the weighted-average of 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, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

**Trade receivables:** In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

**Other financial assets:** In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset 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. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

- v) **De-recognition of financial assets:** A financial asset is primarily de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.
- w) **Non-derivative financial liabilities**
- Subsequent measurement:** Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.
- De-recognition of financial liabilities:** A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.
- Offsetting of financial instruments:** Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**3. PROPERTY, PLANT AND EQUIPMENT**

Property, Plant and Equipment	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
<b>Cost as at March 31, 2023</b>	<b>47.46</b>	<b>599.97</b>	<b>3,347.81</b>	<b>207.03</b>	<b>241.85</b>	<b>112.78</b>	<b>4,556.90</b>
Addition during the year	-	11.69	73.28	-	20.51	13.39	118.86
Sold/discarded during the year	-	-	0.09	-	-	-	0.09
<b>Cost as at March 31, 2024</b>	<b>47.46</b>	<b>611.66</b>	<b>3,421.00</b>	<b>207.03</b>	<b>262.36</b>	<b>126.17</b>	<b>4,675.67</b>
Addition during the year	-	-	64.31	4.03	145.01	4.14	217.49
Sold/discarded during the year	-	-	-	-	-	-	-
<b>Cost as at March 31, 2025</b>	<b>47.46</b>	<b>611.66</b>	<b>3,485.31</b>	<b>211.06</b>	<b>407.37</b>	<b>130.31</b>	<b>4,893.16</b>
<b>Accumulated Depreciation</b>	<b>Freehold Land</b>	<b>Buildings</b>	<b>Plant and Equipment</b>	<b>Furniture and Fixtures</b>	<b>Vehicles</b>	<b>Office Equipments</b>	<b>Total</b>
<b>Accumulated depreciation as at March 31, 2023</b>	-	104.71	866.79	54.66	92.84	83.25	1,202.25
Depreciation for the year	-	24.54	241.04	18.84	20.72	18.35	323.49
Disposals	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2024</b>	-	<b>129.25</b>	<b>1,107.83</b>	<b>73.50</b>	<b>113.56</b>	<b>101.60</b>	<b>1,525.74</b>
Depreciation for the year	-	34.01	221.37	18.52	21.97	25.49	321.36
Disposals	-	-	-	-	-	-	-
<b>Accumulated depreciation as at March 31, 2025</b>	-	<b>163.26</b>	<b>1,329.20</b>	<b>92.02</b>	<b>135.53</b>	<b>127.09</b>	<b>1,847.10</b>
<b>Net carrying value as on March 31, 2024</b>	<b>47.46</b>	<b>482.41</b>	<b>2,313.17</b>	<b>133.53</b>	<b>148.80</b>	<b>24.57</b>	<b>3,149.96</b>
<b>Net carrying value as on March 31, 2025</b>	<b>47.46</b>	<b>448.40</b>	<b>2,156.11</b>	<b>119.04</b>	<b>271.84</b>	<b>3.22</b>	<b>3,046.06</b>

Notes :

- (i) Assets pledged and hypothecated against borrowings - Refer Note 18 and 22
- (ii) There were no revaluation carried out by the company during the current and previous year.
- (iii) The title deeds of immovable properties are held in the name of the Company.

**3A : CAPITAL WORK IN PROGRESS**

Particulars	Amount
<b>Cost as at March 31, 2023</b>	60.62
Additions during the year	22.03
Assets capitalized	25.03
<b>Cost as at March 31, 2024</b>	<b>57.62</b>
Additions during the year	0.32
Assets capitalized	57.62
<b>Cost as at March 31, 2025</b>	<b>0.32</b>

(i) Ageing schedule of Capital work in progress :

As at March 31, 2025

Particulars	Amount in capital work-in-progress for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	0.32	-	-	-	0.32
Projects temporary suspended	-	-	-	-	-
<b>Total</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.32</b>

As at March 31, 2024

Particulars	Amount in capital work-in-progress for a period of				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress	22.03	35.59	-	-	57.62
Projects temporary suspended	-	-	-	-	-
<b>Total</b>	<b>22.03</b>	<b>35.59</b>	<b>-</b>	<b>-</b>	<b>57.62</b>

(ii) The Company has no system of capital budgeting hence cost over run and time over run can not be determined.



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**3B. RIGHT TO USE ASSETS**

<b>Original Cost</b>	<b>Building</b>	<b>Total</b>
<b>Cost as at March 31, 2023</b>	-	-
Addition during the year	31.33	31.33
Sold/discarded during the year	-	-
<b>Cost as at March 31, 2024</b>	<b>31.33</b>	<b>31.33</b>
Addition during the year	58.43	58.43
Sold/discarded during the year	31.33	31.33
<b>Cost as at March 31, 2025</b>	<b>58.43</b>	<b>58.43</b>
<b>Accumulated depreciation</b>		
	<b>Building</b>	<b>Total</b>
<b>Accumulated depreciation as at March 31, 2023</b>	-	-
Depreciation for the year	0.87	0.87
Disposals	-	-
<b>Accumulated depreciation as at March 31, 2024</b>	<b>0.87</b>	<b>0.87</b>
Depreciation for the year	14.61	14.61
Disposals	0.87	0.87
<b>Accumulated depreciation as at March 31, 2025</b>	<b>14.61</b>	<b>14.61</b>
<b>Net carrying value as at March 31, 2024</b>	<b>30.46</b>	<b>30.46</b>
<b>Net carrying value as on March 31, 2025</b>	<b>43.82</b>	<b>43.82</b>

**4. INTANGIBLE ASSETS**

	<b>Research and Development</b>	<b>Computer Software</b>	<b>Total</b>
<b>Cost as at March 31, 2023</b>	-	35.83	35.83
Addition during the year	-	0.45	0.45
Sold/discarded during the year	-	-	-
<b>Cost as at March 31, 2024</b>	-	<b>36.28</b>	<b>36.28</b>
Addition during the year	235.65	-	235.65
Sold/discarded during the year	-	-	-
<b>Cost as at March 31, 2025</b>	<b>235.65</b>	<b>36.28</b>	<b>271.93</b>
<b>Accumulated amortisation</b>			
	<b>Research and Development</b>	<b>Computer Software</b>	<b>Total</b>
<b>Accumulated amortisation as at March 31, 2023</b>	-	27.32	27.32
Amortisation during the year	-	4.87	4.87
Disposals	-	-	-
<b>Accumulated amortisation as at March 31, 2024</b>	-	<b>32.19</b>	<b>32.19</b>
Amortisation during the year	0.07	1.85	1.92
Disposals	-	-	-
<b>Accumulated amortisation as at March 31, 2025</b>	<b>0.07</b>	<b>34.04</b>	<b>34.11</b>
<b>Net carrying value as at March 31, 2024</b>	-	<b>4.09</b>	<b>4.09</b>
<b>Net carrying value as at March 31, 2025</b>	<b>235.58</b>	<b>2.24</b>	<b>237.82</b>

**Notes :**

(i) There were no revaluation carried out by the Company during the current and previous year.



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**5 Other financial assets - Non Current**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(Unsecured, Considered good unless otherwise stated)</b>		
Security deposits	40.88	26.32
	<b>40.88</b>	<b>26.32</b>
Security deposits pledged and hypothecated against borrowings - Refer Note 18 & 22		

**6 Deferred Tax Liabilities/ (Asset) (Net)**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Deferred Tax Liabilities :</b>		
(i) Property, plant and equipment and other intangible assets	211.11	196.86
(ii) Others	-	-
<b>Total</b>	<b>211.11</b>	<b>196.86</b>
<b>Deferred Tax Assets :</b>		
(i) Expenses allowable on payment basis under the Income Tax Act	60.45	42.02
(ii) Others	-	13.28
(iii) Unabsorbed Depreciation and Carried forward tax losses	326.91	719.99
<b>Total</b>	<b>387.36</b>	<b>775.29</b>
<b>Net Deferred Tax Liability/ (Assets)</b>	<b>(176.25)</b>	<b>(578.43)</b>

**Movement in Deferred Tax Liabilities / (Assets)**

Particulars	As at March 31, 2024	Recognised in P&L	Recognised in OCI	As at March 31, 2025
<b>Deferred Tax liability being tax impact on -</b>				
Property, plant and equipment and other intangible assets	196.86	14.25	-	211.11
Others	-	-	-	-
<b>Sub total (a)</b>	<b>196.86</b>	<b>14.25</b>	<b>-</b>	<b>211.11</b>
<b>Deferred Tax Assets being tax impact on -</b>				
Unabsorbed Depreciation and Carried forward tax losses	719.99	(393.08)	-	326.91
Others	13.28	(13.28)	-	-
Expenses allowed on payment basis	42.02	18.43	-	60.45
<b>Sub total (b)</b>	<b>775.29</b>	<b>(387.93)</b>	<b>-</b>	<b>387.36</b>
<b>Net Deferred Tax Liability / (Assets) (a)-(b)</b>	<b>(578.43)</b>	<b>402.18</b>	<b>-</b>	<b>(176.25)</b>

**Movement in Deferred Tax Liabilities / (Assets)**

Particulars	As at March 31, 2023	Recognised in P&L	Recognised in OCI	As at March 31, 2024
<b>Deferred Tax liability being tax impact on -</b>				
Property, plant and equipment and other intangible assets	-	186.85	10.01	196.86
Others	-	0.12	(0.12)	-
<b>Sub total (a)</b>	<b>-</b>	<b>186.97</b>	<b>9.89</b>	<b>196.86</b>
<b>Deferred Tax Assets being tax impact on -</b>				
Unabsorbed Depreciation and Carried forward tax losses	528.09	191.90	-	719.99
Others	4.73	8.55	-	13.28
Expenses allowed on payment basis	51.03	(3.06)	(5.95)	42.02
<b>Sub total (b)</b>	<b>-</b>	<b>583.85</b>	<b>(5.95)</b>	<b>775.29</b>
<b>Net Deferred Tax Liability / (Assets) (a)-(b)</b>	<b>-</b>	<b>(396.88)</b>	<b>(187.50)</b>	<b>(578.43)</b>

The Company has recognised deferred tax assets on unabsorbed depreciation and carried forward tax losses. The Company has unabsorbed depreciations and incurred tax losses in current year and in earlier years. The Company has concluded that the deferred tax assets on unabsorbed depreciations and carried forward tax losses will be recoverable using the estimated future taxable income based on the business plans and budgets. The Company is expected to generate taxable income in near future. Unabsorbed depreciation can be carried forward for infinite period and tax losses can be carried forward for specific period as per tax regulations and the Company expects to recover the same within prescribed period.



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**7 Other assets - Non Current**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(Unsecured, Considered good unless otherwise stated)</b>		
Capital advances	43.41	7.27
Prepaid expenses	3.44	1.76
	<b>46.85</b>	<b>9.03</b>
Pledged and hypothecated against borrowings - Refer Note 18 & 22		

**8 Inventories**

(Valued at lower of cost or net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Raw materials (including packing materials)	1,056.03	1,040.85
(b) Work-in-progress	1,260.07	1,316.02
(c) Finished goods	1,031.91	607.73
(d) Stores and spares	110.30	115.75
	<b>3,458.31</b>	<b>3,080.35</b>
Above includes goods in transit:		
Finished Goods	-	34.07

(a) Inventories are pledged and hypothecated against secured borrowings for details refer Note 18 & 22.

(b) Write downs of inventories (net of reversal) to net realizable value related to finished goods and Raw Material amounted to ₹ 35.42 Lakhs (Previous year ₹ 57.07 Lakhs). These were recognised as expense during the year and included in 'Changes in inventories of finished goods and work in progress' in statement of profit and loss.

**9 Current Investments**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>a. Investments in Equity Instruments (Quoted)</b>		
Nil (Previous Year: 87) Equity shares of HDFC Bank Limited having face value of ₹	-	-
<b>b. Investments in Mutual Funds (Unquoted)</b>		
Nil (Previous Year - 18650.39) Units in Baroda Short Term Bond Fund - Plan B	-	-
	-	-
<b>Other disclosures</b>		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-
Refer note 41 for determination of fair values of investments.		



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**10 Trade Receivables**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Unsecured</b>		
Considered good	3,710.14	2,755.40
Receivables which have significant increase in credit risk	13.42	32.46
Receivables which are credit impaired	3.91	19.92
	<b>3,727.47</b>	<b>2,807.78</b>
Less: Allowance for expected credit losses	52.38	52.38
	<b>3,675.09</b>	<b>2,755.40</b>
<b>* Movement in expected credit loss:</b>		
Balance at the beginning of the year	52.38	52.38
Provision recognised during the year	-	-
Provision reversed during the year	-	-
	<b>52.38</b>	<b>52.38</b>

- (i) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade or other receivables are due from firms or private companies respectively in which any director is a partner a director or a member.
- (ii) For details of receivables from Related Parties Refer Note No. 40
- (iii) Receivable are pledged and hypothecated against secured borrowings Refer Note No. 18 & 22.
- (iv) Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

- (v) Ageing schedule of trade receivable:

**As at March 31, 2025**

Particulars						Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>						
- considered good	3,618.22	35.72	5.65	-	-	3,659.59
- Which have significant increase in credit	-	-	-	5.90	-	5.90
- considered doubtful	-	-	-	-	-	-
<b>Disputed</b>						
- considered good	-	-	-	-	44.65	44.65
- Which have significant increase in credit	-	-	-	-	13.42	13.42
- considered doubtful	-	-	-	-	3.91	3.91
<b>Total receivable</b>	<b>3,618.22</b>	<b>35.72</b>	<b>5.65</b>	<b>5.90</b>	<b>61.98</b>	<b>3,727.47</b>
<b>Less: Allowance for expected credit losses</b>						<b>52.38</b>
<b>Total receivable</b>						<b>3,675.09</b>

**As at March 31, 2024**

Particulars						More than 3 years
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>						
- considered good	2,716.69	11.21	14.75	-	-	2,742.65
- Which have significant increase in credit	-	-	-	0.56	-	0.56
- considered doubtful	-	-	-	-	2.84	2.84
<b>Disputed</b>						
- considered good	-	-	-	-	12.75	12.75
- Which have significant increase in credit	-	-	-	-	31.90	31.90
- considered doubtful	-	-	-	-	17.08	17.08
<b>Total receivable</b>	<b>2,716.69</b>	<b>11.21</b>	<b>14.75</b>	<b>0.56</b>	<b>64.57</b>	<b>2,807.78</b>
<b>Less: Allowance for expected credit losses</b>						<b>52.38</b>
<b>Total receivable</b>						<b>2,755.40</b>



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**11 Cash and Cash Equivalents**

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Cash on hand	20.37	14.50
(b) Balance with banks - In current accounts	0.24	0.26
	<b>20.61</b>	<b>14.76</b>

**12 Other Balances with Banks**

Particulars	As at March 31, 2025	As at March 31, 2024
Earmarked balances with banks - Deposits with original maturity of more than three months but less than twelve months*	47.49	38.68
	<b>47.49</b>	<b>38.68</b>

\* Deposits are pledged with various Government authorities and others.

**13 Other Current Financial Assets - (Current)**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(Unsecured, considered good at amortised cost unless otherwise stated)</b>		
Interest Accrued on deposits	7.79	4.23
Advance to employees	15.93	20.54
Advance to others	-	-
Export incentives receivables	67.22	49.37
Other	14.60	28.98
	<b>105.54</b>	<b>103.12</b>
Advance to Others with significant increase in credit risk	3.00	3.00
Less: Allowance for expected credit losses	3.00	3.00
	<b>105.54</b>	<b>103.12</b>

**14 Current Tax Assets (Net)**

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax (net of tax provisions)	67.94	73.11
	<b>67.94</b>	<b>73.11</b>

**15 Other Assets - (Current)**

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid Expenses	21.46	13.15
Advances to Suppliers	132.72	62.18
	<b>154.18</b>	<b>75.33</b>



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**16 EQUITY SHARE CAPITAL**

	As at March 31, 2025	As at March 31, 2024
<b>A. Authorised:</b>		
(a) 7,73,31,680 (Previous Year 7,73,31,680) Equity Shares of ₹ 1 each	773.32	773.32
(b) 65,18,320 (Previous Year 65,18,320) Compulsory Convertible Preference Shares of ₹ 1 each	65.18	65.18
(c) 80,00,000 (Previous Year 80,00,000) 0.1% Redeemable Non-Convertible Cumulative Preference Shares of ₹ 10 each	800.00	800.00
	<b>1,638.50</b>	<b>1,638.50</b>
<b>B. Issued and Subscribed:</b>		
(a) 473,12,741 (Previous Year 473,12,741) Equity Shares of ₹ 1 each (fully paid up)	473.13	473.13
(b) 80,00,000 (Previous year 80,00,000) 0.1% Redeemable Non-Convertible Cumulative Preference Shares of ₹ 10 each	800.00	800.00
	<b>1,273.13</b>	<b>1,273.13</b>
<b>C. Paid-up:</b>		
(a) 473,12,741 (Previous Year 473,12,741) Equity Shares of ₹ 1 each (fully paid up)	473.13	473.13
	<b>473.13</b>	<b>473.13</b>

**D. Rights, Preferences and Restrictions :**

(a) **Equity shares**

The Company has only one class of equity share having a par value of ₹ 1 each (Previous year ₹ 1 each). Each shareholder is eligible for one vote for every share held and is entitled to dividend declared from time to time. 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, in proportion to their shareholding.

(b) **Redeemable non-convertible cumulative preference shares**

Each preference share holder is eligible for dividend, in case dividend is declared by the company on other class of shares. Preference shares shall rank senior to all present and future preference shares and/or equity shares issued by the Company. 40,00,000 preference shares shall be redeemed at the option of the Company, at any time within a period not exceeding ten years from the date of allotment on May 17, 2016 and balance 40,00,000 preference shares shall be redeemed not exceeding ten years from the date of allotment on October 07, 2019.

(c) In FY 2019-20, the Company has issued 40,00,000, 0.1% redeemable non-convertible cumulative preference shares of ₹ 10 each fully paid up upon conversion of loan.

In FY 2020-21, the Company has converted 9,58,790 compulsory convertible preference shares into 9,58,790 equity share. After conversion, each holder of equity shares have the same rights as defined in (a) above.



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 16 Equity share capital

##### E. Reconciliation of number of shares outstanding and the amount of share capital

###### (a) Equity Shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	4,73,12,741	473.13	4,73,12,741	473.13
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>4,73,12,741</b>	<b>473.13</b>	<b>4,73,12,741</b>	<b>473.13</b>

###### (b) 0.1% Redeemable Non-Convertible Cumulative Preference Shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	80,00,000	800.00	80,00,000	800.00
Shares issued during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>80,00,000</b>	<b>800.00</b>	<b>80,00,000</b>	<b>800.00</b>

##### F. Details of the Shares held by each shareholder holding more than 5% shares

###### (a) Equity Shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	% of holding
1. Mr. Sameer Goel	3,54,55,776	74.94%	3,01,37,381	63.70%
2. Mrs. Deepa Goel	-	-	53,18,395	11.24%
<b>Total</b>	<b>3,54,55,776</b>	<b>74.94%</b>	<b>3,54,55,776</b>	<b>74.94%</b>

###### (b) Redeemable Non-Convertible Cumulative Preference Shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of holding	Number of shares	% of holding
1. Enkay Foam Private Limited	80,00,000	100%	80,00,000	100.00%
<b>Total</b>	<b>80,00,000</b>	<b>100%</b>	<b>80,00,000</b>	<b>100.00%</b>

###### (c) Details of the Promoters Equity Shareholding (Equity Shares)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% of Shares	% Change during the year	Number of shares	% of Shares	% Change during the year
Mr. Sameer Goel	3,54,55,776	74.94%	17.65%	3,01,37,381	63.70%	-
Mrs. Santosh Goel	32	-	-	32	-	-
Mrs. Vandana Goel	16	-	-	16	-	-
Mr. Vipul Goel	16	-	-	16	-	-
Mrs. Deepa Goel	0	-	-100%	53,18,395	11.24%	-
<b>Total</b>	<b>3,54,55,840</b>	<b>74.94%</b>	<b>-</b>	<b>3,54,55,840</b>	<b>74.94%</b>	<b>-</b>

#### 17 OTHER EQUITY

Particulars	As at	As at
	March 31, 2025	March 31, 2024
<b>a) Security premium</b>		
Balance as at the beginning of the year	608.52	608.52
Changes during the year	-	-
<b>Balance as at the end of the year</b>	<b>608.52</b>	<b>608.52</b>
<b>b) Retained earnings</b>		
Balance as at the beginning of the year	(1,048.55)	(535.37)
Profit for the year	961.24	(530.87)
Other comprehensive income/(loss) for the year *	2.27	17.69
Previous Year Adjustment		
<b>Balance as at the end of the year</b>	<b>(85.04)</b>	<b>(1,048.55)</b>
<b>Total other equity</b>	<b>523.48</b>	<b>(440.03)</b>

\* Includes Re-measurement gain/(loss) on defined benefit plans amounting to ₹ 2.27 Lakhs [Previous year ₹ 17.69 Lakhs]



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 18 Non-Current Borrowings

Particulars	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Non Current Maturities		Current Maturities	
<b>(a) Secured</b>				
(i) Term loan from banks	162.99	364.30	201.24	188.90
(ii) Car loans from a banks	149.90	79.48	54.58	31.17
<b>(b) Unsecured</b>				
(i) Loans from Companies	242.86	1,224.86	-	-
(ii) Loans from Director	481.26	472.34	-	-
	<b>1,037.01</b>	<b>2,140.98</b>	<b>255.82</b>	<b>220.07</b>
Less : Current maturities of long term loans from banks (Note 22)			255.82	220.07
<b>(Total i+ii)</b>	<b>1,037.01</b>	<b>2,140.98</b>	<b>-</b>	<b>-</b>

#### A. Secured Loans

- Term loan of ₹ Lakhs ₹ 119.55 (Previous year ₹ 198.49 Lakhs) availed from HDFC Bank Limited which is repayable in 56 monthly installments beginning from January, 2022 at interest rate @ 9.25% per annum.
- Term Loan of ₹ 244.68 Lakhs (Previous year ₹ 320.60) availed from HDFC Bank Limited which is repayable in 65 monthly installments beginning from August, 2022 at interest rate @ 9.22% per annum.
- Term loans from HDFC Bank Limited are secured by equitable mortgage over the lands ("immovable properties") situated at Bhondsi Village, District- Gurugram, Haryana., and first charge over the entire plant and equipment of the Company and also by way of personal guarantee of Managing Director.
- Car loans from HDFC bank Limited are secured by hypothecation of cars purchased there under and carries interest rate of ranging 7.00% to 8.30% (previous year 7.70% to 8.30%) per annum which are repayable in 60 monthly instalments beginning from date of respective loan.

#### B. Unsecured Loans

- Loans from compaines carries interest rate 8% to 9.50% per annum (Previous Year : 8% to 9.5% per annum) per annum. Principle repayment schedule has been extended to March 2026 during the previous year.
- Loan from directors carries interest at 6% per annum (Previous Year : 6% per annum). Principle repayment schedule has been extended to March 2026 during the previous year.

#### 19 Other Financial Liabilities

Particulars	As at	As at
	March 31, 2025	March 31, 2024
80,00,000 (Previous Year 80,00,000) 0.1% Redeemable non-convertible cumulative preference shares of Rs. 10 each \$	632.97	580.71
	<b>632.97</b>	<b>580.71</b>

\$ Also Refer Note 16-D(b)



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 20 Long Term Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
- Gratuity (Refer Note 38)	141.53	126.81
- Leave Encashment	18.14	18.09
	<b>159.67</b>	<b>144.90</b>

#### 21 Other Non-Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Revenue		
- Arising on fair valuation of interest free borrowings and preference shares	84.81	134.75
	<b>84.81</b>	<b>134.75</b>

#### 22 Borrowings - (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Secured</b>		
Cash Credit Facility from a bank	1,963.80	1,979.08
Current Maturities of Long Term Loans from Banks		
a) from Bank	255.82	220.07
	<b>2,219.62</b>	<b>2,199.15</b>

- (i) Above loans are secured by way of equitable mortgage over the lands ("immovable properties") situated at Bhondsi Village, District-Gurugram, Haryana and interests therein, first charge over the current and future inventories, book debts of the company. and also by way of personal guarantee of Managing Director.
- (ii) The Company has submitted its quarterly returns and statements online via the Banker's portal. However, it has not been able to extract the corresponding correspondence for these submissions. As a result, the necessary disclosures related to the variance between the quarterly returns/statements submitted and the books of accounts could not be provided.



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 23 Trade Payables

Particulars	As at	As at
	March 31, 2025	March 31, 2024
(a) Total Outstanding due to Micro and Small Enterprises	4.73	4.95
(b) Total Outstanding due to other than Micro and Small Enterprises	5,044.16	3,993.87
	<b>5,048.89</b>	<b>3,998.82</b>

- (i) Based on the information available as identified by the management there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	-	0.23
- Interest due on above	-	-
The amount of interest paid by the buyer under MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	4.73	4.73
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

- (ii) For details of payables from related parties, refer note no. 40

#### (iv) Trade Payable ageing

##### As at March 31, 2025

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
<b>Trade payable</b>					
(i) MSME	-	4.73	-	-	4.73
(ii) Others	4,974.19	49.96	12.38	7.63	5,044.16
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total Payable</b>	<b>4,974.19</b>	<b>54.69</b>	<b>12.38</b>	<b>7.63</b>	<b>5,048.89</b>

##### As at March 31, 2024

Particulars	Outstanding for following periods from transaction date				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
<b>Trade payable</b>					
(i) MSME	-	4.95	-	-	4.95
(ii) Others	3,547.24	423.05	17.82	5.76	3,993.87
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total Payable</b>	<b>3,547.24</b>	<b>428.00</b>	<b>17.82</b>	<b>5.76</b>	<b>3,998.82</b>

- (v) The Company considers its maximum exposure to liquidity risk with respect to vendors as at March 31, 2025 to be ₹ 5,048.89 Lakhs (Previous Year ₹ 3998.82 Lakhs).



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 24 Other Financial Liabilities

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Interest accrued on borrowings	306.21	421.72
Employee emoluments	184.35	84.91
	<b>490.56</b>	<b>506.63</b>

#### 25 Other Current Liabilities

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Contract Liabilities : Advances from customers	329.32	100.30
Statutory Dues	13.70	66.24
Payable to Employees	2.09	
Deferred Revenue		
- Arising on fair valuation of interest free borrowings and preference shares	49.93	49.99
Others	0.04	7.86
	<b>395.08</b>	<b>224.39</b>

#### 26 Short Term - Provisions

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Provision for Employee Benefits		
- Gratuity (Refer Note 38)	8.41	1.54
- Leave Encashment	1.32	1.11
	<b>9.73</b>	<b>2.65</b>

**KIMIA BIOSCIENCES LIMITED****Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**27 Revenue from Operations**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Sale of Goods</b>		
Active Pharmaceutical Ingredients (API)	11,844.37	10,434.40
<b>Other Operating Income</b>		
Export incentives	47.71	53.25
	<b>11,892.08</b>	<b>10,487.65</b>

The Company is primarily in the business of sale of Pharmaceutical products i.e. APIs. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company evaluates credit limits for the trade receivables on case to case basis and does not allow significant credit period resulting in no significant financing component.

27.1 For disclosures required under Ind AS 115, Refer note 48

**28 Other Income**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income	2.18	3.25
Deferred revenue income	50.00	50.00
Commission received	-	73.83
Net Gain on Foreign Currency Transactions (Realised/Unrealised)	58.94	-
Gain on sale of Investments in mutual funds	-	0.02
Unspent liabilities written back	-	3.91
Interest on Income Tax Refund	-	0.45
Liabilities no longer required written back	-	32.27
Miscellaneous income	20.91	0.45
	<b>132.03</b>	<b>164.18</b>

**29 Cost of Materials Consumed**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Chemicals and packing materials	7,455.02	6,735.80
	<b>7,455.02</b>	<b>6,735.80</b>

**30 Changes in Inventories of Finished Goods and Work-in-Progress**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Closing Inventory</b>		
Work-in-progress	1,260.07	1,316.02
Finished goods	1,031.91	607.73
<b>Total (A)</b>	<b>2,291.98</b>	<b>1,923.75</b>
<b>Opening Inventory</b>		
Work-in-progress	1,316.02	1,201.08
Finished goods	607.73	1,512.40
<b>Total (B)</b>	<b>1,923.75</b>	<b>2,713.48</b>
<b>Decrease / (Increase) in Inventories (B-A)</b>	<b>(368.23)</b>	<b>789.73</b>

**31 Employee Benefit Expenses**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus etc.	1,240.99	1,381.62
Gratuity expense	34.16	32.79
Contribution to provident and other funds	53.53	59.52
Staff welfare expenses	39.21	41.32
	<b>1,367.89</b>	<b>1,515.25</b>



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 32 Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest on borrowings	349.32	444.38
(b) Interest on Lease obligations	3.98	0.26
(c) Unwinding charges on preference shares and interest free borrowings	52.26	47.95
(d) Other borrowing costs	50.14	12.39
	<b>455.70</b>	<b>504.98</b>

#### 33 Depreciation and Amortization Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Depreciation of property, plant and equipment	321.43	323.49
(b) Depreciation on right of use assets	14.61	0.87
(c) Amortisation of intangible assets	1.85	4.87
	<b>337.89</b>	<b>329.23</b>

#### 34 Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spares	25.88	46.91
Job charges	-	20.06
Power and fuel	565.63	525.05
Insurance	13.30	34.49
Laboratory and testing	49.84	65.52
Rent	34.49	37.51
Rates and taxes	16.41	1.84
<b>Repair and Maintenance</b>		
Machinery	41.81	58.42
Repair and Maintenance Others	93.16	67.69
Travelling and conveyance	106.60	147.03
Legal and professional	141.60	143.28
Advertisement and business promotion	96.19	124.31
Sales commission	66.37	68.02
Auditor's remuneration #		
As auditors		4.80
For limited review	9.00	2.16
For Tax audit	2.00	1.20
Certification & Other		
Reimbursement of expenses		0.16
Net Loss on Foreign Currency Transactions and Translations	-	7.49
CSR expenditure	-	-
Administrative & office Expenses	33.39	35.40
Telephone & Internet Expense	4.13	3.63
Security and Housekeeping Expense	43.84	21.79
Freight and forwarding charges	49.84	30.60
Miscellaneous	18.94	47.85
	<b>1,412.42</b>	<b>1,495.21</b>

Expenses has been reclassified to provide better and fair presentation of financials.

#### 35 Exceptional item

During previous year, there are no Exceptional items which are required to be reported.



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ in Lakhs except EPS)

#### 36 Earnings per share

Particulars		As at March 31, 2025	As at March 31, 2024
<b>A. Basic earning per share</b>			
Profit/ (Loss) for the year	₹	961.24	(530.87)
Add: preference share dividend / interest	₹	-	-
Less: deferred revenue expenditure	₹	-	-
Profit attributable to equity shareholders	₹	<b>961.24</b>	<b>(530.87)</b>
Nominal value of equity shares	₹	1.00	1.00
No of shares at the beginning of the year	Numbers	4,73,12,741	4,73,12,741
Add: Issued during the year	Numbers	-	-
No of shares at the end of the year	Numbers	4,73,12,741	4,73,12,741
Weighted average number of equity shares *	Numbers	4,73,12,741	4,73,12,741
<b>Basic earnings per share of ₹ 1 each</b>	₹	<b>2.03</b>	<b>(1.12)</b>
<b>B. Diluted earning per share</b>			
Weighted average number of equity shares	Numbers	4,73,12,741	4,73,12,741
<b>Total weighted average number of equity shares</b>		<b>4,73,12,741</b>	<b>4,73,12,741</b>
Profit/ (Loss) attributable to equity shareholders		961.24	(530.87)
Weighted average number of equity shares *	Numbers	4,73,12,741	4,73,12,741
<b>Diluted earnings per share of ₹ 1 each</b>	₹	<b>2.03</b>	<b>(1.12)</b>

\*There have been no transactions involving Equity shares or Potential Equity shares between the reporting date and the date of approval of these financial statements that would have an impact on the outstanding weighted average number of equity shares as at the year end.

#### 37 Contingent Liabilities, Contingent Assets and Capital Commitments (as identified by the Company)

Particulars		As at March 31, 2025	As at March 31, 2024
<b>A. Contingent liabilities (not provided for) in respect of:</b>			
<b>Claim against the Company not acknowledged as debts</b>			
- Demand raised by VAT department for various matters Order dated 05.10.2017 passed by the Excise and Taxation Officer-cum-Officer Incharge, Information Collection Centre, Jharmari, District S.A.S. Nagar, Mohali, imposing a penalty of ₹11.67 Lakhs purportedly under clause (c) of sub-section (7) of Section 51 of the Punjab Value Added Tax Act, 2005.		11.67	11.67
<b>Total</b>		<b>11.67</b>	<b>11.67</b>

**Note:** The Company does not expect the outcome of these proceeding to have a materially adverse effect on its financial position. The Company does not expects any payment in respect of the above contingent liabilities.

#### B. Capital Commitments

Particulars		As at March 31, 2025	As at March 31, 2024
Estimated amount of Contracts remaining to be executed on Capital Account		43.41	31.23
<b>Total</b>		<b>43.41</b>	<b>31.23</b>



# KIMIA BIOSCIENCES LIMITED

## Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

### 38 Employee benefits

#### A. Defined Contribution Plans

**Provident and other Funds :** During the year, the Company has recognised ₹ 53.53 Lakhs (previous year ₹ 59.52 Lakhs) as contribution to Employee Provident and other Funds in the Statement of Profit and Loss.

#### B. Defined Benefit Plans - Gratuity

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15 days of the monthly emoluments for every completed year of service subject to maximum of ₹ 20 Lakhs at the time of separation from the company.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2025. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

**The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for defined benefit plans:**

	31-03-2025	31-03-2024
<b>(i) Reconciliation of fair value of plan assets and defined benefit obligation:</b>		
Fair value of plan assets	-	-
Defined benefit obligation	149.95	128.35
<b>Net assets / (liability) recognised in the Balance Sheet at year end</b>	<b>(149.95)</b>	<b>(128.35)</b>
<b>(ii) Changes in the present value of the defined benefit obligation are, as follows:</b>		
<b>Defined benefit obligation at beginning of the year</b>	<b>128.35</b>	<b>126.80</b>
Current service cost	27.94	23.28
Interest expense	9.27	9.51
Benefits paid	(12.58)	(7.61)
Actuarial (gain)/ loss arising on obligations due to change in demographic assumptions	-	-
Actuarial (gain)/ loss arising on obligations due to change in financial assumptions	3.15	3.29
Actuarial (gain)/ loss arising on obligations due to change in experience adjustments	(6.19)	(26.93)
<b>Defined benefit obligation at year end</b>	<b>149.95</b>	<b>128.35</b>
<b>(iii) Amount recognised in Statement of Profit and Loss:</b>		
Current service cost	27.94	23.28
Net interest expense	9.27	9.51
<b>Amount recognised in Statement of Profit and Loss</b>	<b>37.21</b>	<b>32.79</b>
<b>(iv) Amount recognised in Other Comprehensive Income:</b>		
Actuarial (gain)/ loss on obligations	(3.04)	(23.64)
Return on plan assets (excluding amounts included in net interest expense)	-	-
<b>Amount recognised in Other Comprehensive Income</b>	<b>(3.04)</b>	<b>(23.64)</b>
<b>(v) The Company has no plan assets.</b>		
<b>(vi) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:</b>		
Discount rate (in %)	6.99%	7.22%
Salary Escalation (in %)	8.00%	8.00%
Expected average working lives of employees (in years)	58	58
Expected average remaining working lives of employees (in years)	22.25	21.00



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 38 Employee benefits

(vii) **A quantitative sensitivity analysis for significant assumption are given as below :**

Sensitivity Level	As at March 31, 2025		As at March 31, 2024	
	+ 0.5%	- 0.5%	+ 0.5%	- 0.5%
Effect of change in discount rate	(1.39)	1.56	(6.12)	6.69
Effect of change in salary escalation	1.52	(1.39)	6.61	(6.11)

- a. The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.
- b. Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.
- c. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(viii) **Maturity profile of defined benefit obligation :**

	31-03-2025	31-03-2024
Within next twelve months	1.32	1.53
Between one to five years	1.99	20.97
Beyond five years	16.15	105.85

(ix) Weighted average duration (in years) 17.10 16.41

(x) **Description of Risk Exposures:**

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

- A) Salary Increases- Higher than expected increase in salary will increase the defined benefit obligation.
- B) Discount Rate – Reduction in discount rate in subsequent valuations can increase the plan’s liability.
- C) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumption in the valuation can impact the liabilities.
- D) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan’s liability.

#### 39 Segment Reporting

- (a) According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one broad business segment viz. “Pharmaceuticals” and substantially sale of the product is within the country. Hence, the disclosure requirement of Ind AS 108 of ‘Segment Reporting’ is not considered applicable. The secondary segment is geographical, information related to which is given as under:

	As at March 31, 2025			As at March 31, 2024		
	Within India	Outside India	Total	Within India	Outside India	Total
Sales (gross)	9,679.15	2,165.22	11,844.37	7,771.62	2,662.78	10,434.40
Trade Receivables (gross)	3,107.57	619.90	3,727.47	2,187.88	619.90	2,807.78

The Company has common assets for producing goods for domestic market and overseas market.

- (b) The Company has one customer (previous year one customer) whose revenue was greater than 10% revenue of the Company’s total revenue.

**KIMIA BIOSCIENCES LIMITED****Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**40 Related Parties****A Related parties and their relationships (as identified by the management)****i) Key Managerial Personnel (KMP) and their relatives**

<b>Name</b>	<b>Relationship</b>
Mr. Sameer Goel	Managing Director
Mr. Vipul Goel	Director
Mr. Jagdeep Dhawan	Independent Director
Mrs. Richa Gupta	Independent Director
Mrs. Vandana Goel	Wife of Managing Director
Mr. Arnav Goyal	Son of Managing Director
Mrs. Santosh Goel	Mother of Managing Director
Mrs. Pallavi Garg	Company Secretary (w.e.f. 11.11.2024)

**ii) Entity in which KMP and their relatives has significant influence (where transactions have taken place)**

Biotavia Labs Private Limited  
S G Bullion Impex Private Limited

**B Transactions with the above in the ordinary course of business**

<b>Particulars</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
<b>a) Remuneration to Key Managerial Personnel \$</b>		
- Short Term Employee Benefits	85.06	78.11
- Defined Contribution Plan	0.35	0.43
\$ Excludes provision in respect of gratuity, leave encashment etc. as the same is determined on an actuarial basis for the company as a whole.		
<b>b) Purchase of goods</b>		
Biotavia Labs Private Limited	108.00	60.91
Actaviaa Labs Private Limited	84.29	85.10
<b>c) Sale of goods</b>		
Biotavia Labs Pvt Ltd.	114.23	1,026.19
<b>d) Interest Paid/credited</b>		
Mr. Sameer Goel	25.80	29.22
S G Bullion Impex Pvt Ltd.	30.52	53.55
Biotavia Labs Pvt Ltd.	14.41	55.74
<b>e) Loan received</b>		
Mr. Sameer Goel	321.36	10.00
Biotavia Labs Private Limited	85.00	375.00
S G Bullion Impex Pvt Ltd.	9.00	-
<b>f) Loan repaid</b>		
Mr. Sameer Goel	303.62	96.21
Biotavia Labs Private Limited	77.00	895.14
S G Bullion Impex Pvt Ltd.	739.00	-
<b>g) Also refer note refer note 22 for gurantee related transactions</b>		

**KIMIA BIOSCIENCES LIMITED****Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**40 Related Parties****C Balances Outstanding**

Particulars	As at	As at
	March 31, 2025	March 31, 2024
<b>Mr. Sameer Goel</b>		
- Unsecured loan payable	464.27	472.34
- Interest Payable	25.80	89.96
- Salary payable	3.25	1.67
<b>Mrs. Pallavi Garg</b>		
- Salary payable	0.38	-
<b>Mr. Rakesh Chetani</b>		
- Salary payable	1.98	2.09
<b>Biotavia Labs Private Limited</b>		
- Vendor Payable	-	33.31
- Unsecured loan payable	142.86	134.86
- Vendor Receivable	12.45	-
- Interest Payable	-	-
<b>Actaviaa Biotech Private Limited</b>		
- Vendor Payable	-	100.41
- Advance to Vendor	0.09	-
<b>S G Bullion Impex Private Limited</b>		
- Unsecured loan payable	-	730.00
- Interest Payable	-	115.96

Above amounts are excluding GST unless otherwise stated.

Terms and conditions related to Outstanding balances :

- All outstanding payables are unsecured and payable in cash.



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**41 Financial Instruments**

A) Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	As at March 31, 2025		As at March 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>(a) Measured at fair value through Profit and Loss</b>				
<b>Financial assets</b>				
Investments - Current	-	-	-	-
	-	-	-	-
<b>(b) Measured at amortized cost</b>				
<b>(i) Financial assets</b>				
Other financial Assets				
- Non Current	40.88	40.88	26.32	26.32
- Current	105.54	105.54	103.12	103.12
Trade receivables	3,675.09	3,675.09	2,755.40	2,755.40
Cash and cash equivalents	20.61	20.61	14.76	14.76
Other Bank balances	47.49	47.49	38.68	38.68
	<b>3,889.61</b>	<b>3,889.61</b>	<b>2,938.28</b>	<b>2,938.28</b>
<b>(ii) Financial liabilities</b>				
Borrowings				
- Non Current	1,037.01	1,037.01	2,140.98	2,140.98
- Current	2,219.62	2,219.62	2,199.15	2,199.15
Trade payables	5,048.89	5,048.89	3,998.82	3,998.82
Other financial Liabilities				-
- Non Current	632.97	632.97	580.71	580.71
- Current	490.56	490.56	506.63	506.63
<b>Total</b>	<b>9,429.05</b>	<b>9,429.05</b>	<b>9,426.29</b>	<b>9,426.29</b>

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**B) Fair value hierarchy**

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1] measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:-

**Level 1:** Quoted prices for identical instruments in an active market;

**Level 2:** Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

**Level 3:** Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**a) Financial assets and liabilities measured at fair value - recurring fair value measurements**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

- (a) recognised and measured at fair value and
- (b) measured at amortised cost.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**(i) Financial Instruments measured at FVTPL**

As at March 31, 2025	Level 1	Level 2	Level 3	Total
<b>Assets at fair value</b>				
- Investment	-	-	-	-
<b>As at March 31, 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Assets at fair value</b>				
- Investment in Equity Shares	-	-	-	-
- Investment in Mutual Funds	-	-	-	-

**(ii) Financial Instruments measured at amortised cost**

As at March 31, 2025	Level 1	Level 2	Level 3	Total
- Preference shares	-	-	632.97	<b>632.97</b>
<b>As at March 31, 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
- Preference shares	-	-	580.71	<b>580.71</b>

**b) Valuation process and technique used to determine fair value**

The fair value of investments in quoted equity shares and mutual funds are based on the current bid price of respective investment as at the balance sheet date.

In case of preference shares, the Company has used valuation report of external valuer. Valuation was derived using discounted cash flow method which was based on present value of the expected future economic benefit.

**c) Fair value measurements using significant unobservable inputs (level 3)**

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are

Type of Financial Instruments	Fair Value as at		Discounting Rate	Significant unobservable inputs	Sensitivity
	March 31, 2025	March 31, 2024			
Preference shares	632.97	580.71	9% (previous year 9%)	Risk-adjusted discount rate	Change of (+) 50 / (-) 50 basis points - Fair value would change by (-)7.50/(+)7.67 Lakhs (Previous year: (-)9.50/(+)9.74 Lakhs) respectively



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 42 Financial risk management objectives and policies

##### Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

##### Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely in domestic market. The Management impact analysis shows credit risk and impact assessment as low.

##### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available. Sale limits are established for each customer and reviewed periodically.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

In monitoring customer credit risk, customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties. The ageing analysis of the trade receivables has been considered from the date the invoice:

Trade Receivables	Outstanding for following periods from transaction date			
	Less than 6 months	6 months -1 year	More than 1 Year	Total
As at March 31, 2025	3,618.22	35.72	73.53	3,727.47
As at March 31, 2024	2,716.69	11.21	79.88	2,807.78

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning	52.38	52.38
Impairment loss recognised	-	-
Amount written off during the year	-	-
Balance at the end	52.38	52.38

During the year, the Company has made write-offs ₹ NIL (Previous year ₹ NIL Lakhs ) of trade receivables, it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The Company management also pursue all legal option for recovery of dues wherever necessary based on its internal assessment.



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**42 Financial risk management objectives and policies**

**Liquidity risk**

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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**Financing Arrangement**

The cash credit facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Indian rupee and have an average maturity within a year.

**Maturity profile of Financial Liabilities**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	< 1 year	1-3 years	3-5 years	> 5 years	Total
<b>Year ended March 31, 2025</b>					
Borrowings	2,219.62	977.22	59.79	-	3,256.63
Trade payables	5,048.89	-	-	-	5,048.89
Lease Liabilities	18.62	27.59	-	-	46.21
Other financial liabilities	490.56	632.97	-	-	1,123.53
	<b>7,777.68</b>	<b>1,637.78</b>	<b>59.79</b>	<b>-</b>	<b>9,475.26</b>
<b>Year ended March 31, 2024</b>					
Borrowings	2,199.15	2,054.47	86.51	-	4,340.13
Trade payables	3,998.82	-	-	-	3,998.82
Lease Liabilities	12.13	23.25	-	-	35.38
Other financial liabilities	506.63	400.00	-	400.00	1,306.63
	<b>6,716.73</b>	<b>2,477.72</b>	<b>86.51</b>	<b>400.00</b>	<b>9,680.96</b>

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company is exposed to interest rate risk because Company borrows funds at both floating interest rates. These exposures are reviewed by appropriate levels of management. The Company regularly monitors the market rate of interest to mitigate the risk exposure. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows.

	As at March 31, 2025			As at March 31, 2024		
	Increase / Decrease in basis point	Effect on profit before tax	Effect on equity after tax	Increase / Decrease in basis point	Effect on profit before tax	Effect on equity after tax
Borrowings from banks and others	+0.50%	(11.91)	(8.91)	+0.50%	(12.86)	(9.63)
Borrowings from banks and others	-0.50%	11.91	8.91	-0.50%	12.86	9.63

**Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to foreign currency risk primarily related to raw purchase purchases. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).



**KIMIA BIOSCIENCES LIMITED**  
**Notes to Financial Statements for the Year Ended March 31, 2025**

(₹ Lakhs)

**42 Financial risk management objectives and policies**

**Exposure to Foreign Currency**

The Company has not entered into derivative instruments to hedge their foreign currency contracts. Foreign currency exposure that are not hedged by a derivative instrument as at Balance Sheet are as follows

Unhedged Exposure	Currency	As at March 31, 2025		As at March 31, 2024	
		Foreign Currency	Amount	Foreign Currency	Amount
Trade Receivables	USD	0.11	9.10	3.29	270.60
Trade Payables	USD	(26.94)	(2,305.91)	(23.95)	(2,011.61)
<b>Total</b>		<b>(26.83)</b>	<b>(2,296.81)</b>	<b>(20.66)</b>	<b>(1,741.01)</b>
Trade Receivables	AED	0.09	2.20	15.91	349.30
<b>Total</b>		<b>0.09</b>	<b>2.20</b>	<b>15.91</b>	<b>349.30</b>
Trade Payables	EURO	0.17	15.70	-	-
<b>Total</b>		<b>0.17</b>	<b>15.70</b>	<b>-</b>	<b>-</b>

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (₹). The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and small exposure in AED and EURO. The risk is measured through a forecast of highly probable foreign currency cash flows.

Particulars	Currency	As at	As at	As at	As at
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
		Profit and Loss		Equity, after tax	
<b>USD sensitivity</b>					
INR/USD- increase by 10%*	USD	(229.68)	(174.10)	(171.87)	(130.28)
INR/USD- decrease by 10%*	USD	229.68	174.10	171.87	130.28
<b>AED sensitivity</b>					
INR/AED- increase by 10%*	AED	0.22	34.93	0.16	26.14
INR/AED- decrease by 10%*	AED	(0.22)	(34.93)	(0.16)	(26.14)
<b>EURO sensitivity</b>					
INR/EURO- increase by 10%*	EURO	1.57	-	1.17	-
INR/EURO- decrease by 10%*	EURO	(1.57)	-	(1.17)	-

\*Holding all other variables constant

**Commodity price risk**

Commodity price risk for the Company is mainly related to fluctuations in chemical prices linked to various external factors, which can affect the production cost of the Company. Since, the Production costs is one of the primary costs drivers, any adverse fluctuation in chemical prices can lead to drop in operating margin. To manage this risk, the Company places orders, identifying new sources of supply etc. There are no derivatives available for requisite chemicals, in the absence, has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and requirement are monitored by the procurement team.



## KIMIA BIOSCIENCES LIMITED

### Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

#### 43 Capital Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2025 and March 31, 2024.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents. The Company monitors capital using gearing ratio, which is net debt divided by total capital as under:

	As at March 31, 2025	As at March 31, 2024
Equity Share Capital	473.13	473.13
Other Equity	523.48	(440.03)
<b>Shareholders' Fund</b>	<b>996.61</b>	<b>33.10</b>
Non Current Borrowings	1,037.01	2,140.98
Redeemable Non-Convertible Cumulative Preference Shares	717.78	715.46
Current Borrowings	2,219.62	2,199.15
<b>Total debts</b>	<b>3,974.41</b>	<b>5,055.59</b>
Less:-Cash & Cash Equivalents	20.61	14.76
<b>Net debts</b>	<b>3,953.80</b>	<b>5,040.83</b>
<b>Capital &amp; Net Debts</b>	<b>4,950.41</b>	<b>5,073.93</b>
<b>Debt Equity Ratio</b>	<b>3.99</b>	<b>152.74</b>
<b>Capital Gearing Ratio</b>	<b>79.87%</b>	<b>99.35%</b>

#### 44 Tax expense

##### Reconciliation of effective tax

	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Net profit/(loss) before tax</b>	<b>1,363.42</b>	<b>(718.37)</b>
At India's statutory income tax rate of 25.168% (Previous year:25.168)	343.15	(180.80)
<b>Tax effect of adjustments:</b>		
- Tax effect of allowable and disallowed income and expenses	(4.65)	(6.70)
<b>Tax expense reported in the statement of profit and loss</b>	<b>338.50</b>	<b>(187.50)</b>

#### 45 Recognition of In house Reserch & Development Facility and Expenses incurred:

The Company has set up state of art Reserch & Development centre with the Registered Office Primises but in a separate building/unit at Village: Bhondsi, Tehsil: Sohna, District : Gurgaon, Haryana for development of new Product/processes, improvement in existing product process for cost reduction & to develop new APIs. The same set up was established in 2014-15 at Bhiwadi and subsequently shifted in late 2016 to Gurgaon. The said Facility is duly recognised & approved by Department of Scientific and Industrial Research (DSIR) vide Registration No. TU/IV-RD/4410/2018 dated 22/01/2019. The Company has maintained separate accounts for its R&D Facility and proper record have been maintained as per the Income Tax Rules & as prescribed by DSIR in this regard.

Details of Capital and Revenue expenditure incurred during the year are given below and the same are grouped with respective heads of accounts in Note 3 to 4 and Note 27 to 34 to financial statements.

##### a) Revenue Expenditure (as identified by the management)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Chemicals & Consumables consumed	5.12	35.48
Employee benefits expense	52.71	256.54
Administration expenses-allocated	134.00	133.15
Depreciation	70.83	76.68
<b>Grand Total</b>	<b>262.66</b>	<b>501.85</b>

##### b) Capital Expenditure (as identified by the management)

235.65	Nil
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# KIMIA BIOSCIENCES LIMITED

## Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

### 46 Leases

#### As a Lessee

- (i) The Company recognizes the expenses of short-term leases on a straight-line basis over the lease term. During the year, expenses of ₹ 0.00 Lakhs (previous year ₹ 37.51 Lakhs) related to short-term and low value leases were recognised.
- (ii) There are no income from subleasing right-of-use assets nor any gains or losses from sales and leaseback for the year ended March 31, 2025 and March 31, 2024.
- (iii) There are no variable lease payments for the year ended March 31, 2025 and March 31, 2024.
- (iv) Total cash flow on right to use assets during the year: ₹ 16.20 Lakhs (Previous year: 1.01)

### 47 Disclosure under Ind AS 115

#### (i) Break-up of revenue from operations:

##### a) Disaggregation of revenue based on major products:

The Company presented disaggregated revenue based on the geographical location of the customers. Revenue is recognised for goods transferred at a point of time. The Company believes that the revenue disaggregation best depicts point in time. The disaggregation of the Company's revenue from contracts with customers is as under:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Revenue from sale of products</b>		
- Within India	9,679.15	7,771.62
- Outside India	2,165.22	2,662.78
<b>Revenue recognised in statement of profit and loss</b>	<b>11,844.37</b>	<b>10,434.40</b>
<b>b) Timing of revenue recognition:</b>		
Products transferred at a point in time	11,844.37	10,434.40
	<b>11,844.37</b>	<b>10,434.40</b>

##### c) Reconciliation of the amount of revenue recognised in the Statement of Profit and Loss with the contracted price:

#### Contract price

(i) Sales of products	11,844.37	10,434.40
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#### Adjustments:

Less : Discount/rebate/ incentives	-	-
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<b>Revenue recognised in statement of profit and loss</b>	<b>11,844.37</b>	<b>10,434.40</b>
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#### d) Performance obligations

Sale of products - Revenue from sale of goods is recognised on transfer of goods for a price or all significant risks and rewards of ownership to the buyer which is generally on dispatch of goods from the company in accordance with the terms of sale except where such terms provide otherwise, whereas sales are recognised based on such terms. Gross sales are net of sales return.

- (ii) Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Trade Receivables (refer note 10)	3,727.47	2,807.78
(b) Contract Assets	-	-
<b>Contract liability</b>		
Advance received during the year not recognized as revenue (refer note 25)	329.32	100.30

#### (c) Advances received from customers - Contract Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at the beginning of the year	100.30	179.74
Amount received during the year	329.32	100.30
Performance obligations satisfied / written back	(100.30)	(179.74)
<b>Balance as at the end of the year</b>	<b>329.32</b>	<b>100.30</b>

- (d) Contract liabilities include amount received from customers as per the terms of purchase/sales order to deliver goods. Once the goods are completed and control is transferred to customers the same is adjusted accordingly.
- (e) Advance received from customers are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.



# KIMIA BIOSCIENCES LIMITED

## Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

### 48 Other Disclosures

#### a Ratios and their Elements as per the requirements of Schedule III to Companies Act 2013

SN	Particulars	Numerator	Denominator	2024-25	2023-24	% of variance	Explanation for change in the ratio by more than 25%
a	Current ratio	Current Assets	Current Liabilities	0.92	0.88	4%	
b	Debt-equity ratio	Total Debt	Shareholder's Equity	3.27	131.12	-98%	Due to Repayment of Unsecured loans in previous year
c	Debt service coverage ratio	Earning for Service	Debt Debt service	68.97%	11.52%	499%	Due to increase in earning
d	Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	186.70%	-183.25%	202%	Due to Increase in Revenue and profit Margins
e	Inventory turnover ratio	Sales	Average inventory	3.62	2.64	37%	Due to Increase in Sales
f	Trade receivables turnover ratio	Net Sales	Average trade debtors	3.68	3.59	3%	
g	Trade payables turnover ratio	Net Purchases	Average Trade Payables	1.65	1.56	6%	
h	Net capital turnover ratio	Net Sales	Working Capital	(18.13)	(12.99)	40%	Due to Increase in working capital
i	Net profit ratio	Net Profits after taxes	Net Sales	8.12%	-5.09%	260%	Due to Increase in Revenue and profit Margins
j	Return on capital employed	Earning before interest and taxes	Capital Employed	42.77%	-4.88%	977%	Due to Increase in Revenue and profit Margins
k	Return on investment	Dividend or gain on sale of investments	Average investments	-	-		

#### b Details of Benami Property held:

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

#### c Willful Defaulter:

The Company has not been declared as Willful Defaulter by any Bank or Financial Institution or other Lender.

#### d Relationship with Struck off Companies :

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the current and previous year.

#### e Compliance with number of layers of companies:

The Company has no subsidiary therefore compliance u/s (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 related to the number of layers is not applicable to the Company. Rules, 2017.

#### f Utilisation of Borrowed funds and share premium:

During the financial year ended March 31, 2025 and March 31, 2024, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable.

- (i) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested during the year (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries") during the year, 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.
- (ii) No funds (which are material either individually or in the aggregate) have been received during the year by the Company from any person or entity, including foreign entity ("Funding Parties") during the year, 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.



# KIMIA BIOSCIENCES LIMITED

## Notes to Financial Statements for the Year Ended March 31, 2025

(₹ Lakhs)

**g Undisclosed Income:**

The Company does not have any transaction, not recorded in the books of accounts that has been surrendered or disclosed as income during the year and in previous year in the tax assessments under the Income Tax Act, 1961 .

**h Details of Crypto Currency or Virtual Currency:**

The Company have not traded or invested in crypto currency or virtual currency during the year ended March 31, 2024 and March 31, 2025.

**i Registration of charges or satisfaction with Registrar of Companies (ROC)**

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**j Scheme of arrangement**

The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year.

**k Core Investment Company (CIC)**

The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Based on the information and explanations provided by the management of the Company, the Group has no CICs as part of the Group.

**49 Corporate Social Responsibility**

	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Amount required to be spent by the company during the year	-	-
(ii) Amount of expenditure incurred	-	-
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	7.86
(v) Reason of shortfall	-	NA
(vi) Nature of CSR activities	-	-
(vii) Details of related party transactions	-	-
(viii) Movement Provision made for contractual obligation	-	-

In the financial years 2021–22 and 2022–23, a provision for Corporate Social Responsibility (CSR) amounting to ₹0.97 lakh and ₹6.89 lakh respectively was inadvertently created, despite the company incurring losses in both years and thus not being liable to make such provisions under the applicable CSR regulations.

During the current financial year, a total amount of ₹7.86 lakh has been reversed and rectified in the books of accounts to correct the earlier error. This adjustment ensures compliance with CSR requirements as per the Companies Act, 2013.

As per our report of even date attached

**For Neeraj Arora and Associates**

Chartered Accountants

Firm Reg. No. 021309

NEERAJ KUMAR ARORA  
Digitally signed by NEERAJ KUMAR ARORA  
Date: 2025.05.26 14:10:50 +05'30'

**Neeraj Arora**

Partner

Membership No. 510750

Place: Gurgaon

Date: May 26, 2025

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

**SAMEER GOEL**

Digitally signed by SAMEER GOEL  
Date: 2025.05.26 14:00:24 +05'30'

**Sameer Goel**

Managing Director & CEO

DIN: 00161786

Place: Gurgaon

**Vipul Goel**

Digitally signed by Vipul Goel  
Date: 2025.05.26 14:03:06 +05'30'

**Vipul Goel**

Director

DIN: 00064274

**Pallavi Garg**

Digitally signed by Pallavi Garg  
Date: 2025.05.26 14:29:24 +05'30'

**Pallavi Garg**

Company Secretary & Compliance Officer

M.No. A69848



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF KIMIA BIOSCIENCES LIMITED  
Report on the Audit of Financial Statements**

**Opinion**

We have audited the accompanying the financial statements of **KIMIA BIOSCIENCES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2025, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2025, and its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

Our responsibility is to express an opinion on the financial statements based on our audit.

We have considered the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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.

**Other Matter**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the management Discussion & Analysis, Board's Report, Business Responsibility and Sustainability report and Corporate Governance report, including Annexures, but does not include the financial statements and our auditor's report thereon.

Our Opinion on the financial statements does not cover the other information and we don't express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, in doing so, consider whether the such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. Our opinion is not modified in respect of this matter.

**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 Companies Act, 2013 ("the Act") with respect to the preparation the 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 accounting principles generally accepted in India, including the Accounting



Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 the operations, or has no realistic alternative but to do so.

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

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of 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;
- 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 (i) in 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 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 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 (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give on "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. **A.** As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the para 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;
  - (e) 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;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 28(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules 2014;
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report,

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**B.** 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:

- (a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements-Refer Note 37 to the financial statements;
- (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (c) There was no amount which required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) (i) The management has represented that, to the best of its knowledge and belief as disclosed in the Note 48(f)(i) to the financial statements, no funds have been advanced closed or loaned or invested during the year (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise that the intermediaries 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;
- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 48(f)(i) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and
- (iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) above contain any material misstatement
- (e) The Company has not declared and paid any dividend during the year. Therefore, provisions of section 123 of the Act is not applicable to the Company.
- (f) The Company has used accounting software (SAP) 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 transactions recorded in SAP and the audit trail feature has not been tampered with. However, the feature of recording audit trail (edit log) has not been enabled for database level to log any direct data changes for the accounting software used for maintaining the books of accounts in SAP.



C. With respect to the matter to be included in the Auditor's report under Section 197(16) of the Act:

In our opinion, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

**For Neeraj Arora & Associates  
Chartered Accountants**

(Firm's Registration No. : 021309)

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Signature

(Neeraj Arora)

(Partner)

(Membership No. 510750)

Place of Signature: Gurgaon

Date: 26.05.2025



**Annexure A to Independent Auditor's Report of even date to the members of Kimia Biosciences Limited on the financial statements as of and for the year ended March 31, 2025 (Referred to in paragraph 1 of our report on the other legal and regulatory requirements)**

(i) a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment, however the same need to be updated;

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

b. The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified once in every three years in phased manner, which in our opinion, is at reasonable intervals having regard to the size of the Company and nature of its property, plant and equipment. According to programme, property, plant and equipment were physically verified in previous year.

c. Based on records examined by us, the title deeds of immovable properties (other than Immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company.

d. On the basis of our examination of records of the Company, the Company has not revalued any of as property, plant and equipment (including right of use assets) or intangible assets during the year. Therefore, the provisions of clause 3(i)(d) of the Order are not applicable to the Company.

e. According to information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, the provisions of clause 3(i)(e) of the Order are not applicable to the Company.

(ii) a. According to the information and explanation given records examined by the us, the Inventories have been physically verified by the management during the year and in our opinion coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and nature of its business. No discrepancies of 10% or more in the aggregate for each class of Inventory were noticed as compared to the book records.

b. According to the information and explanation given to us and records examined by us, the Company has been sanctioned working capital limits in excess of 5 crore rupees in aggregate, from bank on the basis of security current assets. As informed to us, the Company has submitted its quarterly returns and statements online via the Banker's portal. However, it has not been able to extract the corresponding correspondence for these submissions. As a result, the necessary disclosures related to the variance between the quarterly returns/ statements submitted and the books of the accounts could not be provided.

(iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Therefore, the provisions of clause 3(iii) of the Order are not applicable to the Company.



(iv) The Company has no transaction with respect to loan, investment, guarantee and security covered under section 185 and 186 of the Companies Act, 2013 during the year. Therefore, the provisions of clause 3(iv) of the Order are not applicable to the Company.

(v) The Company has not accepted any deposit or amount during the year which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products to which the said rules are applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.

(vii) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax. Duty of customs, Duty of excise, Value Added tax, cess and other statutory dues, to extent applicable with the appropriate authorities. There were no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable

b. According to the information and explanation given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) on account of any dispute except the followings:

Name of Statue	Nature of disputed dues	Amount (Rs. In lakhs)	Period to which it relates	Forum where dispute is pending
Punjab Value Added Tax, 2005	Penalty	11.67	2014-15	Panchkula High Court

(viii) According to the information and explanation 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. The Company has not defaulted in repayment of loans or is the payment of interest thereon during the year.

b. According to information and explanations given to us and on the basis of our audit procedures we report that the Company has not been declared willful defaulter by any bank or financial institution or Government of any Government authority.

c. Based on the books of account examined by us, term loans were applied for the purpose for which the loans were obtained during the year.

d. According to information and explanations given to us, and overall examination of financial



statements of the Company, we report that no funds raised on short term basis during the year have been utilized for long term purpose by the Company.

e. The Company has no subsidiaries, joint ventures or associate. Therefore, the provisions of clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable to the Company.

(x) a. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of clause 3(x)(a) of the Order are not applicable to the Company.

b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, the provisions of clause 3(x)(b) of the Order are not applicable to the Company.

(xi) a. Based upon the audit procedures performed and considering the principles of materiality outlined in Standards on Auditing, for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year nor have been informed of any such case by the management during the course of audit.

b. According to the information and explanation given to us, no report under subsection (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.

c. According to the information and explanation given to us, no whistle-blower complaints received by the Company during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) According to the information and explanation given to us and based on our examination of records of the Company, transactions with the related parties are in the compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) a. According to information and explanation given to us, the Company has an internal audit system. However, in our opinion, same need to strengthened further in commensurate with the size and nature of its business.

b. We have considered internal audit reports of the Company issued till date for the period under audit.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013. Therefore, the provisions of clause 30(xv) of the Order are not applicable to the Company.



(xvi) a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.

b. In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.

c. In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company.

d. According to the representations given to us, there is no CIC as part of the Group. Therefore, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 due.

(xx) a. In the financial years 2021–22 and 2022–23, a provision for Corporate Social Responsibility (CSR) amounting to ₹0.97 lakh and ₹6.89 lakh respectively was inadvertently created, despite the company incurring losses in both years and thus not being liable to make such provisions under the applicable CSR regulations.

During the current financial year, a total amount of ₹7.86 lakh has been reversed and rectified in the books of accounts to correct the earlier error. This adjustment ensures compliance with CSR requirements as per the Companies Act, 2013.

b. The Company has set up state of art Research & Development centre with the Registered Office Premises but in a separate building/unit at Village: Bhondsi, Tehsil: Sohna, District : Gurgaon, Haryana for development of new Product/processes, improvement in existing product process for cost reduction & to develop new APIs.

The said Facility is duly recognised & approved by Department of Scientific and Industrial Research (DSIR) vide Registration No. TU/IV-RD/4410/2018 dated 22/01/2019.

The Company has maintained separate accounts for its R&D Facility and proper record have been maintained as per the Income Tax Rules & as prescribed by DSIR in this regard.

Revenue expenditure on Research and Development is charged as expenses under the head “Research and Development” in the year in which it is incurred. Capital expenditure incurred on equipment and facilities that are acquired for research and development activities is capitalized and depreciated according to the policy followed by the Company. Earlier the same was not capitalized earlier in previous



**Neeraj Arora & Associates**

Chartered Accountants

quarters but now in compliances with Ind AS 38 “Intangible Assets” we have capitalized the revenue expenditures made by the company.

**For Neeraj Arora & Associates  
Chartered Accountants**

(Firm’s Registration No. : 021309)

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Signature

(Neeraj Arora)

(Partner)

(Membership No. 510750)

Place of Signature: Gurgaon

Date: 26.05.2025

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