



SWAL CORPORATION LIMITED

**ANNUAL ACCOUNTS FOR THE
YEAR ENDED 31-03-2024**

BSR & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway
Goregaon (East), Mumbai – 400 063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Independent Auditor's Report

To the Members of Swal Corporation Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Swal Corporation Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 March 2024, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's reports thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding



BSR & Co., (a partnership firm with Registration No. BA61223) converted into BSR & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Swal Corporation Limited

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

The Board of Directors is 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Independent Auditor's Report (Continued)

Swal Corporation Limited

safeguards.

Report on Other Legal and Regulatory Requirements

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

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 paragraph 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 statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 06 May 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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 143(3) and paragraph 2B(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".

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, 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 as at 31 March 2024 on its financial position in its financial statements - Refer Note 33 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 were no amounts which were 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 7 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding



Independent Auditor's Report (Continued)

Swal Corporation Limited

Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software: (i) the feature of recording audit trail (edit log) facility was not enabled at application layer of the accounting software for maintaining the books of account for certain fields/tables level relating to general ledger; (ii) the feature of recording audit trail (edit log) facility was not enabled at the database layer of the accounting software for maintaining the books of account to log any direct data changes. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the accounting software, we did not come across any instance of audit trail feature being tampered with.

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

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Jayesh Thakkar

Partner

Place: Mumbai

Date: 27 May 2024

Membership No.: 113959

ICAI UDIN:24113959BKGPPR5529

Annexure A to the Independent Auditor's Report on the Financial Statements of Swal Corporation Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(i) (a) The inventory has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

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



Annexure A to the Independent Auditor's Report on the Financial Statements of Swal Corporation Limited for the year ended 31 March 2024 (Continued)

Particulars	Loans (Amount in Lakhs)
Aggregate amount during the year	
Subsidiaries*	11,270
Others*	Nil
Balance outstanding as at balance sheet date	
Subsidiaries*	11,270
Others*	Nil

*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. The loan of INR 27,065 lakhs to Nurture Agtech Private Limited, where there is no stipulation of schedule of repayment of principal and payment of interest and accordingly we are unable to comment on the regularity of repayment of principal and payment of interest. As informed to us, the company has not demanded any repayment of loan. Interest accrued on loan is not due as at year end. Further the company has not given any advance in the nature of loan to any other party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

	Related Parties (Rs. In lakhs)
Aggregate of loans/advances in nature of loan	
- Repayable on demand (A)	27,065
Agreement does not specify any terms or	



Annexure A to the Independent Auditor's Report on the Financial Statements of Swal Corporation Limited for the year ended 31 March 2024 (Continued)

	Related Parties (Rs. In lakhs)
period of Repayment (B)	Nil
Total (A+B)	27 065
Percentage of loans/advances in nature of loan to the total loans	100%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of professional tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act	Income Tax Demands	6.09	AY 2020-21	CIT(A)	
Goods and	Goods and	81.9	AY 2018-19	Tribunal/Goo	



Annexure A to the Independent Auditor's Report on the Financial Statements of Swal Corporation Limited for the year ended 31 March 2024 (Continued)

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Service Tax Act	Service Tax demand			ds and Service Tax Commissioner	
Goods and Service Tax Act	Goods and Service Tax demand	142.14	AY 2018-19	Tribunal/Goods and Service Tax Commissioner	
Goods and Service Tax Act	Goods and Service Tax demand	25.84	AY 2018-19	Tribunal/Goods and Service Tax Commissioner	
Goods and Service Tax Act	Goods and Service Tax demand	22.51	AY 2018-19	Tribunal/Goods and Service Tax Commissioner	
Goods and Service Tax Act	Goods and Service Tax demand	22.85	AY 2018-19	Tribunal/Goods and Service Tax Commissioner	
Goods and Service Tax Act	Goods and Service Tax demand	9.35	AY 2018-19	Tribunal/Goods and Service Tax Commissioner	
Goods and Service Tax Act	Goods and Service Tax demand	26.63	AY 2018-19	Tribunal/Goods and Service Tax Commissioner	
Goods and Service Tax Act	Goods and Service Tax demand	512.07	AY 2018-19	Tribunal/Goods and Service Tax Commissioner	



According to the information and explanations given to us and on the basis of our examination

Annexure A to the Independent Auditor's Report on the Financial Statements of Swal Corporation Limited for the year ended 31 March 2024 (Continued)

of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any private placement of shares or fully or partly convertible debentures during the year. In our opinion, in respect of preferential allotment of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

- (b) We have considered the internal audit reports of the Company issued till date for the period



Annexure A to the Independent Auditor's Report on the Financial Statements of Swal Corporation Limited for the year ended 31 March 2024 (Continued)

under audit.

- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvi) The Company has incurred cash losses of Rs 3,910 lakhs in the current financial year; however, no cash loss was incurred in the previous year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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 fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Jayesh Thakkar

Partner

Place: Mumbai

Membership No.: 113959

Date: 27 May 2024

ICAI UDIN:24113959BKGPPR5529

Annexure B to the Independent Auditor's Report on the financial statements of Swal Corporation Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Swal Corporation Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



Annexure B to the Independent Auditor's Report on the financial statements of Swal Corporation Limited for the year ended 31 March 2024 (Continued)

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Jayesh Thakkar

Partner

Place: Mumbai

Date: 27 May 2024

Membership No.: 113959

ICAI UDIN:24113959BKGPPR5529

SWAL CORPORATION LIMITED
Balance Sheet as at 31 March 2024

	Notes	As at 31 March 2024 INR Lacs	As at 31 March 2023 INR Lacs
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	3,572	3,552
Capital Work In Progress	3	-	167
Other Intangible Assets	4	165	162
Intangible Assets under Development	4	146	190
Right of Use Assets	5	2,381	1,562
Financial assets			
(i) Investments	6	2	2
(ii) Loans	7	-	-
(iii) Other Financial Assets	8	272	205
Income Tax Assets (Net)	9	1,181	-
Deferred Tax Assets (Net)	9	3,528	2,236
Other non-current assets	10	319	319
Total Non-Current Assets		11,566	8,395
Current Assets			
Inventories	11	31,671	31,576
Financial Assets			
(i) Trade receivables	12	43,143	89,783
(ii) Cash and cash equivalents	13	5,695	5,007
(iii) Bank balance other than (ii) above	14	51	51
(iv) Loans	7	27,182	15,814
(v) Other Financial Assets	8	3,897	2,174
Other Current Assets	10	8,289	859
Total Current Assets		1,19,928	1,45,264
Total Assets		1,31,494	1,53,659
Equity and liabilities			
Equity Share capital	15	100	100
Other equity	16	153	3,970
		253	4,070
Non-Current Liabilities:			
Financial liabilities			
Lease Liability	5	1,932	1,216
Provisions	17	72	324
Total Non-Current Liabilities		2,004	1,540
Current Liabilities:			
Financial liabilities			
(i) Borrowings	18	52,200	45,000
(ii) Trade payables	19		
- Outstanding dues of micro and small enterprises		59	0
- Outstanding dues of other than micro and small enterprises		68,195	91,847
(iii) Lease Liability	5	610	565
(iv) Other Financial Liabilities	20	4,620	3,571
Income Tax Liabilities (Net)	9	-	2,881
Other Current Liabilities	21	3,469	4,184
Provisions	17	84	1
Total Current Liabilities		1,29,237	1,48,049
Total Equity and Liabilities		1,31,494	1,53,659

Summary of significant accounting policies 2.1
The accompanying notes form an integral part of the financial statements 3 to 45

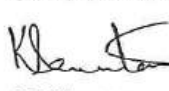
As per our report of even date attached
For BSR & Co. LLP
Chartered Accountants
Firm registration number: 101248W/ W-100022



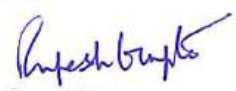
Jayesh T Thakkar
Partner
Membership no.: 113959

Place : Mumbai
Date : 27 May 2024

For and on behalf of the Board of Directors of
SWAL Corporation Limited
CIN No:- U24110MH1979PLC136661


K.R. Srivastava
Managing Director
DIN-00810303

Place : Mumbai
Date : 27 May 2024


Rupesh Gupta
Director
DIN-09750511

Place : Mumbai
Date : 07 May 2024



SWAL CORPORATION LIMITED
Statement of Profit and Loss for the year ended 31 March 2024

Particulars	Notes	Year Ended	
		31 March 2024	31 March 2023
		INR Laes	INR Laes
Income			
Revenue from operations	22	71,066	1,24,743
Other income	23	3,589	14,037
Total Income		74,655	1,38,780
Expenses			
Purchases of stock-in-trade		58,867	92,486
Changes in inventories of traded goods	24	(66)	(3,802)
Employee benefits expense	25	2,904	4,317
Finance cost	26	4,749	2,690
Depreciation and amortization expenses	27	875	735
Other expenses	28	12,434	17,386
Total Expenses		79,763	1,13,812
(Loss)/ Profit before tax		(5,108)	24,968
Tax expenses:			
Current tax	9	-	4,603
Deferred tax		(1,292)	(941)
Income Tax for prior period		-	38
(Loss)/ Profit for the year after tax		(3,816)	21,268
Other Comprehensive Income	29		
(i) Items that will not be reclassified to profit or loss		(1)	(57)
(ii) Deferred tax relating to items that will not be reclassified to profit or loss		0	15
Total Comprehensive Income for the year		(3,817)	21,225
Earnings per equity share (In INR)	30		
Basic & Diluted		(382)	2,127

Summary of significant accounting policies
The accompanying notes form an integral part of the financial statements

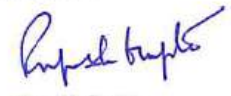
2.1
3 to 45

As per our report of even date attached
For BSR & Co. LLP
Chartered Accountants
Firm registration number: 101248W/ W-100022


Jayesh T Thakkar
Partner
Membership no.: 113959

Place : Mumbai
Date : 27 May 2024

For and on behalf of the Board of Directors of
SWAL Corporation Limited
CIN No:- U24110MH1979PLC136661


K.R. Srivastava
Managing Director
DIN-00810303
Rupesh Gupta
Director
DIN-09750511

Place : Mumbai
Date : 07 May 2024
Place : Mumbai
Date : 07 May 2024



SWAL CORPORATION LIMITED
Cash flow statement for the year ended 31 March 2024

Particulars	Year Ended	
	31 March 2024	31 March 2023
	INR Lacs	INR Lacs
Cash flow from operating activities		
(Loss)/Profit before tax from operations	(5,108)	24,968
Depreciation and amortization expense	875	735
Profit From Limited Liability Partnership	-	(196)
(Reversal) of provision / provision for doubtful debts & advances	-	3,144
Profit on sale of investments	-	(362)
Excess provisions written back	(82)	(102)
Dividend from subsidiary (Refer note 32)	-	(9,967)
Finance charges	4,749	2,690
Interest Income	(3,428)	(3,512)
Unrealised exchange difference (net)	(11)	-
Operating (loss)/ profit before working capital changes	(2,994)	17,398
Movements in working capital :		
(Decrease)/ Increase in trade payables	(23,525)	13,366
(Decrease)/ Increase in other current/financial liabilities	(530)	1,416
(Decrease) in Provisions	(170)	(49)
Decrease / (increase) in trade receivables	46,640	(35,346)
(Increase)/ Decrease in inventories	(95)	(3,810)
(Increase)/ Decrease in Other Current/Non Current Assets	(7,430)	851
(Increase) in other financial assets	(67)	(19)
Cash generated from /(used in) operations	11,829	(6,193)
Income tax paid	(4,062)	(769)
Net cash flow generated from/ (used in) operating activities (A)	7,767	(6,962)
Cash flows from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(225)	(312)
Purchase of other intangible assets including intangible assets under development	(2)	(4)
Sale of Investment	-	5,310
Loans granted / repaid (Net)	(98)	(7,164)
Loans given to fellow subsidiary	(11,270)	-
Dividend from subsidiary (Refer note 32)	-	9,967
Interest income	1,705	1,570
Net cash flow (used in)/generated from investing activities (B)	(9,890)	9,367
Cash flows from financing activities		
Borrowing taken/(repaid) (Net)	8,600	32,400
Borrowings from holding and ultimate holding company	(12,400)	-
Repayments of borrowings to holding and ultimate holding company	11,000	-
Dividend paid	-	(32,495)
Payment of principal portion of lease liabilities	(726)	(651)
Finance charges	(3,663)	(2,080)
Net cash flow generated from/ (used in) financing activities (C)	2,811	(2,826)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	688	(421)
Cash and cash equivalents at the beginning of the year	5,058	5,479
Cash and cash equivalents at the end of the year	5,746	5,058

Summary of significant accounting policies 2.1
The statement of cashflow has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS 7).

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/ W-100022

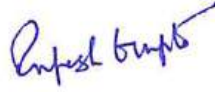

Jayesh T Thakkar
Partner
Membership no.: 113959

Place : Mumbai
Date : 27 May 2024

For and on behalf of the Board of Directors of
SWAL Corporation Limited
CIN No:- U24110MH1979PLC136661


K.R. Srivastava
Managing Director
DIN-00810303

Place : Mumbai
Date : 07 May 2024


Rupesh Gupta
Director
DIN-09750511

Place : Mumbai
Date : 07 May 2024



SWAL CORPORATION LIMITED

Statement of Changes in Equity for the year ended 31 March 2024

A. Equity Share Capital

INR Lacs

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares at the beginning of the year	10,00,007	100	10,00,007	100
Add:-Shares issued during the year	-	-	-	-
Equity shares at the end of the year	10,00,007	100	10,00,007	100

B. Other Equity

INR Lacs

Particulars	Reserves & surplus			Total Equity
	Capital redemption reserve	General reserve	Retained earnings	
As at 1 April 2023	702	564	2,704	3,970
Profit for the year	-	-	(3,816)	(3,816)
Re-measurement of the net defined liability/asset, net of tax effect (OCI)	-	-	(1)	(1)
As at 31 March 2024	702	564	(1,113)	153

INR Lacs

Particulars	Reserves & surplus			Total Equity
	Capital redemption reserve	General reserve	Retained earnings	
As at 1 April 2022	702	564	13,889	15,155
Profit for the year	-	-	21,268	21,268
Re-measurement of the net defined liability/asset, net of tax effect (OCI)	-	-	42	42
Dividends paid during the year	-	-	(32,495)	(32,495)
As at 31 March 2023	702	564	2,704	3,970

Summary of significant accounting policies

2.1

The accompanying notes form an integral part of the financial statements

3 to 45

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/ W-100022



Jayesh T Thakkar

Partner

Membership no.: 113959

Place : Mumbai

Date : 27 May 2024

For and on behalf of the Board of Directors of

SWAL Corporation Limited

CIN No:- U24110MH1979PLC136661



K.R. Srivastava

Managing Director

DIN-00810303

Place : Mumbai

Date : 07 May 2024



Rupesh Gupta

Director

DIN-09750511

Place : Mumbai

Date : 07 May 2024



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

1 Corporate Information

The Company was incorporated on 12th October, 1979. The registered office of the company is 167, Dr. A. B. Road, Worli, Mumbai - 400018. The company is engaged in distribution and marketing of agro chemical formulations and organic fertilisers mainly in India.

The Company is principally engaged in the agro business of production and sale of agrochemicals, field crops, vegetable seeds and non agro business of production and sale of industrial chemicals, chemical intermediates, speciality chemicals.

The financial statements were authorised for issue in accordance with the resolution of the directors on 7th May 2024.

2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act 2013 ("the Act") as amended thereafter and other relevant provision of the Act.

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

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

The Company has consistently applied the accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

The financial statements are presented in Indian Rupees ('INR') which is also the Company's functional currency and all values are rounded to the nearest lacs, except when otherwise stated. Wherever an amount is represented as INR 0 (zero), it construes a value less than Rupees fifty thousand.

2.1 Summary of significant accounting policies

a. Current versus non-current classification

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

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

b. Revenue recognition

The Company derives revenue primarily from sale of agro-chemical and other products.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue excludes amounts collected on behalf of government authorities such as goods and service Tax (GST).

To recognize revenues, the Company applies the following five step approach:

- identify the contract with a customer,
- identify the performance obligations in the contract,
- determine the transaction price,
- allocate the transaction price to the performance obligations in the contract, and
- recognize revenues when a performance obligation is satisfied.

Sale of Goods

The Company recognizes revenue from sale of goods measured upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. As per the terms of the contract, consideration that is variable, according to Ind AS 115, is estimated at contract inception and updated thereafter at each reporting date or until crystallisation of the amount.

Rights of return

For contracts permitting the customer to return an item, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Thus, the amount of revenue recognized is adjusted for expected returns, which are estimated based on the previous history of sales return. In these circumstances, a refund liability and a right to receive returned goods (and corresponding adjustment to cost of sales) are recognized. The entity measures right to receive returned goods at the carrying amount of the inventory sold less any expected costs to recover goods.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method based on accumulated experience and underlying schemes and agreements with customers). Due to the short nature of credit period given to customers, there is no financing component in the contract.

Rendering of services

Income from services are recognized as and when performance obligation is met.

Interest income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income (OCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Export Incentives

Duty free imports of raw materials under Advance License for Imports as per the Export and Import Policy are matched with the exports made against the said licenses and the benefit / obligation is accounted by making suitable adjustments in raw material consumption.

The benefit accrued under the Duty Drawback scheme and other schemes as per the Export and Import Policy in respect of exports made under the said Schemes is included under the head "Revenue from Operations" as 'Export Incentive' under the head 'Other Operative Revenue'.

Dividends and Royalties

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend. Royalty income is recognized on an accrual basis in accordance with the substance of the relevant agreement.



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

c. Property, Plant and Equipment

Items of Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost, is not depreciated and is assessed for impairment. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. In respect of additions to /deletions from the property, plant and equipment, depreciation is provided on pro-rata basis with reference to the month of addition/deletion of the Assets.

Depreciation**- Other Assets:**

Depreciation is provided on straight line basis over the estimated useful life of the fixed asset as assessed by the management or as per schedule II to the Companies Act, 2013, whichever is lower. The same are as under:

Nature of tangible Assets	Useful Life (years)
Building	60 years
Plant and Equipment	15 years
Furniture, Fixtures and Equipment's	10 Years
Office Equipment's	5 Years
Computers	3 Years
Vehicles	8 Years

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

d. Intangible assets**Other intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets with finite life are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in statement of profit or loss in the period in which the expenditure is incurred.

The residual value, the amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit or loss unless such expenditure forms part of carrying value of another

A summary of the policies applied to the Company's intangible assets is as follows

Intangible Assets	Useful Life (years)	Amortisation method used
Product Registration	Fifteen years	Amortised on straight-line basis from the month of additions to match their future economic benefits
Other Intangible assets	Five years	Amortised on straight-line basis

f. Foreign Currency**Transactions and balances**

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency remaining unsettled at the end of the year, are translated at the closing rates prevailing on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising as a result of the above are recognized as income or expenses in the statement of profit and loss. Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

Foreign exchange difference on foreign currency borrowings, loans given, settlement gain/loss and fair value gain/loss on derivative contract relating to borrowings are accounted and disclosed under finance cost. Such exchange difference does not include foreign exchange difference regarded as an adjustment to the borrowings cost and capitalised with cost of assets.

g. Fair value measurement

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

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

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

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

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

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

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



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

h. Leases**i. As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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 that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

i. Inventories

Packing materials and raw materials are valued at lower of cost or net realisable value. Cost is determined on moving weighted average basis. The aforesaid items are valued below cost if the finished products in which they are to be incorporated are expected to be sold at a loss.

Work-in-progress, finished products and by-products are valued at lower of cost or net realisable value. Cost is determined on standard cost basis which approximates the actual cost. Variances, exclusive of abnormally low volume and operating performance, are adjusted to inventory.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

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

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Obsolete and slow-moving items are valued at cost or estimated net realisable value, whichever is lower.

Any write-down of inventories is recognised as an expense during the year.



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

j. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. 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 Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or 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 and amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

k. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

l. Retirement and other employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is 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

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Provident Fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the statement of profit and loss in the year when employee rendered related services.

Superannuation Fund is a defined contribution scheme and contributions to the scheme are charged to the statement of profit or loss in the year when the contributions are due. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

m. Financial instruments

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

Financial assets**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both its 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. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

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

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

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



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 116
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 (referred to as contractual revenue receivables in these standalone financial statements)

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

- Trade receivables or contract revenue receivables, and
- All lease receivables resulting from transactions within the scope of Ind AS 116

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- cash flows from the sale of collateral held or Other credit enhancements that are integral to the contractual terms
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

n. Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate.

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

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

Financial liability at amortised cost

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

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

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

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



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

p. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q. Cash dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

r. Taxes**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside 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.

Deferred tax

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

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

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

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

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 reasonably certain that future taxable profits will allow the deferred tax asset to be recovered.

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

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

Uncertain tax positions

Determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

s. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related assets.

t. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

u. Segment Reporting:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

v. Contingent Liability and Contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non—occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent asset are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

z. Recent Indian Accounting Standards (Ind AS)

The accounting policies applied in these standalone financial statements are the same as those applied in the last audited standalone financial statements except for standards applied during the period as mentioned below. These new standards are effective from 1 April 2023, but they do not have a material effect on the Company's financial statements.

Ind AS 1 - Presentation of Financial Statements

Ind as 1 - The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

Ind 8 - The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

Ind AS 12 - Income Taxes

Ind 12 The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable

2.2 Significant accounting estimates, assumptions and judgements

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods.

Estimates and assumptions

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

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

Fair value measurement of financial instruments

When the fair values 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 the Discounted cash flow (DCF) 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 values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provision against obsolete and slow-moving inventories

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

Impairment of financial assets

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



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. Where the carrying amount of an asset 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 assessment of the time value of money and the risk specific to the asset. In determining fair value less cost 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 price for publicly traded subsidiaries or other available fair value indicators.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

Discount/incentives and sales return

The Company recognises the accruals for discount/incentives and returns based on accumulated experience and underlying schemes and agreements with customers.

Leases

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

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

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

Determining the fair value less costs to sell of the held for sale assets based on significant observable inputs

The fair value of assets held for sale are recognised at fair value less cost of disposal. These assets are planned to be disposed of to settle customers recoverable amount.



3 PROPERTY, PLANT AND EQUIPMENT

Particular	PROPERTY, PLANT AND EQUIPMENT							INR Lacs
	Building	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total	Capital Work in Progress
GROSS BLOCK								
As at 01 April 2022	-	20	12	4	10	333	379	3,376
Addition	3,398	-	4	22	-	97	3,521	-
Deletion/Capitalisation	-	-	-	-	-	-	-	(3,209)
As at 31 March 2023	3,398	20	16	26	10	430	3,900	167
Addition	0	0	0	10	0	206	217	-
Deletion/Capitalisation	-	-	-	-	-	-	-	(167)
As at 31 March 2024	3,398	20	16	36	10	636	4,117	-
ACCUMULATED DEPRECIATION								
As at 01 April 2022	-	7	5	3	8	225	248	-
Addition	4	2	2	9	1	82	100	-
Deletion	-	-	-	-	-	-	-	-
As at 31 March 2023	4	9	7	12	9	307	348	-
Addition	57	1	4	13	1	120	197	-
Deletion	-	-	-	-	-	-	-	-
As at 31 March 2024	61	10	11	25	10	427	545	-
NET BLOCK								
As at 31 March 2024	3,337	10	5	11	0	208	3,572	-
As at 31 March 2023	3,394	11	9	14	1	123	3,552	167

Capital work in progress ageing schedule

Particular	INR Lacs			
	As at 31 March 2024		As at 31 March 2023	
	Projects in progress	Projects temporarily	Projects in progress	Projects temporarily
Less than 1 year	-	-	-	-
1-2 years	-	-	42	-
2-3 years	-	-	105	-
More than 3 years	-	-	19	-
Total	-	-	167	-



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

4 INTANGIBLE ASSETS

Particulars	INR Lacs	
	Other Intangible Asset-Product Registration	Intangible Asset under Development
GROSS BLOCK		
As at 01 April 2022	61	311
Addition	125	4
Deletion/Capitalisation	-	(125)
As at 31 March 2023	186	190
Addition	49	-
Deletion/Capitalisation	(3)	(44)
As at 31 March 2024	232	146
ACCUMULATED DEPRECIATION		
As at 01 April 2022	10	-
Addition	14	-
Deletion	-	-
As at 31 March 2023	24	-
Addition	43	-
Deletion	-	-
As at 31 March 2024	67	-
NET BLOCK		
As at 31 March 2024	165	146
As at 31 March 2023	162	190

Intangible assets under development ageing schedule

Particulars	As at 31 March 2024		As at 31 March 2023	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 year	-	-	4	-
1-2 years	146	-	8	-
2-3 years	-	-	26	-
More than 3 years	-	-	152	-
Total	146	-	190	-

Intangible assets under development consist of expenditure related to product development and registration, which have a finite life and the same are carried at cost.

Intangibles under development represents studies related to product registrations which are still under progress. These studies are for those products where feasibility has been established. Once development has been completed, these are transferred to intangible assets and amortisation are carried accordingly.

There are no intangible asset under development whose completion is overdue or has exceeded its cost as compared to its original plan.



SWAL CORPORATION LIMITED
Notes to the financial statements for the year ended 31 March 2024
5 Leases under Ind AS 116

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense.

Company as a lessee
i. Right-of-use assets
INR Lacs

Particulars	31-Mar-24	31-Mar-23
Balances as at the beginning of the year	1,562	1,354
Additions during the year	2,043	829
Less: Deletions during the year	(589)	-
Less: Depreciation for the year charged to Profit and Loss	(635)	(621)
Balance as at the end of the year	2,381	1,562

ii. Lease liability
INR Lacs

Particulars	31-Mar-24	31-Mar-23
Balances as at the beginning of the year	1,781	1,474
Additions during the year	2,043	829
Interest cost accrued for the year	208	129
Lease terminated during the year	(764)	-
Payments of lease liabilities	(726)	(651)
Balance as at the end of the year	2,542	1,781

Maturity analysis of lease liability - undiscounted contractual cash flows
INR Lacs

Particulars	31-Mar-24	31-Mar-23
Less than one year	695	691
One to Three Years	1,534	158
More than three year	1,497	1,108
Total undiscounted cash flows	3,726	1,957
Discounted lease liabilities		
Current Lease Liabilities	610	565
Non Current lease liabilities	1,932	1,216

iii. Amounts recognized in profit or loss
INR Lacs

Particulars	31-Mar-24	31-Mar-23
Depreciation on Right-of-use Assets	635	621
Interest Expenses on Lease Liability	208	129
Short-term lease rent expense	56	19
Total amount recognized in profit or loss	899	769

iv. Company as a Lessor

There are no such arrangements during the year.



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

6 Investments

Particulars	INR Lacs	
	31-Mar-24	31-Mar-23
Non-Current Investments		
Investments in Equity Instruments		
a. Investments in Others (Fair value through Profit and Loss)		
Federation of Agri-Value Chain, Manufacturers and Exporters 16,668 (Previous year -16,668) Equity shares of Rs. 10 each, fully paid	2	2
UPL Care Foundation (Fair value through OCI) 1,000 (Previous Year Nil) Equity Shares of Rs 10 each, fully paid	0	0
Associate Company (Stated at cost)		
Universal Pestochem (Industries) Pvt. Ltd. 18,130 (Previous year 18,130) Equity shares of Rs. 100 each, fully paid	18	18
Less: Provision for diminution in value of Investments	(18)	(18)
Investments in Government or trust securities (Stated at cost)		
National Savings Certificates	0	0
Total Non-current Investment	2	2

- (i) Aggregate amount of unquoted investments
(ii) Aggregate amount of quoted investments
(iii) Aggregate provision for diminution in value of investments

20	20
-	-
(18)	(18)

7 Loans

Particulars	INR Lacs			
	Long Term		Short Term	
	As at		As at	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Unsecured, considered good				
Loans and advances to related parties (refer note 32)				
Nurture Agtech Limited *	-	-	27,065	15,795
Loans to employees	-	-	117	19
Loans and advances to other parties				
Unsecured, considered doubtful				
Premier Limited **	-	-	500	500
Less:-Provision for doubtful loans and advances	-	-	(500)	(500)
Other Loans and Advances	-	42	-	-
Provision for doubtful loans and advances	-	(42)	-	-
Total	-	-	27,182	15,814

* (The short term loan is payable on demand and rate of interest charged on loans given is 11% to 8.5% p.a.)

** (The short term loan was repayable on 01 July 2019, at the rate of interest of 15% p.a.)

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company.

The company has not entered with any Scheme(s) of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

Details of Loans given to other Body Corporates u/s 186 of the Companies' Act 2013

Name of the Company	INR Lacs	
	31-Mar-24	31-Mar-23
Loan given to fellow subsidiaries for working capital / business operations:		
Nurture Agtech Limited (repayable on demand) (refer note 32) :		
Opening balance	15,795	15,795
Loans given during the year	11,270	-
Loans repayments during the year	-	-
Closing balance	27,065	15,795
Maximum amount of loan outstanding during the year	27,065	15,795
Loan given to other for business operations:		
Premier Limited (was repayable on 01 July 2019):		
Opening balance	500	500
Loans given during the year	-	-
Loans repayments during the year	-	-
Closing balance	500	500
Maximum amount of loan outstanding during the year	500	500

8 Other Financial Assets

Particulars	Long Term		Short Term	
	As at		As at	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Unsecured, considered good				
Security deposits	270	205	-	-
Export benefits receivable	2	-	-	-
Interest receivable	-	-	3,897	2,174
A	272	205	3,897	2,174
Unsecured, considered doubtful				
Security deposits	-	-	4	4
Interest receivable	-	-	75	75
Less: Provision for doubtful recovery	-	-	(79)	(79)
B	-	-	-	-
Total A+B	272	205	3,897	2,174

9 Income taxes

a) The major components of income tax expense for the year are as under:

i) Income tax expenses recognised in the statement of profit and loss:

Particulars	INR Lacs	
	Year ended	
	31-Mar-24	31-Mar-23
Current tax:		
In respect of current year	-	4,603
Adjustments of tax relating to earlier years	-	38
Deferred tax:		
In respect of current year	(1,292)	(941)
	(1,292)	3,700

ii) Income tax expenses recognised in OCI:

	INR Lacs	
	Year ended	
	31-Mar-24	31-Mar-23
Deferred tax:		
In respect of current year	0	15
	0	15



SWAL CORPORATION LIMITED
Notes to the financial statements for the year ended 31 March 2024
b) Reconciliation of tax expense and the accounting profit for the year is as under:

	INR Lacs	
	Year ended	
	31-Mar-24	31-Mar-23
Accounting profit before income tax	(5,108)	24,968
Statutory income tax rate of 25.168% (March 31, 2023: 25.168%)	(1,286)	6,284
Dividend Income from Subsidiary	-	(2,508)
Charity and Donations	54	31
Profit on sale of investment (net of tax)	-	(230)
Others	(60)	85
	(1,292)	3,662
Adjustments of tax relating to earlier years	-	38
Income tax expense reported in the statement of profit and loss	(1,292)	3,700

Net Income Tax assets / (liabilities)

Particulars	INR Lacs	
	As at	
	31-Mar-24	31-Mar-23
Income tax liabilities (Net)	-	2,881
Income tax assets (Net)	1,181	-
Total	1,181	2,881

Net deferred tax assets / (liabilities)

	INR Lacs			
	Balance Sheet		Statement of profit and loss	
	As at		Year ended	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Differences in carrying values of PPE	(28)	(14)	14	36
Provision for diminution of value of shares	5	5	-	(0)
Provision for doubtful debts and advances	1,931	2,105	174	(946)
Gratuity	-	0	-	9
Compensated absences	39	82	43	18
Transition impact of Ind AS 116	102	74	(28)	(57)
Unabsorbed Business Loss carried forward	1,449	-	(1,449)	-
Others	46	-	(46)	-
Others -OCI Component	(16)	(16)	0	15
Net deferred tax assets/(liabilities)	3,528	2,236		
Deferred tax expense/(income) including tax on OCI			(1,292)	(926)

Reconciliation of deferred tax assets (Net):

	INR Lacs	
	Year ended	
	31-Mar-24	31-Mar-23
Opening balance	2,236	1,310
Tax income/(expense) during the year recognised in profit or loss	1,292	941
Tax income/(expense) during the year recognised in OCI	(0)	(15)
Closing balance	3,528	2,236

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Given that the Company does not have any intention to dispose investments in associates in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised. Similarly, the Company does not have any intention to dispose of its free hold and lease hold land in the foreseeable future, therefore, deferred tax asset on indexation benefit in relation to these assets has not been recognised.



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

10 Other Assets

Particulars	INR Lacs			
	Long Term		Short Term	
	As at		As at	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Capital advances	319	319	-	-
GST credit receivables	-	-	6,810	-
Other Loans and Advances				
Advance to Suppliers	-	-	1,439	682
Prepaid expenses	-	-	6	177
Balance in gratuity fFund (Refer note 31)	-	-	34	-
Unsecured, considered doubtful				
Advance to Suppliers	-	-	60	60
VAT Receivable	176	176		
Provision for Doubtful Advances and VAT Receivable	(176)	(176)	(60)	(60)
Total	319	319	8,289	859

11 Inventories

(At cost or net realizable value whichever is lower)

	INR Lacs	
	As at	
	31-Mar-24	31-Mar-23
Traded goods	31,617	31,551
Packing Material	54	25
Total	31,671	31,576

The write down of inventories to net realisable value and other provisions / losses recognised in the statement of profit and loss as an expense is Rs. 117 lacs (31 March 2023: Rs 183 lacs).

12 Trade Receivables

Particulars	INR Lacs	
	As at	
	31-Mar-24	31-Mar-23
Unsecured, considered good		
-From related parties (refer note 32) :	6,967	3,066
-From others	36,176	86,717
Trade receivables which have significant increase in credit risk		
-From others	6,837	7,455
Trade receivables-credit impaired		
-From others	(6,837)	(7,455)
Total	43,143	89,783



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

Trade receivables ageing schedule outstanding for following periods from due date of payment

As at 31 March 2024	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	INR Lacs
							Total
Undisputed Trade Receivables – considered	24,939	13,615	2,941	2,694	-	-	44,189
Undisputed Trade Receivables – which have	-	-	-	1,627	1,706	2,458	5,791
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	24,939	13,615	2,941	4,321	1,706	2,458	49,980 (6,837) 43,143

As at 31 March 2023	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	INR Lacs
							Total
Undisputed Trade Receivables – considered	65,371	23,469	943	-	-	-	89,783
Undisputed Trade Receivables – which have	-	-	1,627	2,231	1,002	2,595	7,455
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	65,371	23,469	2,570	2,231	1,002	2,595	97,238 (7,455) 89,783

The movement in the allowance for impairment in respect trade receivables are as follows:-

	INR Lacs	
	31-Mar-24	31-Mar-23
Opening balance	7,455	4,311
Provision made/(reversed) during the year	(1,559)	3,144
Write off	941	-
	6,837	7,455

13 Cash and Cash Equivalents

Particulars	INR Lacs	
	As at	
	31-Mar-24	31-Mar-23
Balances with banks		
-Current accounts	5,695	5,007
Cash on hand	0	0
Total	5,695	5,007

14 Other Banks Balances

Particulars	INR Lacs	
	As at	
	31-Mar-24	31-Mar-23
Fixed Deposit with bank as margin money*	51	51
Total	51	51

* Held with bank towards margin money of guarantee



SWAL CORPORATION LIMITED
Notes to the financial statements for the year ended 31 March 2024

15 Share Capital

Particulars	INR Lacs	
	As at	
	31-Mar-24	31-Mar-23
Authorized shares		
3,000,000 (previous year 3,000,000) equity shares of Rs. 10 each	300	300
800,000 (previous year 800,000) - non - cumulative non-convertible preference shares of Rs 100 each	800	800
	1,100	1,100
Issued, subscribed and fully paid-up shares		
1,000,007 (previous year 1,000,007) equity shares of Rs. 10 each	100	100
Total issued, subscribed and fully paid-up share capital	100	100

A. Terms/ rights attached to equity shares:

The company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. During current year the Company has not declared and paid any dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

B. Details of shares held by promoters and details of shareholder holding more than 5% of equity share of the Company:

During the year ended 31 March 2024

Promoters Name	No. of shares at beginning of the year	Changes during the year	No. of shares at end of the year	% of total shares	% change during the year
UPL Sustainable Agri Solutions Limited	10,00,007	0	10,00,007	100.00%	0.00%
Total	10,00,007	-	10,00,007	100.00%	0.00%

During the year ended 31 March 2023

Promoters Name	No. of shares at beginning of the year	Changes during the year	No. of shares at end of the year	% of total shares	% change during the year
UPL Limited	10,00,007	-10,00,007	0	0.00%	-100.00%
UPL Sustainable Agri Solutions Limited		10,00,007	10,00,007	100.00%	100.00%
Total	10,00,007	-	10,00,007	100.00%	-

C. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

There is no increase / decrease in the shares during current and previous year.

D. Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in cash/bonus shares during period of five years immediately preceding the balance sheet date.

There were no issue of shares without payment being received in cash or as bonus shares during last five years preceding the date of balance sheet.

E. Aggregate number of shares bought back during the period of five years immediately preceding the balance sheet date.

There was no buy back of shares during the period of five years immediately preceding the balance sheet date.

F. Calls unpaid /Forfeited shares

There are no calls unpaid and also no forfeited shares as on the balance sheet date.

g. Distribution made and proposed

Particular	INR Lacs	
	As at	
	31-Mar-24	31-Mar-23
Interim dividend declared and paid	-	32,495
Total interim dividend for the period	-	32,495



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

16 Other Equity**Capital redemption reserve**

Particulars	INR Laacs
As at 1 April 2022	702
Increase/Decrease	-
As at 31 March 2023	702
Increase/Decrease	-
As at 31 March 2024	702

General Reserve

Particulars	INR Laacs
As at 1 April 2022	564
Increase/Decrease	-
As at 31 March 2023	564
Increase/Decrease	-
As at 31 March 2024	564

Retained Earning

Particulars	INR Laacs
As at 1 April 2022	13,889
Profit for the year	21,268
Re-measurement of the net defined liability/asset, net of tax effect (OCI)	42
Interim Dividend paid during the year	(32,495)
As at 31 March 2023	2,704
(Loss)/Profit for the year	(3,816)
Re-measurement of the net defined liability/asset, net of tax effect (OCI)	(1)
As at 31 March 2024	(1,113)

Other equity

Particulars	INR Laacs	
	As at	
	31-Mar-24	31-Mar-23
Capital redemption reserve	702	702
General Reserve	564	564
Retained Earning	(1,113)	2,704
Total	153	3,970

Retained earnings - The amounts represent profits that can be distributed by the Company as dividends to its equity shareholders.

General Reserve - General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the statement of profit and loss. The Company can use this reserve for payment of dividend subject to compliance with declaration of dividend out of reserve rules and issue of fully paid-up and not paid-up bonus shares.

Capital redemption reserve- Capital redemption reserve was created for buy-back of shares and can be utilised for issuance of fully paid up bonus shares.



SWAL CORPORATION LIMITED
Notes to the financial statements for the year ended 31 March 2024

17 Provisions

INR Lacs

Particulars	Long Term		Short Term	
	As at		As at	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Net employee defined benefit liabilities				
Gratuity (Refer Note 31)	-	-	-	1
Compensated absence	72	324	84	-
Total	72	324	84	1

18 Borrowings

INR Lacs

Particulars	Short Term	
	As at	
	31-Mar-24	31-Mar-23
Unsecured		
Cash credit and working capital demand loan accounts from banks	8,600	-
From related party (Refer note 32)	43,600	45,000
Total	52,200	45,000

- A. Unsecured loan from banks is repayable on demand and the bank charged interest rate on ranging from 8.10 % to 8.50%.
B. The Short Term Loan from related party carries interest rate of 8.5% and is repayable on demand.
C. Funds raised on short term basis have not been utilised for long term purposes and spent for the purpose it were obtained.

19 Trade Payables

INR Lacs

Particulars	As at	
	31-Mar-24	31-Mar-23
For goods and services:		
- Outstanding due to MSMED	59	0
- Outstanding due to other than MSMED	68,195	91,847
Total	68,254	91,847

Terms and conditions of the above financial liabilities:

- A. Trade payables are non-interest bearing and are normally settled on 90-120 days terms.
B. For payables to related parties (refer note 32)
C. For explanations on the Company's financial risk management processes, (refer note 37) Financial risk management objectives and policies.



SWAL CORPORATION LIMITED
Notes to the financial statements for the year ended 31 March 2024
Trade payables schedule outstanding for following periods from due date of payment

						<i>INR Lacs</i>
As at 31 March 2024	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	59	-	-	-	-	59
Total outstanding dues of creditors other than micro enterprises and small enterprises	21,865	34,058.00	5,688.00	5,384.00	25.00	67,020
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	21,924	34,058	5,688	5,384	25	67,079

						<i>INR Lacs</i>
As at 31 March 2023	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	52,281	31,163	8,153	112	138	91,847
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	52,281	31,163	8,153	112	138	91,847



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

20 Other Financial Liabilities*INR Lacs*

Particulars	As at	
	31-Mar-24	31-Mar-23
Trade Deposits	2,687	2,286
Interest accrued but not due on deposits	-	25
Interest Payable on Borrowing	1,741	877
Employee payables	192	383
Total	4,620	3,571

21 Other Current Liabilities*INR Lacs*

Particulars	As at	
	31-Mar-24	31-Mar-23
Advance from Customers	3,334	2,439
Statutory Dues (VAT & Others)	135	1,745
Total	3,469	4,184



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

22 Revenue from operations

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Sale of products	70,886	1,24,548
	70,886	1,24,548
<u>Other operating revenue</u>		
Export Incentives	2	(1)
Excess provision written back	82	102
Miscellaneous receipts	96	94
Revenue from operations	71,066	1,24,743

1. Disclosure under Ind AS 115 - Revenue from contracts with customers

a. The Company's performance obligation are satisfied upon shipment and payment is generally due by 45 to 270

b. Revenue by geographical market

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
- India	71,066	1,24,375
- Outside India	-	368
Total Revenue from operations	71,066	1,24,743

The Company does not have any customer, with whom revenue from transactions is more than 10% of Company's total revenue.

c. Contract
balances

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Trade receivables	49,980	97,238
Advance from customers	3,334	2,439

d. Reconciliation of revenue from contract with customers with contracted price

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Revenue from contract with customer as per the contract price	1,10,848	1,77,533
<u>Adjustments made to contract price on account of :-</u>		
Discounts / Rebates (refer note below)	(25,983)	(32,877)
Sales returns (refer note below)	(13,979)	(20,109)
Revenue from contract with customer	70,886	1,24,548
Other operating revenue	180	195
Revenue from operations	71,066	1,24,743

Discounts / Rebates / Incentives

The Company issues multiple discount schemes to its customers in order to capture market share. The Company makes accruals for the discount it expects to give to its customers based on the terms of the schemes. Revenue is adjusted for the expected value of discount to be given.

Sales returns

The Company accrues based on the previous history of sales return. Revenue is adjusted for the expected value of return.



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

23 Other Income

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Interest income on:		
-Loan given to group Company (Refer note 32)	1,915	2,113
-Other	1,513	1,399
Profit from LLP	-	196
Exchange Difference	6	-
Gain on closure of lease contract	155	-
Profit on sale of investments	-	362
Dividend from subsidiary (Refer note 32)	-	9,967
Total	3,589	14,037

24 (Increase)/ Decrease In Inventories

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Inventories at the end of the year		
Traded Goods	31,617	31,551
	31,617	31,551
Inventories at the beginning of the year		
Traded Goods	31,551	27,749
	31,551	27,749
(Increase)/ Decrease In Inventory	(66)	(3,802)

25 Employee Benefits Expense

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Salaries, wages and bonus	2,552	3,943
Contribution to provident and other funds (Refer note 31- Retirement benefits)	161	145
Retirement Benefits	19	50
Staff welfare expenses	172	179
Total	2,904	4,317

26 Finance Cost

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Interest expense on financial liabilities measured at amortised cost:		
-Loan taken from holding/group company (Refer note 32)	3,839	2,353
-Interest on ROU liability	208	129
-Working capital demand loan	688	-
-Others	12	205
Other financial charges	2	3
Total	4,749	2,690



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

27 Depreciation and Amortization Expenses
INR Lacs

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Depreciation on Property, Plant and Equipments	197	100
Depreciation on Right of Use Assets	635	621
Amortization of Intangible assets	43	14
Total	875	735

28 Other Expenses
INR Lacs

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Power & Fuel	2	1
Sub-contracting expenses	211	428
Rent	56	19
Rates and taxes	346	8
Insurance	655	706
Repairs and maintenance		
Others	13	5
Exchange Difference	-	67
Royalty Charges	435	1,450
Commission on Sales	260	569
Advertising and Sales Promotion	3,657	4,795
Travelling and conveyance	1,446	1,477
Charity and Donations	7	70
CSR expenses (Refer note 41)	202	65
Legal and professional fees	614	460
Payment to auditor (Refer details below)	50	50
Containers & Packing Materials Consumed	320	425
Transport Charges	2,733	2,650
Provision for doubtful debts and advances	322	3,144
Clearing and Forwarding expense	752	737
Other Expenses	353	260
Total	12,434	17,386

Payment to Auditor
INR Lacs

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Audit Fees	50	50
Reimbursement of expenses	-	-
Total	50	50



SWAL CORPORATION LIMITED
Notes to the financial statements for the year ended 31 March 2024

29 Other Comprehensive Income

Particulars	Year Ended	
	31-Mar-24	31-Mar-23
Remeasurement loss on defined benefit plans	1	57
Other Comprehensive Income- (Gain)/Loss	1	57
Deferred Tax	(0)	(15)
Net Other Comprehensive Income (Gain)/Loss	1	42

30 Earning per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Reference	Year Ended	
		31-Mar-24	31-Mar-23
Basic / Diluted Earning Per Share:			
Profit after taxation as per Statement of Profit and Loss	(A)	(3,816)	21,268
Weighted average number of Equity Shares Outstanding	(B)	10,00,007	10,00,007
Basic/Diluted Earning Per Share (in Rupees)	(A)/(B)	(382)	2,127
Nominal value of equity share (in Rupees)		10	10

31 Retirement Benefits:

(i) Defined Benefits Plans

Disclosure as required by Indian Accounting Standard (IND AS) - 19 "Defined Benefits Plans" prescribed under section 133 of the Act read with Rule 3 of companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016

Particulars	Gratuity	
	31-Mar-24	31-Mar-23
Change in Benefit obligation		
Opening defined benefit obligation	198	224
Interest cost	14	16
Current service cost	38	42
Past service cost	-	-
Benefits paid	(72)	(19)
Liability Transferred In / (Out)	(4)	-
Actuarial (gains)/ losses on change in financial assumptions	2	(7)
Actuarial losses / (gains) arising from experience adjustments	1	(58)
Closing defined benefit obligation-A	177	198
Change in Plan Assets		
Opening fair value of plan assets	197	189
Expected return	13	16
Contributions made by employer during the year	-	-
Benefits paid	-	-
Actuarial Gain/(Loss) on plan assets	1	(8)
Closing fair value of plan assets-B	211	197
Net (Assets) / Liability (A)-(B) (Refer Note 10 and 17)	(34)	1



SWAL CORPORATION LIMITED

Notes to the financial statements for the year ended 31 March 2024

The amounts recognised in the statement of profit and loss are as follows:

Particulars	INR Lacs	
	31-Mar-24	31-Mar-23
Current service cost	38	43
Interest cost on benefit obligation	14	16
Return on plan assets	(13)	(16)
Current service cost	39	43

Particulars	INR Lacs	
	31-Mar-24	31-Mar-23
Net actuarial (gain)/loss recognised during the year	3	(65)
Expected return on plan assets	(1)	8
	2	(57)

Particulars	INR Lacs	
	31-Mar-24	31-Mar-23
Discount Rate	7.10%	7.30%
Annual Increase in salary cost	7.00%	7.00%
Mortality Rate	Indian Assured Live Mortality (2012-14) Ult.	Indian Assured Live Mortality (2012-14) Ult.
Funds Managed by Insurer	100%	100%
Retirement Age	60 Yrs.	60 Yrs.

Sensitivity Analysis of Defined Benefit Obligation with references to Key Assumptions

Particular	INR Lacs	
	31-Mar-24	31-Mar-23
Impact on Defined Benefit Obligation (DBO)		
Discount Rate - 1 percent increase	(165)	(184)
Discount Rate - 1 percent decrease	190	211
Salary Escalation Rate - 1 percent increase	189	211
Salary Escalation Rate - 1 percent decrease	(165)	(184)
Withdrawal Rate - 1 percent increase	(177)	(197)
Withdrawal Rate - 1 percent decrease	177	196

Maturity Profile of defined benefit obligation

Year	INR Lacs	
	31-Mar-24	31-Mar-23
Year 1	46	37
Year 2	23	25
Year 3	10	23
Year 4	12	11
Year 5	14	12
Year 6 to Year 10	25	65

(ii) Defined Contribution Plan

Particulars	INR Lacs	
	31-Mar-24	31-Mar-23
Current service cost		
Provident Fund	112	119
Employees State Insurance Corporation	-	0
Superannuation	18	24
National Pension Scheme (NPS)	5	2
Current service cost	134	145

The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market



SWAL CORPORATION LIMITED
Notes to accounts for the year ended 31 March 2024

32 Related Party disclosure as required by Indian Accounting Standard (IND AS) - 24 "Related Party Disclosures"

(I) Relationship:

(A) Name of the Ultimate Holding company

UPL Limited

(B) Name of the Holding company

UPL Sustainable Agri Solutions Limited. - Wholly owned subsidiary company (from 31-12-2022)

(C) Name of the Subsidiary Companies

UPL Sustainable Agri Solutions Limited. - Wholly owned subsidiary company (upto 31-12-2022)

(D) Name of the Fellow Subsidiary Company

UPL Limited Gibraltar

Arysta Lifescience India Limited

Nurture Agtech Limited

Advanta Enterprises Limited

UPL Global Business Services Limited

United Phosphorus India LLP

UPL Europe Limited

UPL Mauritius Limited

UPL Management DMCC

(E) Enterprises over which Key Management Personnel and their relatives have significant influence having transactions during the year

United Phosphorus (India) LLP

Urbania Realty LLP

Crop Care Federation of India

Ultima Search

Universal Pestochem Industries Limited

Bloom Seal Containers Private Limited

Bloom Packaging Private Limited

BEIL Infrastructure Limited

(F) Key Management Personnel - Directors

Mr. K R Srivastava - Managing Director

Mr. Rajnikant D. Shroff - Director

Ms. Asha Arun Ashar - Director

Mr. Rupesh Gupta - Director



32 Related Party Disclosure as required by Indian Accounting Standard (IND AS) - 24 "Related Party Disclosures" (Continued)

(II) The following transactions were carried out with related parties in the ordinary course of business:

For the year ended 31 March 2024

Sr No.	Name of Related Party	Income		Expenses		Loan Given	Loan Given- Repayments received	Loans taken during	Repayments of loans taken	Interest Income	Contribution paid	Commission Paid	Royalty reimbursed	Management Fee	Reimbursement Received	Reimbursement Made	Assets Purchased	Sale of Investments in bonds	Total
		Sale of Goods	Dividend Received	Purchase of Goods and services	Loyalty Expenses	Interest Expenses													
1	Adventia Enterprise Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	79	129	-	-	37
2	Arvita Lifesciences India Limited	-	-	3,854	-	-	-	-	-	-	-	-	-	-	1	0	-	-	3,855
3	Bloom Packaging Private Limited	-	-	08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	08
4	Bloom Seal Containers Private Limited	-	-	77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77
5	Core Case Federation of India	-	-	-	-	-	-	-	-	-	30	-	-	-	-	-	-	-	30
6	Natural Plant Products Limited	-	-	535	-	-	-	-	-	-	-	-	-	-	-	-	-	-	535
7	Nature's Arkash Limited	-	-	107	-	-	11,379	-	-	1,031	-	307	-	-	8	0.2	1	-	13,670
8	Ultima Search	-	-	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8
9	United Phosphorus (India) LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Universal Petroleum Industries Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	UPL Global Business Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	116	-	-	-	-	116
12	UPL Limited	6,953	-	38,817	-	77	-	11,000	9,000	-	-	-	-	-	1	1,034	-	-	67,880
13	UPL Sustainable Agri Solutions Limited	1,133	-	3,145	-	2,361	-	-	3,491	-	-	-	-	-	103	51	-	-	10,562
14	Ultima Realty LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	UPL Europe Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	UPL Mauritius Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	143	-	143
17	UPL Management DMCC	183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	183
Total		8,769	-	45,992	107	3,539	11,379	11,000	12,490	1,031	30	307	-	116	148	1,032	1	-	1,15,841

For the year ended 31 March 2023

Sr No.	Name of Related Party	Income		Expenses		Loan Given	Loan Given- Repayments received	Loans taken during	Repayments of loans taken	Interest Income	Contribution paid	Commission Paid	Royalty reimbursed	Management Fee	Reimbursement Received	Reimbursement Made	Assets Purchased	Sale of Investments in bonds	Total
		Sale of Goods	Dividend Received	Purchase of Goods and services	Loyalty Expenses	Interest Expenses													
1	Adventia Enterprise Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44	-	44
2	Arvita Lifesciences India Limited	-	-	16,517	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,517
3	Bloom Packaging Private Limited	-	-	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17
4	Bloom Seal Containers Private Limited	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9
5	Core Case Federation of India	-	-	-	-	-	-	-	-	-	30	-	-	-	-	-	-	-	30
6	Natural Plant Products Limited	-	-	437	-	-	-	-	-	-	-	-	-	-	-	-	-	-	437
7	Nature's Arkash Limited	-	-	171	-	-	24,145	12,260	-	2,113	-	672	-	-	2	20	-	-	44,532
8	United Phosphorus (India) LLP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	UPL Global Business Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	105	-	-	-	-	105
10	UPL Limited	9,190	-	74,333	-	1,783	-	40,400	35,000	-	-	-	1,034	-	31	715	-	-	1,86,641
11	UPL Sustainable Agri Solutions Limited	591	-	9,967	-	570	-	45,000	-	-	-	-	-	-	-	-	-	-	65,130
Total		10,180	-	96,756	171	2,353	24,145	17,260	85,400	53,000	2,113	30	672	1,035	105	736	-	-	5,907

(III) Outstanding at the year end

Sr No.	Name of Related Party	As at 31 March 2024		As at 31 March 2023		Loan Given	Loans taken	Interest Receivable	Interest payable
		Payable	Receivable	Payable	Receivable				
1	Adventia Enterprise Limited	45	36	-	-	-	-	-	-
2	Arvita Lifesciences India Limited	11,798	-	-	-	11,792	-	-	-
3	BPL India Private Limited	-	2	-	-	-	-	-	-
4	Bloom Packaging Private Limited	82	-	-	-	-	-	-	-
5	Bloom Seal Containers Private Limited	9	-	-	-	-	-	-	-
6	Core Case Federation of India	-	-	-	-	-	-	-	-
7	Natural Plant Products Limited	-	9	-	-	398	81	-	-
8	Nature's Arkash Limited	-	1,170	77,085	-	3,854	21	1,418	2,123
9	Ultima Search	0	-	-	-	-	0	-	-
10	Ultima Realty LLP	-	109	-	-	-	339	-	-
11	United Phosphorus (India) LLP	-	1	-	-	-	-	-	1
12	Universal Petroleum Industries Limited	4	-	-	-	4	-	-	-
13	UPL Global Business Services Limited	50	81	-	-	-	29	-	-
14	UPL Limited	26,365	4,855	-	7,000	-	85,400	3,991	3,491
15	UPL Sustainable Agri Solutions Limited	14,963	636	-	41,000	1,595	12,375	2,177	-
16	UPL Europe Limited	15	-	-	-	-	-	-	-
17	UPL Mauritius Limited	10	-	-	-	-	-	-	-
18	UPL Management DMCC	-	184	-	-	-	-	-	-
Total		53,020	7,290	77,085	43,600	3,854	1,715	68,705	3,385



SWAL CORPORATION LIMITED
Notes to accounts for the year ended 31 March 2024

33 Contingent Liabilities and Commitments

Particulars	As at	
	31-Mar-24	31-Mar-23
	INR Lacs	
Claims against the company not acknowledged as debts:		
(a) Disputed Income Tax Liability	7	6
(b) Disputed VAT and GST Liability	878	250
(c) Claims against company not acknowledged as debts	40	58
Total	925	313

34 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at	
	31-Mar-24	31-Mar-23
	INR Lacs	
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	59	0
- Interest due on above	0	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	0
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 each accounting year	0	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	0	-

The identification of Micro, Small and Medium enterprises is based on the management's knowledge of their status. The Company has not received any intimation from suppliers regarding their status under "The Micro, Small and Medium Enterprises Development Act, 2006".

35 Category-wise classification of financial instruments

Derivatives not designated as hedging instruments

The Company uses full currency interest rate swap and foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

Nature of Instrument	Currency	As at			
		31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-23
		(In. '000)	(INR Lacs)	(In. '000)	(INR Lacs)
Forward contract - Buy	NA	-	-	-	-

Un-hedged Foreign Currency balances:

	Currency	As at			
		31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-23
		(In. '000)	(INR Lacs)	(In. '000)	(INR Lacs)
Payables					
	EUR	1,294	1,164	-	-
	USD	23	19	-	-
Receivable					
	EUR	1	1	-	-
	USD	221	184	-	-



SWAL CORPORATION LIMITED
Notes to accounts for the year ended 31 March 2024

36 Category-wise classification of financial instruments

INR Lacs

Particulars	As at			
	Non-current		Current	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
(A) Accounting, classification and fair values:				
Financial assets measured at amortised cost:				
Investment in related parties	2	2	-	-
Security Deposits	270	205	-	-
Export benefits receivable	2	-	-	-
Interest receivable	-	-	3,897	2,174
Trade receivable from related parties	-	-	6,967	3,066
Trade receivable from others	-	-	36,176	86,717
Cash and cash equivalents	-	-	5,695	5,007
Other bank balance	-	-	51	51
Loans and advances to related parties	-	-	27,065	15,795
Loans and advances to employees	-	-	117	19
Total	274	207	79,968	1,12,829
Financial liabilities measured at amortised cost:				
Borrowings	-	-	52,200	45,000
Trade payables MSME	-	-	59	0
Trade payables	-	-	68,195	91,847
Lease liabilities	1,932	1,216	610	565
Trade Deposits	-	-	2,687	2,286
Interest accrued but not due on deposits	-	-	-	25
Interest Payable on Borrowing	-	-	1,741	877
Employee payables	-	-	192	383
Total	1,932	1,216	1,25,684	1,40,983

Financial instrument measured at amortized cost:

The carrying amount of financial assets and financial liability measured at amortized cost in the standalone financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

37 Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Market Risk

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

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 manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.



SWAL CORPORATION LIMITED
Notes to accounts for the year ended 31 March 2024

Interest rate sensitivity

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:

	Increase/ decrease in basis points	Effect on profit or loss	Effect on equity
31-03-2024	+100	(486)	(363)
	-100	486	363
31-03-2023	+100	(450)	(383)
	-100	450	383

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. The Company assesses impairment based on expected credit losses (ECL) model. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Company's trade receivables and contract assets using a provision matrix:

Trade receivables-Days past due		INR Lacs			
Age of trade receivables	As at				
	31-Mar-24		31-Mar-23		
	Expected credit loss	Average %	Expected credit loss	Average %	
Current	200	1.22%	767	1.24%	
0-60 Days	192	3.39%	298	2.33%	
61-180 days	705	12.57%	1,410	12.48%	
181-270 days	587	32.97%	502	31.46%	
more than 270 Days	5,153	58.09%	4,478	70.11%	
Total	6,837		7,455		

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial assets and liabilities.



SWAL CORPORATION LIMITED
Notes to accounts for the year ended 31 March 2024

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

Particular	As at			
	31-Mar-24			
	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings (refer note 11)	52,200	-	-	52,200
Other financial liabilities (refer note 13)	4,620	-	-	4,620
Lease liabilities (refer note 5)	695	2,238	793.00	3,726
Trade and other payables (refer note 12)	68,254	-	-	68,254
Total	1,25,769	2,238	793	1,28,800

Particular	As at			
	31-Mar-23			
	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings (refer note 11)	45,000	-	-	45,000
Other financial liabilities (refer note 13)	3,571	-	-	3,571
Lease liabilities (refer note 5)	565	1,216	-	1,781
Trade and other payables (refer note 12)	91,847	-	-	91,847
Total	1,40,983	1,216	-	1,42,199

38 Segment information

The Company operates only in one segment i.e. Agro activity, hence the requirement of segment reporting pursuant to Indian Accounting Standard 108 are not applicable.

39 Capital Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31 March 2024 and 31 March 2023.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

Particular	Note no.	INR Lacs	
		As at	
		31-Mar-24	31-Mar-23
Borrowings	18	52,200	45,000
Less: cash and cash equivalents	13	5,695	5,007
Net debt		57,895	50,007
Equity	15 and 16	253	4,070
Total equity		253	4,070
Gearing ratio		0%	8%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

40 Capital commitment:- Rs. 5 Lacs (PY -Rs. 452.83 Lacs)



SWAL CORPORATION LIMITED
Notes to accounts for the year ended 31 March 2024

41 Corporate Social Responsibility:

Particular	Year Ended	
	31-Mar-24	31-Mar-23
Gross amount required to be spent by the company during the year	202	64
<u>Amount spent during the year (In cash) (A)</u>		
Promotion of education	202	64
On purposes other than above	-	-
<u>Amount spent during the year (yet to be paid in cash) (B)</u>		
Promotion of education	-	-
On purposes other than above	-	-
<u>Amount spent during the year (Total) (A)+(B)</u>		
Promotion of education	202	64
On purposes other than above	-	-
The amount of shortfall at	-	-
The total of previous years' shortfall amounts;	-	-
The reason for above shortfalls	NA	NA
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

42 Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. The Company is in the process of carrying out the evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

43 Other Statutory Information

- As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.
- The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies Restriction on number of Layers) Rules, 2017.
- There are no charge or satisfaction yet to be registered with Registrar of Company beyond the statutory period.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



SWAL CORPORATION LIMITED

Notes to accounts for the year ended 31 March 2024

44 Ratio

Sr No.	Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance in %	Remarks
1	Current ratio (times)	Current assets	Current Liabilities excluding Current Borrowings	1.56	1.41	10.44%	NA
2	Debt- equity ratio (times)	Total debt	Shareholder's Equity	206.32	11.06	1766.09%	Variance due to losses incurred during the current year, which have led to a reduction in net worth.
3	Debt Service Coverage ratio (times)	Profit before Interest, tax and exceptional Items	Interest Expense + Principal Repayments made during the period for long term debts	(0.08)	10.28	-100.74%	Due to the industry slowdown, the Company has incurred losses during the current year, leading to these variances.
4	Return on Equity ratio (%)	Net profit after tax	Average Shareholder's Equity	-176.54%	220.11%	-180.21%	Due to the industry slowdown, the Company has incurred losses during the current year, leading to these variances.
5	Inventory Turnover ratio (times)	Sales of products	Average Inventory	2.24	4.20	-46.60%	Variance due to losses incurred during the current year, which have led to a reduction in net worth.
6	Trade Receivables turnover ratio (times)	Sales of products	Average Trade Receivable	1.07	1.69	-36.90%	Due to the industry slowdown, the sales has decreased during the current year, leading to these variances.
7	Trade payable turnover ratio (times)	Net purchases + Other expenses	Average Trade Payables	0.89	1.29	-31.00%	Due to the industry slowdown, the sales as well as purchase has decreased during the current year, leading to these variances.
8	Net capital turnover ratio (times)	Revenue from operations	Average Working capital (i.e. Total Current assets – Total Current liabilities)	(11.75)	274.16	-104.29%	Due to the industry slowdown, the sales has decreased during the current year, leading to these variances.
9	Net Profit ratio (%)	Net profit after tax	Revenue from operations	-5.37%	17.05%	-131.49%	Due to the industry slowdown, the Company has incurred losses during the current year, leading to these variances.
10	Return on Capital Employed (%)	Earnings before interest and taxes	Capital Employed = Net Worth + Non Current Liabilities	-15.91%	15.31%	-204%	Due to the industry slowdown, the Company has incurred losses during the current year, leading to these variances.
11	Return on Investment (%)	Profit for the year	Total Equity	-1508%	523%	-389%	Due to the industry slowdown, the Company has incurred losses during the current year, leading to these variances.



SWAL CORPORATION LIMITED

Notes to accounts for the year ended 31 March 2024

45 Event After Reporting Period

There are no subsequent events that require adjustment to the assumptions and disclosures in the standalone financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm registration number: 101248W/ W-100022



Jayesh T Thakkar
Partner
Membership no.: 113959

Place : Mumbai
Date : 27 May 2024

For and on behalf of the Board of Directors of
SWAL Corporation Limited
CIN No:- U24110MH1979PLC136661



K.R. Srivastava
Managing Director
DIN-00810303

Place : Mumbai
Date : 07 May 2024



Rupesh Gupta
Director
DIN-09750511

Place : Mumbai
Date : 07 May 2024

