# SWAL CORPORATION LIMITED

# ANNUAL ACCOUNTS FOR THE YEAR ENDED 31-03-2026

Public

B S R & Co. LLP
Chartered Accountants

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# 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 2026, 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 2026, 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.

### 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, profit/ 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 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.

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & 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

## 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 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 01 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 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 2026 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 07 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, as disclosed in the Note 7 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall 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 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 have 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 the application level for certain fields for the accounting softwares.

II. The recording audit trail (edit log) logs was not available at the database layer to log any direct data changes for the accounting software used for maintaining the books of account.

Further, where the audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

For **B S R & Co. LLP**

*Chartered Accountants*

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

Ravi Ashok Kothari

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Date: 2026.05.06 22:14:45 +05'30'

**Ravi Kothari**

*Partner*

Membership No.: 160276

ICAI UDIN:26160276MLVODD2370

Place: Mumbai

Date: 06 May 2026

## Annexure A to the Independent Auditor's Report on the Financial Statements of SWAL Corporation Limited for the year ended 31 March 2026

### (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/discrepancy were/was 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.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, 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 and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. 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.

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

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

## Annexure A to the Independent Auditor's Report on the Financial Statements of SWAL Corporation Limited for the year ended 31 March 2026 *(Continued)*

| Particulars | Loans (In lacs) |
|---|---|
| Aggregate amount during the year<br>Others* | 6,640 |
| Balance outstanding as at balance sheet date<br>Others* | 6,640 |

**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 and the terms and conditions of the grant of loans provided during the year are not prejudicial to the interest of the Company. However the loan granted has been fully impaired during the year.

(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, there is no stipulation of schedule of repayment of principal and payment of interest as they are repayable on demand. As informed to us, the company has not demanded repayment of loan or interest during the year. Thus, there has been no default on the part of the party to whom the money has been lent. However the loan granted and interest accured has been fully impaired during the year. Further, the company has not given any advance in nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

| | Promoters | Related Parties (Rs. In lacs)* |
|---|---|---|
| Aggregate of loans/advances in nature of loan<br>- Repayable on demand (A)<br>- Agreement does not specify any terms or period of Repayment (B) | - | 6,640 |

## Annexure A to the Independent Auditor's Report on the Financial Statements of SWAL Corporation Limited for the year ended 31 March 2026 *(Continued)*

| | Promoters | Related Parties (Rs. In lacs)* |
|---|---|---|
| | - | - |
| Total (A+B) | - | 6,640 |
| Percentage of loans/advances in nature of loan to the total loans | - | 100% |

*the loan granted has been fully impaired during the year.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not made any investments or provided guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the loan given by the company, in our opinion the provision of Section 185 and 186 of Companies Act 2013 ("the Act") has 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, the 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 by the Company 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 2026 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:

## Annexure A to the Independent Auditor's Report on the Financial Statements of SWAL Corporation Limited for the year ended 31 March 2026 *(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 |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | 5 | 2020-21 | CIT | None |
| Andhra Pradesh GST Act 2017 | GST Related | 376 | 2017-18 | Tribunal, Goods and Service Tax | None |
| Jammu & Kashmir Act 2017 | GST Related | 23 | 2017-18 | State Tax Officer | None |
| Jammu & Kashmir Act 2017 | GST Related | 51 | 2018-19 | State Tax Officer | None |
| Jammu & Kashmir Act 2017 | GST Related | 38 | 2019-20 | State Tax Officer | None |
| Jammu & Kashmir Act 2017 | GST Related | 39 | 2020-21 | State Tax Officer | None |
| Jammu & Kashmir Act 2017 | GST Related | 61 | 2020-21 | State Tax Officer | None |
| Gujrat Goods and Service Tax 2017 | GST Related | 219 | 2017-18 | State Tax Officer | None |
| Chattisgarh Goods and Service Tax 2017 | GST Related | 9 | 2017-18 | State Tax Officer | None |
| Punjab Goods and Service Tax 2017 | GST Related | 346 | 2021-22 | State Tax Officer | None |
| Madhya Pradesh Goods and Service Tax 2017 | GST Related | 188 | 2019-20 | State Tax Officer | None |
| Madhya Pradesh Goods and Service Tax 2017 | GST Related | 400 | 2021-22 | State Tax Officer | None |

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

## Annexure A to the Independent Auditor's Report on the Financial Statements of SWAL Corporation Limited for the year ended 31 March 2026 *(Continued)*

(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, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

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

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.

(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, joint ventures or associate companies (as defined under the Act).

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

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

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

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

(c) Establishment of vigil mechanism is not mandated for the Company. As represented to us by the management, there are no whistle blower complaints received during the year under the vigil mechanism established voluntarily by the Company.

(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 requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such 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 under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has

## Annexure A to the Independent Auditor's Report on the Financial Statements of SWAL Corporation Limited for the year ended 31 March 2026 *(Continued)*

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 defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial 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, 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) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. 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

Ravi Ashok Kothari

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**Ravi Kothari**

*Partner*

Membership No.: 160276

ICAI UDIN:26160276MLVODD2370

Place: Mumbai

Date: 06 May 2026

## Annexure B to the Independent Auditor's Report on the financial statements of SWAL Corporation Limited for the year ended 31 March 2026

### 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 2026 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 2026, 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 2026 *(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

Ravi Ashok Kothari

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**Ravi Kothari**

*Partner*

Place: Mumbai

Membership No.: 160276

Date: 06 May 2026

ICAI UDIN:26160276MLVODD2370

**SWAL CORPORATION LIMITED**
**Balance Sheet as at 31 March 2026**
**(All amounts are in ₹ Lakhs, unless otherwise stated)**

| | Notes | As at 31 March 2026 | As at 31 March 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Property, plant and equipment | 3 | 113 | 92 |
| Intangible Assets | 4 | 144 | 213 |
| Intangible Assets under Development | 4 | 36 | 36 |
| Right of use Assets | 5 | 2,641 | 3,013 |
| Financial assets | | | |
| (i) Investments | 6 | 2 | 2 |
| (ii) Other Financial Assets | 8 | 317 | 368 |
| Current Tax Assets (Net) | 9 | 550 | 531 |
| Deferred Tax Assets (Net) | 9 | 5,229 | 2,918 |
| **Total Non-Current Assets** | | **9,032** | **7,173** |
| **Current Assets** | | | |
| Inventories | 11 | 24,496 | 19,020 |
| Financial Assets | | | |
| (i) Investments | 6 | 5,636 | - |
| (ii) Trade receivables | 12 | 21,800 | 30,250 |
| (iii) Cash and cash equivalents | 13 | 2,555 | 3,422 |
| (iv) Bank balance other than (iii) above | 14 | 51 | 51 |
| (v) Loans | 7 | - | 30,772 |
| (vi) Other Financial Assets | 8 | 196 | 6,178 |
| Other Current Assets | 10 | 4,380 | 3,653 |
| **Total Current Assets** | | **59,114** | **93,346** |
| Assets classified as held for sale | | 17 | 17 |
| **Total Assets** | | **68,163** | **1,00,536** |
| **Equity and liabilities** | | | |
| **Equity** | | | |
| Equity Share capital | 15 | 100 | 100 |
| Other equity | 16 | (127) | 1,444 |
| **Total Equity** | | **(27)** | **1,544** |
| **Liabilities** | | | |
| **Non-Current Liabilities:** | | | |
| Financial liabilities | | | |
| (i) Lease Liability | 5 | 2,541 | 2,732 |
| Provisions | 17 | 75 | 40 |
| **Total Non-Current Liabilities** | | **2,616** | **2,772** |
| **Current Liabilities:** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 18 | 28,597 | 64,236 |
| (ii) Lease Liability | 5 | 518 | 581 |
| (iii) Trade payables | 19 | | |
| - Outstanding dues of micro and small enterprises | | 1 | 7 |
| - Outstanding dues of other than micro and small | | 18,678 | 13,232 |
| (iv) Rebate and refund liabilities | | 11,729 | 13,408 |
| (v) Other Financial Liabilities | 20 | 3,322 | 2,990 |
| Other Current Liabilities | 21 | 2,121 | 1,696 |
| Provisions | 17 | 56 | 70 |
| Current tax liabilities (net) | 9 | 552 | - |
| **Total Current Liabilities** | | **65,574** | **96,220** |
| **Total Liabilities** | | **68,190** | **98,992** |
| **Total Equity and Liabilities** | | **68,163** | **1,00,536** |

Summary of material accounting policies 2.1
The accompanying notes form an integral part of the financial statemen 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

Ravi Ashok Kothari Digitally signed by Ravi Ashok Kothari Date: 2026.05.06 22:02:58 +05'30'

**Ravi Kothari**
*Partner*
Membership no.: 160276

Place : Mumbai
Date : May 6, 2026

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

Tiwari Raj Kumar Digitally signed by Tiwari Raj Kumar Date: 2026.05.06 20:01:35 +05'30'

**Raj Tiwari**
*Director*
DIN: 09772257

Place : Philadelphia
Date : May 6, 2026

RAVISHANKAR CHERUKURI Digitally signed by RAVISHANKAR CHERUKURI Date: 2026.05.06 20:04:49 +05'30'

**Ravishankar Cherukuri**
*Director*
DIN.- 06755061

Place : Mumbai
Date : May 6, 2026

**SWAL CORPORATION LIMITED**
**Statement of Profit and Loss for the year ended 31 March 2026**

| Particulars | Notes | Year Ended | |
|---|---|---|---|
| | | 31 March 2026 | 31 March 2025 |
| | | INR Lacs | INR Lacs |
| **Income** | | | |
| Revenue from operations | 22 | 71,755 | 73,608 |
| Other income | 23 | 2,580 | 2,518 |
| **Total Income** | | **74,335** | **76,126** |
| **Expenses** | | | |
| Purchases of stock-in-trade | | 48,927 | 39,726 |
| Changes in inventories of traded goods | 24 | (5,497) | 12,643 |
| Containers & Packing Materials Consumed | | 321 | 164 |
| Employee benefits expense | 25 | 3,893 | 3,596 |
| Finance cost | 26 | 4,765 | 5,686 |
| Depreciation and amortization expenses | 27 | 838 | 940 |
| Impairment loss on financial assets | 12 | 1,710 | 2,464 |
| Other expenses | 28 | 10,145 | 9,008 |
| Exchange rate difference on receivables and payables (net) | | (13) | (9) |
| **Total Expenses** | | **65,089** | **74,218** |
| **Profit before exceptional items and tax** | | **9,246** | **1,908** |
| Exceptional items | 7 & 42 | (10,487) | - |
| **Profit / (Loss) before tax** | | **(1,241)** | **1,908** |
| Tax expenses: | | | |
| Current tax | 9 | 2,673 | - |
| Deferred tax charge / (credit) | | (2,319) | 606 |
| **Profit / (Loss) for the year after tax** | | **(1,595)** | **1,302** |
| **Other Comprehensive Income** | 29 | | |
| (i) Items that will not be reclassified to profit or loss | | 32 | (15) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (8) | 4 |
| **Total other comprehensive income for the year, net of tax** | | **24** | **(11)** |
| **Total Comprehensive Income/(loss) for the year** | | **(1,571)** | **1,291** |
| **Earnings per equity share (In INR)** | 30 | | |
| Basic & Diluted (₹) (Face value of ₹ 10 each) | | (159) | 130 |

Summary of material 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

Ravi Ashok Kothari Digitally signed by Ravi Ashok Kothari Date: 2026.05.06 22:03:45 +05'30'

**Ravi Kothari**
*Partner*
Membership no.: 160276

Place : Mumbai
Date : May 6, 2026

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

Tiwari Raj Kumar Digitally signed by Tiwari Raj Kumar Date: 2026.05.06 20:02:00 +05'30'

**Raj Tiwari**
*Director*
DIN: 09772257

Place : Philadelphia
Date : May 6, 2026

RAVISHANKAR CHERUKURI Digitally signed by RAVISHANKAR CHERUKURI Date: 2026.05.06 20:05:21 +05'30'

**Ravishankar Cherukuri**
*Director*
DIN.- 06755061

Place : Mumbai
Date : May 6, 2026

SWAL CORPORATION LTD.

Public

**SWAL CORPORATION LIMITED**
**Statement of Changes in Equity for the year ended 31 March 2026**

**A. Equity Share Capital**

*INR Lacs*

| Particulars | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| | 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*

| Financial assets<br>**Particulars** | Reserves & surplus | | | Total Equity |
|---|---|---|---|---|
| | Capital redemption reserve | General reserve | Retained earnings | |
| **As at 1 April 2025** | **702** | **564** | **178** | **1,444** |
| Loss for the year | - | - | (1,595) | **(1,595)** |
| Re-measurement of the net defined liability/asset, net of tax effect (OCI) | - | - | 24 | **24** |
| **As at 31 March 2026** | **702** | **564** | **(1,393)** | **(127)** |

*INR Lacs*

| Particulars | Reserves & surplus | | | Total Equity |
|---|---|---|---|---|
| | Capital redemption reserve | General reserve | Retained earnings | |
| **As at 1 April 2024** | **702** | **564** | **(1,113)** | **153** |
| Profit for the year | - | - | 1,302 | **1,302** |
| Re-measurement of the net defined liability/asset, net of tax effect (OCI) | - | - | (11) | **(11)** |
| **As at 31 March 2025** | **702** | **564** | **178** | **1,444** |

Summary of material 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

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Date: 2026.05.06 22:04:05 +05'30'

**Ravi Kothari**
*Partner*
Membership no.: 160276

Place : Mumbai
Date : May 6, 2026

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

Tiwari Raj Kumar
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Date: 2026.05.06 20:02:21 +05'30'

**Raj Tiwari**
*Director*
DIN: 09772257

Place : Philadelphia
Date : May 6, 2026

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Date: 2026.05.06 20:05:45 +05'30'

**Ravishankar Cherukuri**
*Director*
DIN.- 06755061

Place : Mumbai
Date : May 6, 2026

SWAL CORPORATION LTD.

**SWAL CORPORATION LIMITED**
**Cash flow statement for the year ended 31 March 2026**

| Particulars | Year Ended | |
|---|---|---|
| | 31 March 2026 | 31 March 2025 |
| | INR Lacs | INR Lacs |
| **Cash flow from operating activities** | | |
| **Net (Loss) /Profit before tax for the year ended** | **(1,241)** | **1,908** |
| Adjustments for: | | |
| Depreciation and amortization expense | 838 | 940 |
| Impairment loss on financial assets | 1,710 | 2,464 |
| (Gain) / loss on derecognition of Right-of-use assets | - | (6) |
| Profit on sale of investments | (14) | - |
| Excess provisions written back | - | (16) |
| Gain on sale of investments | (188) | - |
| Impairment loss on loan and interest accrued to nurture | 10,421 | - |
| Finance cost | 4,765 | 5,686 |
| Interest Income | (1,877) | (2,512) |
| Effect of exchange rate changes -Unrealised exchange difference (net) | - | (9) |
| **Operating (loss)/ profit before working capital changes** | **14,414** | **8,455** |
| **Movements in working capital :** | | |
| (Increase)/ Decrease in inventories | (5,476) | 12,651 |
| Increase/(Decrease) in trade payables, financial & other liabilities and provision | 4,563 | (43,310) |
| Decrease in Trade receivables , financial and other assets | 6,162 | 15,290 |
| **Cash generated from /(used in) operations** | **19,663** | **(6,914)** |
| Income tax (paid) / refund | (2,132) | 654 |
| **Net cash flow generated from/ (used in) operating activities (A)** | **17,530** | **(6,260)** |
| **Cash flows from investing activities** | | |
| Purchase of property, plant and equipment (including capital work-in-progress) | (476) | (469) |
| Purchase of other intangible assets including intangible assets under development | - | (2) |
| Proceeds from disposal of property, plant and equipment and other intangible assets | 370 | 3,758 |
| Investments in Mutual funds | (44,960) | - |
| Sale of investments in Mutual funds | 39,338 | - |
| Loans to subsidiaries - Repayments received | 28,359 | - |
| Loans to subsidiaries - Given | (6,640) | (3,610) |
| Gain on sale of investments | 188 | - |
| Interest income | 6,394 | 231 |
| **Net cash flow (used in)/generated from investing activities (B)** | **22,574** | **(92)** |
| **Cash flows from financing activities** | | |
| Borrowing repaid | - | (8,600) |
| Borrowings from holding and company | - | 19,200 |
| Repayments of borrowings to holding and ultimate holding company | (32,800) | (2,000) |
| Repayments of Lease Liabilities (including Interest) | (876) | (855) |
| Interest Paid on borrowings | (7,295) | (3,666) |
| **Net cash flow generated from/ (used in) financing activities (C)** | **(40,971)** | **4,079** |
| **Net increase/(decrease) in cash and cash equivalents (A + B + C)** | **(867)** | **(2,273)** |
| **Cash and cash equivalents at the beginning of the year** | **3,422** | **5,695** |
| **Cash and cash equivalents at the end of the year** | **2,555** | **3,422** |

SWAL CORPORATION LTD.

## SWAL CORPORATION LIMITED
### Cash Flow Statement for the year ended 31 March 2026

**Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities**

INR Lacs

| Particulars | Notes | As at April 01, 2025 | Cash flows | Non-cash changes | | As at March 31, 2026 |
|---|---|---|---|---|---|---|
| | | | | Accruals | Other adjustments* | |
| Loans from bank, others and related party | 18 | 60,800 | (32,800) | - | - | 28,000 |
| Interest accrued and not due on borrowings | 18 | 3,436 | (7,295) | 4,456 | - | 597 |
| Lease liabilities | 5 | 3,313 | (876) | 309 | 313 | 3,059 |
| **Total liabilities from financing activities** | | **67,549** | **(40,971)** | **4,765** | **313** | **31,656** |

INR Lacs

| Particulars | Notes | As at April 01, 2024 | Cash flows | Non-cash changes | | As at March 31, 2025 |
|---|---|---|---|---|---|---|
| | | | | Accruals | Other adjustments* | |
| Loans from bank, others and related party | 18 | 52,200 | 8,600 | - | - | 60,800 |
| Interest accrued and not due on borrowings | 18 | 1,741 | (3,666) | 5,361 | - | 3,436 |
| Lease liabilities | 5 | 2,542 | (855) | 316 | 1,310 | 3,313 |
| **Total liabilities from financing activities** | | **56,483** | **4,079** | **5,677** | **1,310** | **67,549** |

* Other adjustments includes Interest accrued and leases. This also includes new leases taken or termination of lease contracts in case of lease liabilities.

Notes:

(i) Cashflows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associate with investing or financing cashflows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand which are subject to an insignificant risk of changes in value.

(ii) Figures in brackets represent cash outflows

Summary of material accounting policies 1-2
See accompanying notes to the standalone 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

Ravi Ashok Kothari
Digitally signed by Ravi Ashok Kothari
Date: 2026.05.06 22:04:27 +05'30'

**Ravi Kothari**
*Partner*
Membership no.: 160276
Place: Mumbai
Date: May 6, 2026

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

Tiwari Raj Kumar
Digitally signed by Tiwari Raj Kumar
Date: 2026.05.06 20:02:59 +05'30'

**Raj Tiwari**
*Director*
DIN: 09772257
Place : Philadelphia
Date: May 6, 2026

RAVISHANKAR CHERUKURI
Digitally signed by RAVISHANKAR CHERUKURI
Date: 2026.05.06 20:06:11 +05'30'

**Ravishankar Cherukuri**
*Director*
DIN.- 06755061
Place: Mumbai
Date: May 6, 2026

SWAL CORPORATION LTD.

Public

**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 business of crop protection business which includes sales, distribution and marketing of formulated crop protection, crop treatment, bio-solutions and seeds treatment products.

The financial statements were authorised for issue in accordance with the resolution of the directors on 6th May 2026.

**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.

These financial statements have been prepared on an accrual basis and under the historical cost convention, except for the net defined benefit (asset)/ liability that are measured at fair value of plan assets less present value of defined benefit obligations and the following assets and liabilities which have been measured at fair value:

-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 consolidated financial statements, except if mentioned otherwise.

The financial statements are presented in Indian Rupees ('INR') which is also the Companies 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 material accounting policies**

**a. Current versus non-current classification**

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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.

Revenue is measured based on the transaction price (net of variable consideration on account of various discounts, schemes offered by the Company as part of the contract) allocated to the performance obligation. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/ incentives and returns are estimated based on historical experience, 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.Trade receivables that do not contain a significant financing component for which the Company has applied the practical expedient under Ind AS 115 are measured at the transaction price.

The Company applies the practical expedient for short term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

**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. 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 that permits 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. The Group reviews its estimate of expected returns at each reporting date and updates the amounts of the asset and liability accordingly.

SWAL CORPORATION LTD.

**Interest income**
For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, 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 Group 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 Consolidated Statement of Profit or Loss.

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 and estimated costs of dismantling and removing the item and restoring the site on which it is located. 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 only capitalised 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

**Depreciation**
Depreciation is provided for on straight line / written-down value 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 | 15 to 60 |
| Plant and Equipment | 3 to 25 |
| Furniture, Fixtures and Equipment's | 10 |
| Office Equipment's | 5 |
| Computers | 3 |
| Vehicles | 3 to 10 |

Useful life of certain assets is different than the life prescribed under Schedule II of the Companies Act, 2013 and those have been determined based on evaluation by management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

In respect of additions to /deletions from the property, plant and equipment, depreciation is provided on prorata basis with reference to the month of addition/deletion of the Assets.
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.An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Following initial recognition, intangible assets with finite life are carried at cost less any accumulated amortisation and accumulated impairment losses.

**Research and Development Expenditure**
Expenditure on research activities is recognized in Statement of Profit and loss as incurred. Development expenditure can be capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in Consolidated Statement of Profit and Loss as incurred Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortization and any accumulated impairment loss. Amortisation of the asset begins when development is complete and the asset is available for use.
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in amortisation in the Consolidated Statement of Profit and Loss. The residual value, 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.

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 | 5 | Amortised on straight-line basis |
| Software / License Fees | 1 to 5 | Amortised on straight-line basis |

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

SWAL CORPORATION LTD. *

**f. Foreign Currency**

The Group's consolidated financial statements are presented in Indian Rupee (₹). For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.Functional currency is the currency of the primary economic environment in which the entity operates.

**Transactions and balances**

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. 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 except foreign currency exchange differences arising from the translation of the following item which is in OCI - an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or 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.

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 summaries 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**

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

**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 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 Group 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 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.

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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**
Stocks of stores and spares, '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.

Finished goods are valued at lower of cost or net realisable value and for this purpose, cost is determined on standard cost basis which approximates the actual cost and which includes an appropriate share of production overheads based on normal capacity. Variances pertaining to abnormally low volume and operating performance, are charge to Consolidated Statement of Profit and Loss.
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 net realisable value of work in progress is determined with reference to the selling prices of related finished goods. Raw materials, Stocks of stores and spares, packing materials held for use in the production of finished goods or by-products are not written down below cost except in cases when a decline in the prices of materials indicates that the cost of finished goods or byproducts shall exceed the net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

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.

**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.
Intangible assets with indefinite useful lives are tested for impairment annually as at March 31 at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired

**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

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.

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**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**

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.

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 statement of profit or loss.

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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.The obligation is measured annually by a qualified actuary using the projected unit credit method. 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.

**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**

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

**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:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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.

**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.

**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)

e) Financial guarantee contracts which are not measured as at FVTPL.

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:

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- 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.

**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.

**o. 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.

**p. 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.

**q. 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 in the countries where the Group operates and generates taxable income.

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.The Company offsets tax assets and tax liabilities, where it has legally enforceable right to set off the recognised amount and where it intends either to settle on net basis, or to realise the assets and settle the liability simultaneously.

**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 is also recognised in respect of carried forward tax losses and tax credits.
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.Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company.
- 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

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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.

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

**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.

r. **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.

s. **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.The weighted average number of equity shares outstanding during the year is adjusted for bonus element in a rights issue to existing shareholders.

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.

t. **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.

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

u. **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.

v **Non-current assets held for sale**

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing
For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale to owners are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

v. **Recent Indian Accounting Standards (Ind AS)**

The below list provides a summary of the new standards and key amendments that are effective for the first time for annual periods commencing on or after April 01, 2025. The Group has assessed these changes and determined that none of them have a material effect on its financial statements because they primarily introduce clarifications or additional disclosures rather than fundamental changes in accounting policies or measurements.

| **Ind AS Standard / Amendment** | **Effective Date (Annual Periods Beginning on or** | **Summary of Key Provisions** | **Impact on Group** |
|---|---|---|---|
| Ind AS 1 – *Presentation of Financial Statements* (Amendment: *Classification of Liabilities as Current or Non-Current, including covenants* ) | April 1, 2025 (with additional requirements from April 1, 2026 for certain covenant-related disclosures) | Refines criteria for classifying liabilities as current or non-current. | No material impact. |
| Ind AS 7 – *Statement of Cash Flows* & Ind AS 107 – *Financial Instruments: Disclosures* (Amendments: *Supplier Finance Arrangement Disclosures* ) | April 1, 2025 | Introduces new disclosure requirements for *supplier finance arrangements* (also known as supply chain finance or reverse factoring). No changes were made to recognition or measurement of the liabilities themselves – only how they are described and presented in financial statements. | No impact. |
| Ind AS 12 – *Income Taxes* (Amendment: *International Tax Reform – OECD Pillar Two* ) | April 1, 2025 (applied in FY 2025–26) | Amended to address the implementation of the OECD's Pillar Two global minimum tax in corporate income taxes. | No impact. |
| Ind AS 21 – *The Effects of Changes in Foreign Exchange Rates* (Amendment: *Lack of Exchangeability* ) | April 1, 2025 | Provides guidance on assessing when a currency is "not exchangeable" into another currency and how to estimate the spot exchange rate in such cases. Comparative figures need not be restated for this change. | No impact. |

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### 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. Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.The assessment of probability involves estimation of a number of factors including future taxable income.

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**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.

**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.

**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.

**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.

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**Notes to the financial statements for the year ended 31 March 2026**

## 3 PROPERTY, PLANT AND EQUIPMENT

**INR Lacs**

| Particular | Building | Plant & Machinery | Furniture & Fixtures | Office Equipments | Vehicles | Computers | Total |
|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | |
| As at April 1, 2024 | 3,398 | 20 | 17 | 38 | 10 | 650 | 4,133 |
| Additions during the year | 444 | 1 | - | - | - | 24 | 469 |
| Disposals during the year | (3,842) | - | - | (0) | - | (1) | (3,843) |
| **As at 31 March 2025** | - | **21** | **17** | **38** | **10** | **673** | **759** |
| Additions during the year | - | 24 | - | 0 | - | 74 | 97 |
| Disposals during the year | - | - | - | - | - | (1) | (1) |
| **As at 31 March 2026** | - | **45** | **17** | **38** | **10** | **746** | **856** |
| | | | | | | | |
| **Accumulated Depreciation** | | | | | | | |
| As at April 1, 2024 | 61 | 11 | 11 | 28 | 10 | 441 | 562 |
| Depreciation charge for the year | 24 | 1 | 2 | 5 | 0 | 159 | 191 |
| Disposals during the year | (85) | - | - | (0) | - | (0) | (86) |
| **As at 31 March 2025** | - | **12** | **13** | **32** | **10** | **600** | **667** |
| Depreciation charge for the year | - | 2 | 1 | 3 | 0 | 71 | 77 |
| Disposals during the year | - | - | - | - | - | (1) | (1) |
| **As at 31 March 2026** | - | **14** | **14** | **35** | **10** | **670** | **743** |
| **Net carrying value** | | | | | | | |
| **As at 31 March 2026** | - | **30** | **3** | **3** | **0** | **76** | **113** |
| **As at 31 March 2025** | - | **9** | **4** | **6** | **0** | **73** | **92** |

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

## 4 INTANGIBLE ASSETS AND INTANGIBLE ASSET UNDER DEVELOPMENT

*INR Lacs*

| Particulars | Software/ License Fees | Product Registration | Total Intangible Asset | Intangible Asset under Development |
|---|---|---|---|---|
| **As at April 1, 2024** | - | 232 | 232 | 146 |
| Additions during the year | 1 | 112 | 113 | - |
| Transfer/Capitalised | - | - | - | (110) |
| **As at 31 March 2025** | **1** | **344** | **345** | **36** |
| Additions during the year | - | - | - | - |
| Transfer/Capitalised | - | - | - | - |
| **As at 31 March 2026** | **1** | **344** | **345** | **36** |
| | | | | |
| **Accumulated amortisation** | | | | |
| **As at April 1, 2024** | - | 67 | 67 | - |
| Amortisation for the year | 0 | 65 | 65 | |
| Transfer/Capitalised | - | - | - | |
| **As at 31 March 2025** | **0** | **132** | **132** | - |
| Amortisation for the year | 0 | 69 | 69 | |
| Transfer/Capitalised | - | - | - | |
| **As at 31 March 2026** | **0** | **201** | **201** | - |
| | | | | |
| **Net Carrying Value** | | | | |
| **As at 31 March 2026** | 1 | 143 | 144 | 36 |
| As at 31 March 2025 | 1 | 212 | 213 | 146 |

**Intangible assets under development ageing schedule**

*INR Lacs*

| | As at 31 March 2026 | | As at 31 March 2025 | |
|---|---|---|---|---|
| **Particulars** | **Projects in progress** | **Projects temporarily suspended** | **Projects in progress** | **Projects temporarily suspended** |
| Less than 1 year | - | - | - | - |
| 1-2 years | - | - | - | - |
| 2-3 years | - | - | 36 | - |
| More than 3 years | 36 | - | - | - |
| **Total** | **36** | - | **36** | - |

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.

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**5 Right of use assets and Lease liabilities**

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.
The Company has lease contracts for Buildings,used in its operations. The Comapny recognized a right-of-use asset at the date of initial application at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

**Company as a lessee**

**i. Right-of-use assets**

*INR Lacs*

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Balances as at the beginning of the year | 3,013 | 2,381 |
| Additions during the year | 386 | 1,375 |
| Less: Deletions during the year | (66) | (59) |
| Less: Depreciation for the year charged to Profit and Loss | (692) | (684) |
| **Balance as at the end of the year** | **2,641** | **3,013** |

**ii. Lease liability**

*INR Lacs*

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Balances as at the beginning of the year | 3,313 | 2,542 |
| Additions during the year | 386 | 1,375 |
| Interest cost accrued for the year | 309 | 316 |
| Lease terminated during the year | (73) | (65) |
| Payments of lease liabilities | (876) | (855) |
| **Balance as at the end of the year** | **3,059** | **3,313** |

**Maturity analysis of lease liability - undiscounted contractual cash flows**

*INR Lacs*

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Less than one year | 800 | 886 |
| One to five years | 2,310 | 2,288 |
| More than five year | 998 | 1,436 |
| **Total undiscounted cash flows** | **4,108** | **4,610** |
| **Discounted lease liabilities** | | |
| Current Lease Liabilities | 518 | 581 |
| Non Current lease liabilities | 2,541 | 2,732 |

**iii. Amounts recognized in profit or loss**

*INR Lacs*

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Depreciation on Right-of-use Assets | 692 | 684 |
| Interest Expenses on Lease Liability | 309 | 316 |
| Short-term lease rent expense | 103 | 151 |
| **Total amount recognized in profit or loss** | **1,104** | **1,151** |

**iv. Company as a Lessor**
There are no such arrangements during the year.

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**6 Investments**

*INR Lacs*

| | Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|---|
| | **Non Current** | | |
| A | **Investments in Equity Instruments** | | |
| | **a. Investments in Others (Unquoted) (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 |
| | **b. UPL Care Foundation (Unquoted) (Fair value through OCI)** | | |
| | 1,000 (Previous Year 1000) Equity Shares of Rs 10 each, fully paid | 0 | 0 |
| B | **Investments in Government or trust securities** | | |
| | National Savings Certificates (Unquoted) Investment stated at Amortised Cost | 0 | 0 |
| | | 2 | 2 |
| | (i) Aggregate amount of unquoted investments | 20 | 20 |
| | (ii) Aggregate amount of quoted investments | - | - |
| | (iii) Aggregate amount of impairment in value of investments | (18) | (18) |

C **Current**

*INR Lacs*

| Particulars | 31-Mar-26 | | 31-Mar-25 | |
|---|---|---|---|---|
| | Quantity | Amount | Quantity | Amount |
| **Mutual funds** | | | | - |
| **Unquoted (Fair value through profit or loss)** | | | | |
| ABSL Liquid Fund- Growth Direct | 8,38,580 | 3,732 | - | - |
| Tata Mutual Fund | 43,765 | 1,904 | - | - |
| | 8,82,345 | 5,636 | - | - |

**7 Loans**

*INR Lacs*

| Particulars | Non-current | | Current | |
|---|---|---|---|---|
| | As at | | As at | |
| | 31-Mar-26 | 31-Mar-25 | 31-Mar-26 | 31-Mar-25 |
| **Unsecured, considered good** | | | | |
| **Loans and advances to other parties** | | | | |
| Loans to employees | - | - | - | 97 |
| **Unsecured, considered doubtful** | | | | |
| **Loans and advances to other parties** | | | | |
| Premier Limited ** | - | - | 500 | 500 |
| **Loans and advances to related parties (refer note 32)** | | | | |
| Nurture Agetech Limited * | - | - | 8,956 | 30,675 |
| Less: Provision for doubtful loans and advances*** | - | - | (9,456) | (500) |
| **Total** | - | - | - | 30,772 |

* The Short Term Loan from related party carries interest rate of 7% - 8.5% and is repayable on demand.
** The short term loan was repayable on 01 July 2019, at the rate of interest of 15% p.a.
*** Provision for loan to Nurture Agtech Limited recorded in the year ended March 31, 2026 Rs 8,956 lacs have been disclosed under Exceptional items.

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.

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**Notes to the financial statements for the year ended 31 March 2026**

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

*INR Lacs*

| Name of the Company | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **Loan given to fellow subsidiaries for working capital / business operations:** | | |
| **Nurture Agtech Limited (repayable on demand) (refer note 32) :** | | |
| Opening balance | 30,675 | 27,065 |
| Loans given during the year | 6,640 | 3,610 |
| Loans repayments during the year (refer note 32) | (28,359) | - |
| Closing balance | 8,956 | 30,675 |
| **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 |

**Note a: Impairment of assets**
During the current year the management as performed the impairment testing of its overall exposure in its in fellow subsidary company Nurture Agtech Limited, which is in the growth phase and has been incurring losses till date. The overall impact of impairment is as under:

| Particulars | 31-Mar-26 | | 31-Mar-25 | |
|---|---|---|---|---|
| | **Gross carrying value** | **Impairment provision** | **Gross carrying value** | **Impairment provision** |
| Loans [refer note 7] * | 8,956 | 8,956 | 30,675 | - |
| Other financial asset - Interest Receivable [refer note 8] * | 2,078 | 2,078 | 6,104 | - |
| | **11,034** | **11,034** | **36,779** | **-** |

* Impact of impairment provision in the current year of Rs 10,421 lakhs is disclosed as Exceptional item

## 8 Other Financial Assets

*INR Lacs*

| Particulars | | Non-current | | Current | |
|---|---|---|---|---|---|
| | | As at | | As at | |
| | | 31-Mar-26 | 31-Mar-25 | 31-Mar-26 | 31-Mar-25 |
| **Unsecured, considered good** | | | | | |
| Security deposits | | 315 | 366 | 19 | 20 |
| Export benefits receivable | | 2 | 2 | - | - |
| Interest receivable | | - | - | 177 | 6,158 |
| | **A** | **317** | **368** | **196** | **6,178** |
| **Unsecured, considered doubtful** | | | | | |
| Security deposits | | - | - | 4 | 4 |
| Interest receivable | | - | - | 2,153 | 75 |
| Less: Provision for doubtful recovery | | - | - | (2,157) | (79) |
| | **B** | - | - | - | - |
| **Total** | **A+B** | **317** | **368** | **196** | **6,178** |

## 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:**

*INR Lacs*

| Particulars | Year ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Current tax:** | | |
| In respect of current year | 2,673 | - |
| Adjustments of tax relating to earlier years | - | - |
| **Deferred tax:** | | |
| In respect of current year | (2,319) | 606 |
| | **354** | **606** |

**ii) Income tax expenses recognised in OCI:**

*INR Lacs*

| | Year ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Deferred tax:** | | |
| In respect of current year | (8) | 4 |
| | **(8)** | **4** |

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**Notes to the financial statements for the year ended 31 March 2026**

**b) Reconciliation of tax expense and the accounting profit for the year is as under:**

*INR Lacs*

| | Year ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Profit before income tax | (1,241) | 1,908 |
| Statutory income tax rate of 25.168% | (312) | 480 |
| Charity and Donations | 43 | 43 |
| Loss on sale of PPE | 90 | 90 |
| Others | 534 | (6) |
| | **354** | **607** |
| Adjustments of tax relating to earlier years | - | - |
| **Income tax expense reported in the statement of profit and loss** | **354** | **606** |

**Net Income Tax Assets / (liabilities)**

*INR Lacs*

| **Particulars** | As at | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Income tax liabilities (Net) | (552) | - |
| Income tax assets (Net) | 550 | 531 |
| **Total** | **(2)** | **531** |

**Net deferred tax assets / (liabilities)**

*INR Lacs*

| | Balance Sheet | | Statement of profit and loss and OCI | |
|---|---|---|---|---|
| | As at | | Year ended | |
| | 31-Mar-26 | 31-Mar-25 | 31-Mar-26 | 31-Mar-25 |
| Differences in carrying values of PPE | 31 | 32 | 1 | (60) |
| Provision for dimunition of value of shares | - | 5 | 5 | - |
| Provision for doubtful debts and advances | 5,046 | 2,356 | (2,690) | (425) |
| Gratuity | 31 | - | (31) | - |
| Compensated absences | 15 | 27 | 12 | 12 |
| Right of use assets | (664) | 245 | 909 | (13) |
| Lease liabilities | 770 | (136) | (906) | 6 |
| Unabsorbed Business Loss carried forward | - | 389 | 389 | 1,060 |
| Others | - | - | - | 30 |
| **Net deferred tax assets/(liabilities)** | **5,229** | **2,918** | | |
| **Deferred tax expense/(income) including tax on OCI** | | | **(2,311)** | **610** |

**Reconciliation of deferred tax assets (Net):**

*INR Lacs*

| | Year ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Opening balance** | 2,918 | 3,528 |
| Tax income/(expense) during the year recognised in profit or loss | 2,319 | (606) |
| Tax income/(expense) during the year recognised in OCI | (8) | (4) |
| **Closing balance** | **5,229** | **2,918** |

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.

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**Notes to the financial statements for the year ended 31 March 2026**

## 10 Other Assets

*INR Lacs*

| Particulars | Non-current | | Current | |
|---|---|---|---|---|
| | As at | | As at | |
| | 31-Mar-26 | 31-Mar-25 | 31-Mar-26 | 31-Mar-25 |
| **Unsecured, considered Good** | | | | |
| Advances to Employees | - | - | 153 | - |
| GST credit receivables | - | - | 3,404 | 3,361 |
| Advance to Suppliers | - | - | 661 | 225 |
| Prepaid expenses | - | - | 162 | 12 |
| Balance in gratuity Fund (Refer note 31) | - | - | - | 55 |
| **Unsecured, considered doubtful** | | | | |
| Advance to Suppliers | - | - | 331 | 60 |
| VAT Receivable | 128 | 128 | - | - |
| Less: Provision for Doubtful Advances and VAT Receivable | (128) | (128) | (331) | (60) |
| **Total** | - | - | 4,380 | 3,653 |

## 11 Inventories

(At cost or net realizable value whichever is lower)

*INR Lacs*

| | As at | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Traded goods | 24,471 | 18,974 |
| Packing Material | 25 | 46 |
| **Total** | 24,496 | 19,020 |

(i) Amount of write down of inventories to net realisable value and other provisions / losses recognised in the statement of profit or loss is Rs 172 lacs (31 March 2025: Rs Nil).
(ii) The above inventory includes right to receive returned goods where customers excercise their right of return as per Groups sales return policy amounting to Rs 1,851 lacs for period ended March 31, 2026 (March 31, 2025 Rs. 2,575 lacs)

## 12 Trade Receivables

*INR Lacs*

| Particulars | As at | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Unsecured, considered good** | | |
| -From related parties (refer note 32) : | 1,089 | 2,232 |
| -From others | 21,131 | 28,825 |
| Less: Allowance for expected credit losses | (420) | (807) |
| **Trade receivables which have significant increase in credit risk** | | |
| -From others | 118 | 181 |
| Less: Allowance for expected credit losses | (118) | (181) |
| **Trade receivables-credit impaired** | | |
| -From others | 9,544 | 7,408 |
| Less: Allowance for expected credit losses | (9,544) | (7,408) |
| **Total** | 21,800 | 30,250 |

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

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

*INR Lacs*

| As at 31 March 2026 | Not due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|
| Undisputed Trade Receivables – considered good | 16,838 | 3,044 | 278 | 1,586 | 434 | 40 | 22,220 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | 118 | - | - | - | 118 |
| Undisputed Trade receivable – credit impaired | - | 8 | 21 | 878 | 2,655 | 5,982 | 9,544 |
| Disputed Trade receivables - considered good | - | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | - | - | - | - | - |
| | 16,838 | 3,052 | 417 | 2,464 | 3,089 | 6,022 | 31,882 |
| Less: Allowance for expected credit losses | | | | | | | (10,082) |
| | | | | | | | 21,800 |

*INR Lacs*

| As at 31 March 2025 | Not due | Less than 6 months | 6 months to 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|---|
| Undisputed Trade Receivables – considered good | 19,394 | 5,202 | 1,688 | 4,682 | 90 | 1 | 31,057 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | 181 | - | - | - | 181 |
| Undisputed Trade receivable – credit impaired | - | - | - | 415 | 3,419 | 3,574 | 7,408 |
| Disputed Trade receivables - considered good | - | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | - | - | - | - | - |
| | **19,394** | **5,202** | **1,869** | **5,097** | **3,509** | **3,575** | **38,646** |
| Less: Allowance for expected credit losses | | | | | | | (8,396) |
| | | | | | | | **30,250** |

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

*INR Lacs*

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Opening balance | 8,396 | 6,837 |
| Provision made during the year | 1,710 | 2,464 |
| Write off | (25) | (905) |
| | 10,082 | 8,396 |

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**13 Cash and Cash Equivalents**

*INR Lacs*

| Particulars | As at | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Balances with banks** | | |
| -Current accounts | 2,555 | 3,422 |
| Cash on hand | 0 | 0 |
| **Total** | 2,555 | 3,422 |

**14 Other Banks Balances**

*INR Lacs*

| Particulars | As at | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Fixed Deposit with bank as margin money* | 51 | 51 |
| **Total** | 51 | 51 |

* Held with bank towards margin money of guarantee

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**15 Share Capital**

*INR Lacs*

| Particulars | As at | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **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 2026**

| 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 | 10,00,001 | 0 | 10,00,001 | 100.00% | 0.00% |
| **Total** | 10,00,001 | - | 10,00,001 | 100.00% | 0.00% |

**During the year ended 31 March 2025**

| 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 | 10,00,001 | 0 | 10,00,001 | 100.00% | 100.00% |
| **Total** | 10,00,001 | - | 10,00,001 | 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.

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## 16 Other Equity

### Capital redemption reserve

| Particulars | INR Lacs |
|---|---|
| **As at 1 April 2023** | **702** |
| Increase/Decrease | - |
| **As at 31 March 2024** | 702 |
| Increase/Decrease | - |
| **As at 31 March 2025** | 702 |
| Increase/Decrease | |
| **As at 31 March 2026** | 702 |

### General Reserve

| Particulars | INR Lacs |
|---|---|
| **As at 1 April 2023** | **564** |
| Increase/Decrease | - |
| **As at 31 March 2024** | 564 |
| Increase/Decrease | - |
| **As at 31 March 2025** | **564** |
| Increase/Decrease | |
| **As at 31 March 2026** | 564 |

### Retained Earning

| Particulars | INR Lacs |
|---|---|
| **As at 1 April 2024** | **(1,113)** |
| Profit for the year | 1,302 |
| Re-measurement of the net defined liability/asset, net of tax effect (OCI) | (11) |
| **As at 31 March 2025** | **178** |
| Loss for the year | (1,595) |
| Re-measurement of the net defined liability/asset, net of tax effect (OCI) | 24 |
| **As at 31 March 2026** | **(1,393)** |

### Other equity

*INR Lacs*

| Particulars | As at | |
|---|---|---|
| | **31-Mar-26** | **31-Mar-25** |
| Capital redemption reserve | 702 | 702 |
| General Reserve | 564 | 564 |
| Retained Earning | (1,393) | 178 |
| **Total** | **(127)** | **1,444** |

**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 LTD.

**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**17 Provisions**

*INR Lacs*

| Particulars | Non-current | | Current | |
|---|---|---|---|---|
| | As at | | As at | |
| | 31-Mar-26 | 31-Mar-25 | 31-Mar-26 | 31-Mar-25 |
| **Net employee defined benefit liabilities** | | | | |
| Gratuity (Refer Note 31) | 14 | - | - | - |
| Compensated absence | 61 | 40 | - | 70 |
| Other provisions* | - | - | 56 | - |
| **Total** | 75 | 40 | 56 | 70 |

*Other Provisions resulting from plan amendments has been recognized in the Statement of Profit and Loss and has been classified as Exceptional Item aggregating to ₹ 56 lakhs (refer note 42).

**Movement in Provisions for Compensated absence**

| Particulars | As at 31-Mar-26 | As at 31-Mar-25 |
|---|---|---|
| Opening | 110 | 156 |
| Arising during the year | (12) | 62 |
| Utilised | (37) | (108) |
| **Closing** | 61 | 110 |

**Movement in Other provisions**

| Particulars | As at 31-Mar-26 | As at 31-Mar-25 |
|---|---|---|
| Opening | - | - |
| Arising during the year | 56 | - |
| Utilised | - | - |
| **Closing** | 56 | - |

**18 Borrowings**

*INR Lacs*

| Particulars | Current | |
|---|---|---|
| | As at | |
| | 31-Mar-26 | 31-Mar-25 |
| **Unsecured** | | |
| From related party (Refer note 32) | 28,000 | 60,800 |
| Interest accrued on Borrowings | 597 | 3,436 |
| **Total** | 28,597 | 64,236 |

A. The Short Term Loan from related party carries interest rate of 7% - 8.5% and is repayable on demand.
B. 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-26 | 31-Mar-25 |
| For goods and services: | | |
| - Outstanding due to MSMED | 1 | 7 |
| - Outstanding due to other than MSMED | 18,678 | 13,232 |
| **Total** | 18,679 | 13,239 |

**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.

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**Trade payables schedule outstanding for following periods from due date of payment**

*INR Lacs*

| As at 31 March 2026 | 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 | 1 | - | - | - | - | 1 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 14,965 | 3,055 | 510 | 30 | 45 | 18,605 |
| Disputed dues of micro enterprises and small enterprises | | | | | | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | | | | | | - |
| **Total** | **14,965** | **3,055** | **510** | **30** | **45** | **18,606** |

*INR Lacs*

| As at 31 March 2025 | 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 | - | 7.00 | - | - | - | 7 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 10,033 | 2,798 | 324 | 50 | 27 | 13,232 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - |
| **Total** | **10,033** | **2,805** | **324** | **50** | **27** | **13,239** |

**20 Other Financial Liabilities**

*INR Lacs*

| Particulars | As at | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Trade Deposits | 2,414 | 2,555 |
| Employee payables | 908 | 435 |
| **Total** | 3,322 | 2,990 |

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**21 Other Current Liabilities**

*INR Lacs*

| Particulars | As at | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Advance from Customers | 1,988 | 1,552 |
| Statutory Dues (GST& Others) | 133 | 144 |
| Total | 2,121 | 1,696 |

**22 Revenue from operations**

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Revenue from contract with customers** | | |
| Sale of products | 71,706 | 73,528 |
| | **71,706** | **73,528** |
| **Other operating revenues** | | |
| Export Incentives | - | 4 |
| Excess provision written back | - | 16 |
| Miscellaneous receipts | 49 | 60 |
| **Revenue from operations** | 71,755 | 73,608 |

**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 days.

b. Revenue by geographical market

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| - India | 71,680 | 73,601 |
| - Outside India | 75 | 7 |
| **Total Revenue from operations** | 71,755 | 73,608 |

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

c. Contract balances

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Trade receivables | 31,882 | 38,646 |
| Advance from customers | 1,988 | 1,552 |

| | | |
|---|---|---|
| Revenue recognised from amounts included in contract liabilities with ina year | 1,552 | 3,334 |

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

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Revenue from contract with customer as per the contract price** | 1,09,106 | 1,14,539 |
| Adjustments made to contract price on account of :- | | |
| Discounts / Rebates (refer note below) | (25,471) | (31,330) |
| Sales returns (refer note below) | (11,929) | (9,681) |
| Revenue from contract with customer | 71,706 | 73,528 |
| Other operating revenue | 49 | 80 |
| **Revenue from operations** | **71,755** | **73,608** |

**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.

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**23 Other Income**

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Interest Income on financial assets -Carried at amortised cost: | | |
| -Loan given to group Company* (Refer note 32) | 1,877 | 2,512 |
| -Other | 321 | - |
| Gain on closure of lease contract | 122 | 6 |
| Miscellaneous income | 58 | - |
| Financial assets at FVTPL-net change in fair value | 14 | - |
| Gain on sale of investments | 188 | - |
| **Total** | 2,580 | 2,518 |

*Net of provision on interest income accrued of Rs 613 lacs (previous year Nil)

**24 (Increase)/ Decrease In Inventories**

*INR Lacs*

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **Inventories at the end of the year** | | |
| Traded Goods | 24,471 | 18,974 |
| | **24,471** | **18,974** |
| **Inventories at the beginning of the year** | | |
| Traded Goods | 18,974 | 31,617 |
| | **18,974** | **31,617** |
| **(Increase)/ Decrease In Inventory** | (5,497) | 12,643 |

**25 Employee Benefits Expense**

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Salaries, wages and bonus | 3,445 | 3,244 |
| Contribution to provident and other funds | 126 | 133 |
| Retirement benefits (refer note 31) | 109 | 77 |
| Staff welfare expenses | 213 | 142 |
| **Total** | 3,893 | 3,596 |

**26 Finance Cost**

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Interest expense on financial liabilities measured at amortised cost:** | | |
| -Loan taken from holding/group company (Refer note 32) | 4,456 | 4,683 |
| -Interest on lease Liabilities | 309 | 316 |
| -Working capital demand loan | - | 678 |
| Other financial charges | - | 9 |
| **Total** | 4,765 | 5,686 |

**27 Depreciation and Amortization Expenses**

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Depreciation on Property, Plant and Equipments | 77 | 191 |
| Depreciation on Right of use Assets | 692 | 684 |
| Amortization of Intangible assets | 69 | 65 |
| **Total** | 838 | 940 |

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**28 Other Expenses**

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Consumption of stores and spares | - | 0 |
| Power & Fuel | 5 | 2 |
| Sub-contracting expenses | 347 | 169 |
| Rent | 103 | 151 |
| Rates and taxes | 39 | 92 |
| Insurance | 562 | 630 |
| Repairs and maintenance | | |
| Others | 41 | 49 |
| Royalty Charges | 552 | 558 |
| Commission on Sales | 869 | 515 |
| Advertising and Sales Promotion | 2,746 | 1,660 |
| Travelling and conveyance | 1,290 | 1,101 |
| Charity and Donations * | 400 | 17 |
| CSR expenses (Refer note 41) | 146 | 152 |
| Legal and professional fees | 518 | 725 |
| Payment to auditor (Refer details below) | 61 | 60 |
| Loss on sale of Assets | - | 357 |
| Transport Charges | 1,513 | 1,853 |
| Provision for advances | 47 | 55 |
| Clearing and Forwarding expense | 405 | 585 |
| Other Expenses | 501 | 277 |
| **Total** | **10,145** | **9,008** |

**Payment to Auditor**

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Statutory Audit | 60 | 60 |
| Other services | 1 | - |
| **Total** | **61** | **60** |

* The Company made a contribution to an electoral trust of Rs 400 lakhs and NIL for the years ended March 31, 2026 and 2025, respectively, which is included in Charity and donations above.

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**29 Other Comprehensive Income**

*INR Lacs*

| Particulars | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Remeasurement loss on defined benefit plans | 32 | (15) |
| **Other Comprehensive Income- Gain/(Loss)** | **32** | **(15)** |
| Income Tax | (8) | 4 |
| **Net Other Comprehensive Income Gain/(Loss)** | **24** | **(11)** |

**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 | Refrence | Year Ended | |
|---|---|---|---|
| | | 31-Mar-26 | 31-Mar-25 |
| **Basic / Diluted Earning Per Share:** | | | |
| Profit / (Loss) after taxation as per Statement of Profit and Loss | (A) | (1,595) | 1,302 |
| Weighted average number of Equity Shares Outstanding | (B) | 10,00,007 | 10,00,007 |
| Basic/Diluted Earning Per Share (in Rupees) | (A)/(B) | (159) | 130 |
| Nominal value of equity share (in Rupees) | | 10 | 10 |

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**31 Retirement Benefits:**

**(i) Defined Benefits Plans**

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

*INR Lacs*

| Particulars | Gratuity | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Change in Benefit obligation** | | |
| Opening defined benefit obligation | 177 | 177 |
| Interest cost | 12 | 12 |
| Current service cost | 49 | 37 |
| Past service cost | 78 | - |
| Benefits paid | (23) | (39) |
| Actuarial (gains)/ losses on change in financial assumptions | (43) | (9) |
| **Closing defined benefit obligation-A** | **250** | **177** |
| **Change in Plan Assets** | | |
| Opening fair value of plan assets | 232 | 211 |
| Expected return | 15 | 14 |
| Actuarial Gain/(Loss) on plan assets | (11) | 6 |
| **Closing fair value of plan assets-B** | **236** | **232** |
| **Net (Assets) / Liability (A)-(B)** | **14** | **(55)** |

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

*INR Lacs*

| Particulars | Gratuity | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Current service cost | 49 | 37 |
| Past service cost | 78 | - |
| Interest cost on benefit obligation | 12 | 12 |
| Return on plan assets | (15) | (14) |
| **Expenses recognised in Profit and Loss*** | **124** | **34** |

*Past service cost resulting from plan amendments has been recognized in the Statement of Profit and Loss and has been classified as Exceptional Item aggregating to ₹ 11 lakhs (refer note 42).

**The amounts recognised in the statement of OCI are as follows:**

*INR Lacs*

| Particulars | Gratuity | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Net actuarial (gain)/loss recognised during the year | (43) | (9) |
| Expected return on plan assets | 11 | (6) |
| | **(32)** | **(15)** |

| Particulars | Gratuity | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| Discount Rate | 6.65% | 6.65% |
| Annual Increase in salary cost | 7.25% | 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. |

Weighted average duration of the plan (based on Weighted Average Age, Retirement Age, Attrition and Mortality) is 4.93 years

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**Sensitivity Analysis of Defined Benefit Obligation with references to Key Assumptions**

*INR Lacs*

| Particular | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **Imapct on Defined Benefit Obligation (DBO)** | | |
| Discount Rate - 1 percent increase | 16 | 13 |
| Discount Rate - 1 percent decrease | (18) | (14) |
| Salary Escalation Rate - 1 percent increase | 17 | 14 |
| Salary Escalation Rate - 1 percent decrease | (16) | (13) |
| Withdrawal Rate - 1 percent increase | 1 | 1 |
| Withdrawal Rate - 1 percent decrease | (0) | 0 |

**Expected Benefit Payments in Future Years**

*INR Lacs*

| Year | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Year 1 | 69 | 37 |
| Year 2 | 34 | 24 |
| Year 3 | 17 | 17 |
| Year 4 | 15 | 9 |
| Year 5 | 19 | 8 |
| Year 6 to Year 10 | 65 | 14 |

- Expected contribution for next year is Nil.

**(ii) Defined Contribution Plan**

*INR Lacs*

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| Current service cost | | |
| Provident Fund | 102 | 98 |
| Employees State Insurane Corporation | - | - |
| Superannuation | 14 | 13 |
| National Pension Scheme (NPS) | 10 | 5 |
| Current service cost | 126 | 116 |

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

Risk Exposure:
Aforesaid post-employment benefit plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

"Investment risk
The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. However, the risk is partially mitigated by investment in LIC managed fund."

"Interest rate risk
A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments."

"Longevity risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability."

"Salary risk
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability."

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**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.

**(C) Name of the Fellow Subsidiary Company**
UPL Limited Gibralter
Arysta Lifescience India Limited
Nurture Agtech Limited
Advanta Enterprises Limited
Nature Bliss Agro Limited
UPL Global Business Services Limited
United Phosphorus (India) Private Limited (formerly known as United Phosphorus (India) LLP)
UPL Europe Limited
UPL Mauritius Limited
UPL Management DMCC
Natural Plant Protection Limited
Superform Chemistries Limited (formerly known as Upl Speciality Chemicals Limited)

**(D) Enterprises over which Key Management Personnel and their relatives have significant influence having transactions during the year**
Urbania Realty LLP
Crop Care Federation of India
Ultima Search
Universal Pestochem Industries Limited
Bloom Seal Containers Private Limited
Packfusion Packaging Solutions Private Limited formerly known as "Bloom Packaging Private Limited"
BEIL Infrastructure Limited

**(E) Key Management Personnel - Directors**
Mr. K R Srivastava - Managing Director (upto May 2, 2025)
Mr. Rajnikant D. Shroff - Director
Ms. Asha Arun Ashar - Director
Mr. Rupesh Gupta - Director
Mr. Raj Tiwari (w.e.f Nov 14, 2025)
Mr. Ravishankar Cherukuri (w.e.f Jul 15, 2025)

SWAL CORPORATION LTD.

**For the year ended 31 March 2026**

*INR Lacs*

| Sr No. | Name of Relactd Party | Income | Expenses | | Balance sheet movement | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Sale of Goods | Purchase of Goods and service | Interest Expenses | Borrowings Given | Borrowings transferred on demerger | Borrowings repayment received | Repayments of loans taken | Interest income | Commission Paid | Royalty reimbursed made | Management Fees | Reimbursement Made | Assets Purchased | Total |
| 1 | Advanta Enterprises Limited | - | | - | - | - | - | - | - | - | - | - | | | - |
| 2 | Arysta Lifescience India Limited | - | 1,685 | - | - | - | - | - | - | - | - | - | - | 48 | 1,733 |
| 3 | Packfusion Packaging Solutions Private Limited formerly known as "Bloom Packaging Private Limited" | - | 3 | - | - | - | - | - | - | - | - | - | - | - | 3 |
| 4 | Bloom Seal Containers Private Limited | - | 27 | - | - | - | - | - | - | - | - | - | - | - | 27 |
| 5 | Crop Care Federation of India | - | 18 | - | - | - | - | - | - | - | - | - | - | - | 18 |
| 6 | Natural Plant Protection Limited | - | 453 | - | - | - | - | - | - | - | - | - | - | - | 453 |
| 7 | Nurture Agtech Limited | - | - | - | 6,640 | (28,359) | - | - | 2,144 | 1,980 | - | - | - | - | (17,595) |
| 8 | Ultima Search | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | United Phosphorus (India) LLP | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Universal Pestochem Industries Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | UPL Global Business Services Limited | - | - | - | - | - | - | - | - | - | - | 105 | - | - | 105 |
| 12 | UPL Limited | - | 48,194 | - | - | - | - | - | - | - | 618 | - | - | 9 | 48,821 |
| 13 | UPL Sustainable Agri Solutions Limited | 455 | 3,248 | 4,479 | - | 28,359 | (28,359) | 32,800 | 346 | - | - | - | - | 3 | 41,330 |
| 14 | Urbania Realty LLP | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 15 | UPL Europe Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 16 | UPL Mauritius Limited | - | - | - | - | - | - | - | - | - | - | - | 49 | - | 49 |
| 17 | UPL Management DMCC | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 18 | Superform Chemistries Limited (formerly known as Upl Speciality Chemicals Limited) | - | 3,049 | - | - | - | - | - | - | - | - | - | - | 1 | 3,050 |
| 19 | Ankleshwar Rotary Education Society | - | - | - | - | - | - | - | - | - | - | - | - | - | 146 |
| 20 | Nature Bliss Agro Limited | - | 29 | - | - | - | - | - | - | - | - | - | | | 29 |
| | Total | 455 | 56,706 | 4,479 | 6,640 | - | (28,359) | 32,800 | 2,490 | 1,980 | 618 | 105 | 49 | 60 | 78,168 |

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For the year ended 31 March 2025

*INR Lacs*

| Sr No. | Name of Relactd Party | Income | Expenses | | Balance sheet movement | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Sale of Goods | Purchase of Goods and service | Interest Expenses | Loan Given | Loans taken during | Repayments of loans taken | Interest income | Contribution paid | Commission Paid | CSR | Royalty reimbursed made | Management Fees | Reimbursement Received | Reimbursement Made | Assets Purchased | Assets Sale | Total |
| 1 | Advanta Enterprises Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | Arysta Lifescience India Limited | - | 1,755 | - | - | - | - | - | - | - | - | - | - | 0 | - | - | - | 1,755 |
| 3 | Packfusion Packaging Solutions Private Limited formerly known as "Bloom Packaging Private Limited" | - | 4 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 4 |
| 4 | Bloom Seal Containers Private Limited | - | 82 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 82 |
| 5 | Crop Care Federation of India | - | - | - | - | - | - | - | 20 | - | - | - | - | - | - | - | - | 20 |
| 6 | Natural Plant Protection Limited | - | 174 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 174 |
| 7 | Nurture Agtech Limited | - | 43 | - | 3,610 | - | - | 2,512 | - | 508 | - | - | - | - | 92 | - | 1 | 6,766 |
| 8 | Ultima Search | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 | United Phosphorus (India) LLP | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Universal Pestochem Industries Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | UPL Global Business Services Limited | - | - | - | - | - | - | - | - | - | - | - | 96 | - | - | - | - | 96 |
| 12 | UPL Limited | - | 37,611 | 21 | - | - | 2,000 | - | - | - | - | 2,045 | - | 199 | 229 | - | - | 42,105 |
| 13 | UPL Sustainable Agri Solutions Limited | 43 | 2,344 | 4,662 | - | 19,200 | - | - | - | - | - | - | - | 12 | 30 | - | 0 | 26,291 |
| 14 | Urbania Realty LLP | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 444 | - | 444 |
| 15 | UPL Europe Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 16 | UPL Mauritius Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | 73 | - | - | 73 |
| 17 | UPL Management DMCC | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 18 | Superform Chemistries Limited (formerly known as Upl Speciality Chemicals Limited) | - | 122 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 122 |
| 19 | Ankleshwar Rotary Education Society | | | | | | | | | | 152 | | | | | | | 152 |
| 20 | Nature Bliss Agro Limited | - | 372 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 372 |
| | **Total** | **43** | **42,507** | **4,683** | **3,610** | **19,200** | **2,000** | **2,512** | **20** | **508** | **152** | **2,045** | **96** | **211** | **424** | **444** | **1** | **78,457** |

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**[III] Outstanding at the year end:**

*INR Lacs*

| Sr No. | Name of Related Party | As at 31 March 2026 | | | | | | | As at 31 March 2025 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Payable | Receivable | Advance | Loan Given | Loans taken | Interest Receivable | Interest payables | Payable | Receivable | Advance | Loan Given | Loans taken | Interest Receivable | Interest payables |
| 1 | Advanta Enterprises Limited | 24 | 65 | - | - | - | - | - | 45 | 65 | - | - | - | - | - |
| 2 | Arysta Lifescience India Limited | 531 | - | - | - | - | - | - | 322 | - | - | - | - | - | - |
| 3 | BEIL Infrastructure Limited | - | 2 | - | - | - | - | - | - | 2 | - | - | - | - | - |
| 4 | Packfusion Packaging Solutions Private Limited formerly known as "Bloom Packaging Private Limited" | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 | Bloom Seal Containers Private Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 | Crop Care Federation of India | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 | Natural Plant Protection Limited | - | - | 178 | - | - | - | - | 1 | - | - | - | - | - | - |
| 8 | Nurture Agtech Limited | - | - | 618 | 8,956 | - | 2,078 | - | - | - | 1,907 | 30,675 | - | 6,104 | 24 |
| 9 | Ultima Search | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 10 | Urbania Realty LLP | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 11 | United Phosphorus (India) LLP | - | - | - | - | - | 7 | - | - | 1 | - | - | - | 7 | - |
| 12 | Universal Pestochem Industries Limited | - | - | - | - | - | - | - | 4 | - | - | - | - | - | - |
| 13 | UPL Global Business Services Limited | - | 27 | - | - | - | - | - | 50 | 81 | - | - | - | - | - |
| 14 | UPL Limited | 11,432 | 1,024 | - | - | - | - | - | 9,821 | 1,791 | - | - | - | - | 19 |
| 15 | UPL Sustainable Agri Solutions Limited | 2,364 | - | - | - | 28,000 | 127 | 597 | 385 | 110 | - | - | 60,800 | 3 | 3,367 |
| 16 | UPL Europe Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 17 | UPL Mauritius Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 18 | UPL Management DMCC | - | - | - | - | - | - | - | - | 183 | - | - | - | - | - |
| 19 | Nature Bliss Agro Limited | - | - | - | - | - | - | - | 176 | - | - | - | - | - | - |
| 20 | Superform Chemistries Limited (formerly known as Upl Speciality Chemicals Limited) | 265 | - | - | - | - | - | - | 810 | - | - | - | - | - | - |
| | Total | 14,617 | 1,117 | 796 | 8,956 | 28,000 | 2,212 | 597 | 11,613 | 2,232 | 1,907 | 30,675 | 60,800 | 6,114 | 3,411 |

**Notes:**

Above Figures are gross of tax

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**33 Contingent Liabilities**

*INR Lacs*

| Particulars | As at 31-Mar-26 | As at 31-Mar-25 |
|---|---|---|
| **Claims against the company not acknowledged as debts:** | | |
| (a) Disputed Income Tax Liability | 6 | 9 |
| (b) Disputed GST Liability | 2,313 | 1,076 |
| (c) Claims against company not acknowledged as debts | 129 | 79 |
| **Total** | **2,448** | **1,164** |

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

*INR Lacs*

| Particulars | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| 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 | 1 | 7 |
| - 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 | - | - |
| 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 Hedging activities and derivatives**

Un-hedged Foreign Currency balances:

| | Currency | As at 31-Mar-26 (In. '000) | 31-Mar-26 (INR Lacs) | 31-Mar-25 (In. '000) | 31-Mar-25 (INR Lacs) |
|---|---|---|---|---|---|
| Payables | | | | | |
| | EUR | - | - | - | - |
| | USD | - | - | - | - |
| Receivable | EUR | 1 | 1 | 1 | 1 |
| | USD | - | - | 221 | 189 |

SWAL CORPORATION LIMITED
**Notes to the financial statements for the year ended 31 March 2026**

**36 Category-wise classification of financial instruments**

*INR Lacs*

| Particulars | As at | | | |
|---|---|---|---|---|
| | Non-current | | Current | |
| | 31-Mar-26 | 31-Mar-25 | 31-Mar-26 | 31-Mar-25 |
| **(A) Accounting, classification and fair values:** | | | | |
| **Financial assets measured at fair value through profit or loss (FVTPL)** | | | | |
| Investments in Equity Instruments - unquoted - Level 3 | 2 | 2 | - | - |
| **Financial assets measured at fair value through OCI (FVOCI)** | | | | |
| Investments in Equity Instruments - unquoted - Level 3 | - | - | - | - |
| **Financial assets measured at amortised cost:** | | | | |
| Security Deposits | 315 | 366 | 19 | 20.00 |
| Export benefits receivable | 2 | 2 | - | - |
| Interest receivable | - | - | 177 | 6,158 |
| Trade receivable from related parties | - | - | 1,089 | 2,232 |
| Trade receivable from others | - | - | 21,131 | 28,825 |
| Cash and cash equivalents | - | - | 2,555 | 3,422 |
| Other bank balance | - | - | 51 | 51 |
| Loans and advances to related parties | - | - | 8,956 | 30,675 |
| Loans and advances to employees | - | - | - | 97 |
| **Total** | **319** | **370** | **33,978** | **71,480** |
| **Financial liabilities measured at amortised cost:** | | | | |
| Borrowings | - | - | 28,597 | 64,236 |
| Trade payables MSME | - | - | 1 | 7 |
| Trade payables | - | - | 18,678 | 13,232 |
| Rebate and refund liabilities | - | - | 11,729 | 13,408 |
| Lease liabilities | 2,541 | 2,732 | 518 | 581 |
| Trade Deposits | - | - | 2,414 | 2,555 |
| Interest accrued but not due on deposits | - | - | - | - |
| Interest Payable on Borrowing | - | - | - | - |
| Employee payables | - | - | 908 | 435 |
| **Total** | **2,541** | **2,732** | **62,845** | **94,454** |

**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.

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**Interest rate sensitivity**
Since the company does not have any floating rate borrowings, disclosure of the interest rate sensitivity is not applicable.

**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**
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 using a provision matrix:

**Trade receivables-Days past due** *INR Lacs*

| Age of trade recaivables | As at | | | | | |
|---|---|---|---|---|---|---|
| | 31-Mar-26 | | | 31-Mar-25 | | |
| | Gross carrying amount of exposure at default | Expected credit loss | Average % | Gross carrying amount of exposure at default | Expected credit loss | Average % |
| Current | 16,838 | 250 | 2.48% | 20,087 | 315 | 1.22% |
| 0-60 Days | 1,561 | 68 | 0.67% | 2,499 | 68 | 3.39% |
| 61-180 days | 1,073 | 188 | 1.86% | 2,702 | 335 | 12.57% |
| 181-270 days | 314 | 118 | 1.17% | 708 | 181 | 32.97% |
| more than 270 Days | 12,096 | 9,458 | 93.81% | 12,651 | 7,497 | 58.09% |
| **Total** | **31,882** | **10,082** | | **38,647** | **8,396** | |

**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.

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

SWAL CORPORATION LTD.

*INR Lacs*

| Particular | As at 31-Mar-26 | | | | |
|---|---|---|---|---|---|
| | Carrying amount | Less than 1 year | 1 to 5 years | > 5 years | Total |
| Borrowings | 28,597 | 28,597 | - | - | 28,597 |
| Other financial liabilities | 3,322 | 3,322 | - | - | 3,322 |
| Lease liabilities | 3,059 | 800 | 2,310 | 998 | 4,108 |
| Trade and other payables | 18,679 | 18,679 | - | - | 18,679 |
| Rebate and refund liabilities | 11,729 | 11,729 | - | - | 11,729 |
| **Total** | **65,386** | **63,127** | **2,310** | **998** | **66,435** |

| Particular | As at 31-Mar-25 | | | | |
|---|---|---|---|---|---|
| | Carrying amount | Less than 1 year | 1 to 5 years | > 5 years | Total |
| Borrowings | 64,236 | 64,236 | - | - | 64,236 |
| Other financial liabilities | 2,990 | 2,990 | - | - | 2,990 |
| Lease liabilities | 3,313 | 886 | 2,288 | 1,436 | 4,610 |
| Trade and other payables | 13,239 | 13,239 | - | - | 13,239 |
| Rebate and refund liabilities | 13,408 | 13,408 | - | - | 13,408 |
| **Total** | **97,186** | **94,759** | **2,288** | **1,436** | **98,483** |

**38 Segment information**

Based on the internal reporting provided to the Chief Operating Decision Maker (CODM) – the Company operates as a single reportable segment. This segment is identified as "Crop Protection" which includes manufacture and marketing of conventional agrochemical products and other agricultural related products. All revenues, expenses, assets, and liabilities of the Company are attributable to this sole operating segment. Accordingly, no separate segment-wise financial results are presented.

**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 2026 and 31 March 2025.

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.

**INR Lacs**

| Particular | Note no. | As at 31-Mar-26 | 31-Mar-25 |
|---|---|---|---|
| Borrowings | 18 | 28,597 | 64,236 |
| Less: cash and cash equivalents | 13 | 2,555 | 3,422 |
| **Net debt** | | **31,152** | **67,658** |
| Equity | 15 and 16 | (27) | 1,544 |
| **Total equity** | | **(27)** | **1,544** |
| **Capital and net debt** | | **31,125** | **69,202** |
| **Gearing ratio (in times)** | | 1.00 | 0.98 |

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**

**INR Lacs**

| | 31-Mar-26 | 31-Mar-25 |
|---|---|---|
| **Commitments** | | |
| Capital commitments | 0 | 2 |
| | **0** | **2** |

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**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**41 Corporate Social Responsibility:**

INR Lacs

| Particular | Year Ended | |
|---|---|---|
| | 31-Mar-26 | 31-Mar-25 |
| **Gross amount required to be spent by the company during the year** | 145 | 142 |
| **Amount spent during the year (In cash) (A)** | | |
| Construction/Acquisition of any assets | - | - |
| On purposes other than above | 146 | 152 |
| **Amount spent during the year (yet to be paid in cash) (B)** | | |
| Construction/Acquisition of any assets | - | - |
| On purposes other than above | - | - |
| **Amount spent during the year (Total) (A)+(B)** | | |
| Construction/Acquisition of any assets | - | - |
| On purposes other than above | 146 | 152 |
| **The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year** | - | - |
| **The total of previous years shortfall amounts;** | NA | NA |
| **The reason for above shortfalls** | NA | NA |
| **Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard (refer note 32)** | | |

Note:
Nature of CSR activities: Education
The Company has spent over and above the statutory requirement which is available for set off.

**42 Code on Social Security, 2020**

On November 21, 2025, the Government of India notified four Labour Codes viz: the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', consolidating 29 existing labour laws. On December 30, 2025, the Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The Company has assessed and disclosed the financial implications of these changes as per the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and an enactment of the new legislation as an event of non-recurring nature, the Company has presented this incremental amount as "Impact of New Labour Codes" under "Exceptional Item" in the Financial Statement for the year ended March 31, 2026. The Company continues to monitor the finalization of Central / State Rules and clarifications from the Government of India pertaining to New Labour Codes and will evaluate impact if any on the measurement of the employee benefits liability in accordance with applicable accounting standards

**43 Other Statutory Information**

i. As per section 248 of the Companies Act, 2013, there are no transactions / balances outstanding with struck off companies.

ii. 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.

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

iv. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

v. 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.

vi. There are no charge or satisfaction yet to be registered with Registrar of Company beyond the statutory period.

vii. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Viii. During the year, to improve financial statement presentation and clarity for users, the Group separately disclosed the rebate and refund liabilities on face of balance sheet.

SWAL CORPORATION LTD.

**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**44 Ratio**

| Sr No. | Ratio | Numerator | Denominator | 31-Mar-26 | 31-Mar-25 | Variance in % | Remarks |
|---|---|---|---|---|---|---|---|
| 1 | Current ratio (times) | Current assets | Current Liabilities excluding Current Borrowings | 1.60 | 2.92 | -45.22% | Variance due to reduction in Current Asset as well as current liability |
| 2 | Debt- equity ratio (times) | Total debt | Shareholder's Equity | (1,059.15) | 41.60 | -2645.81% | Variance due to Profit In current year as compare to losses incurred during the Previous year, which have led to a increase 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 | 0.74 | 1.34 | -44.63% | Due to the profit in Current year as compare to the Company has incurred losses during the Previous year due to industry slowdown, , leading to these variances. |
| 4 | Return on Equity ratio (%) | Net profit after tax | Average Shareholder's Equity | -210.28% | -177% | 19.11% | Due to the profit in Current year as compare to the Company has incurred losses during the Previous year due to industry slowdown, , leading to these variances. |
| 5 | Inventory Turnover ratio (times) | Sales of products | Average Inventory | 3.30 | 2.24 | 47.13% | Variance due to increase in Sales for Current year and reduction in inventory. |
| 6 | Trade Receivables turnover ratio (times) | Sales of products | Average Trade Receivable | 2.76 | 1.07 | 157.50% | Variance due to increase in Sales and drastc reduction in Trade receivable |
| 7 | Trade payable turnover ratio (times) | Net purchases + Other expenses | Average Trade Payables | 3.70 | 0.89 | 315.90% | sales as well as purchase has increased 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) | (15.37) | (11.75) | 30.85% | NA |
| 9 | Net Profit ratio (%) | Net profit after tax | Revenue from operations | -2.22% | -5% | -58.61% | Variance due to Company has achieved profitability in current year as compare to loss in Previoues year. |
| 10 | Return on Capital Employed (%) | Earnings before interest and taxes | Capital Employed = Net Worth + Non Current Liabilities | 136.11% | -16% | -956% | Variance due to Company has achieved profitability in current year as compare to loss in Previoues year. |
| 11 | Return on Investment (%) | Profit for the year | Total Equity | 5907% | -1508% | -492% | Variance due to Company has achieved profitability in current year as compare to loss in Previoues year. |

SWAL CORPORATION LTD.

**SWAL CORPORATION LIMITED**
**Notes to the financial statements for the year ended 31 March 2026**

**44 Ratio**

| Sr No. | Ratio | Numerator | Denominator | 31-Mar-26 | 31-Mar-25 | Variance in % | Remarks |
|---|---|---|---|---|---|---|---|
| 1 | Current ratio (times) | Current assets | Current Liabilities excluding Current Borrowings | 1.60 | 2.92 | -45.22% | Note 1 |
| 2 | Debt- equity ratio (times) | Total debt | Shareholder's Equity | (1,059.15) | 41.60 | -2645.81% | Note 1 |
| 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 | 0.74 | 1.34 | -44.63% | Note 1 |
| 4 | Return on Equity ratio (%) | Net profit after tax | Average Shareholder's Equity | -210.28% | 15.50% | -1456.59% | Note 1 |
| 5 | Inventory Turnover ratio (times) | Sales of products | Average Inventory | 3.30 | 3.14 | 4.85% | NA |
| 6 | Trade Receivables turnover ratio (times) | Sales of products | Average Trade Receivable | 2.76 | 1.67 | 64.56% | Due to better collections during the current year |
| 7 | Trade payable turnover ratio (times) | Net purchases + Other expenses | Average Trade Payables | 3.70 | 1.06 | 247.92% | Due to increase in purchase and decrese in overall trade payables during the current year |
| 8 | Net capital turnover ratio (times) | Revenue from operations | Average Working capital (i.e. Total Current assets – Total Current liabilities) | (15.37) | 179.31 | -108.57% | Note 1 |
| 9 | Net Profit ratio (%) | Net profit after tax | Revenue from operations | -2.22% | 1.77% | -225.67% | Note 1 |
| 10 | Return on Capital Employed (%) | Earnings before interest and taxes | Capital Employed = Net Worth + Non Current Liabilities | 136.11% | 15.31% | 789% | Note 1 |
| 11 | Return on Investment (%) | Profit for the year | Total Equity | 5907% | 84% | 6905% | Note 1 |

Note 1: Variance is due to impairment of loan to related party in the current year, leading to loss and reduction in current assets.

SWAL CORPORATION LTD.

**45 Event After Reporting Period**

There have been no material events since the end of the reporting period which would require disclosure or adjustment to the annual financial statements for the year ended March 31, 2026.

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

Ravi Ashok Kothari Digitally signed by Ravi Ashok Kothari Date: 2026.05.06 22:05:00 +05'30'

**Ravi Kothari**
*Partner*
Membership no.: 160276

Place : Mumbai
Date : May 6, 2026

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

Tiwari Raj Kumar Digitally signed by Tiwari Raj Kumar Date: 2026.05.06 20:03:23 +05'30'

**Raj Tiwari**
*Director*
DIN: 09772257

Place : Philadelphia
Date : May 6, 2026

RAVISHANKAR CHERUKURI Digitally signed by RAVISHANKAR CHERUKURI Date: 2026.05.06 20:06:39 +05'30'

**Ravishankar Cherukuri**
*Director*
DIN.- 06755061

Place : Mumbai
Date : May 6, 2026

SWAL CORPORATION LTD.