

# Natvarlal Vepari & Co LLP

## CHARTERED ACCOUNTANTS

(Formerly known as Natvarlal Vepari & Co.)

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai-400 021. Tel : (91) (22) 67527100

E-Mail : [nvc@nvc.in](mailto:nvc@nvc.in) LLPIN : ACM-9656

### INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Daikaffil Chemicals India Limited

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

##### Opinion

We have audited the Financial Statements of Daikaffil Chemicals India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its Loss (including other comprehensive income), the 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the 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 ICAI's 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.





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### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Company's Annual Report but does not include the Financial Statements and our Independent Auditors' Report thereon. Our opinion on the Financial Statements does not cover the Other Information, and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. The Other Information as aforesaid is expected to be made available to us after the date of this Auditor's Report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance and take appropriate steps in accordance with the extant laws.

### Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act and the relevant provisions 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



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detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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:

1. 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.
2. 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 system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

The comparative financial information of the Company for the year ended March 31, 2024 included in these Financial Statements have been audited by the predecessor auditor M/s NGST & Associates



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Chartered Accountants. The report of the predecessor auditor on the comparative financial information dated May 25, 2024 expressed an unmodified opinion.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 relating to preparation of the aforesaid Financial Statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) and 2(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), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With reference to maintenance of accounts and other matter therewith, reference is invited to paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.
  - 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with



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reference to Financial Statements.

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

The Company has not paid any managerial remuneration during the year and hence we have no reporting under this clause.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements - Refer Note 31 to the Financials Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,

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

iv.

a. The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries

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

c. Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that





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the representations under sub-clause (iv)(a) and (iv) (b) above contain any material misstatement.

- v. The Company has neither proposed nor paid any dividend during the year:
- vi. Based on our examination which included test checks, the Company, has used Tally Prime which has an audit trail feature w.e.f July 23, 2024. The previous version of the accounting software did not have the feature of audit trail. Further, for the periods that the audit trail was enabled (with effect from July 23, 2024) and operated as aforesaid, the same has been maintained without any tampering and preserved by the company in compliance with the applicable statutory requirements for record retention.

For Natvarlal Vepari & Co LLP

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Chartered Accountants

FRN No: 106971W/W101085

  
N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 21, 2025

UDIN: 25040441BMUJCW8628





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### ANNEXURE A to the Independent Auditors' Report

(Referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements' section of our report to the Members of Daikaffil Chemicals India Limited of even date

To the best of our knowledge and information, audit procedures followed by us, according to the information provided to us by the Company and the examination of the books of account and records in the normal course of audit, we state that.

- (i) a. (A) The Company has not maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment including right of use assets and non-current asset held for sale.  
(B) There are no intangible assets and hence this clause is not applicable to the company.
- b. Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. We have verified the title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the Financial Statements and based on such verification we confirm that the same are held in the name of the company.
- d. The company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- e. There is no proceedings initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. On the basis of examination of records, we are of the opinion that the coverage and procedure of such verification is appropriate and that no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification. The discrepancies wherever noted have been properly dealt with in the books of account of the Company.  
(b) The Company does not have working capital limits and hence clause 3(ii)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.



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- (iii) The Company has not made investments in companies, firms, Limited Liability Partnerships. The Company has also not provided guarantee or security or granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties hence clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Companies (Auditors Report) Order 2020 are not applicable to the Company.
- (iv) The company has not granted any loans, made any investments, provided any guarantees and security and thus the provisions of section 185 and 186 with respect to loans, investments, guarantees, and security given are not applicable to the company hence clause 3(iv) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) The maintenance of the cost records under the sub-section (1) of section 148 of the Act is not applicable to the Company, and therefore reporting under paragraph (3)(vi) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Act, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues except Professional Tax dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount is payable in respect of the aforesaid dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable except as given below.

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Professional Tax Act	Professional Tax	Rs. 1.11 Lakhs	Prior periods		<u>Unpaid till date</u>	



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(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except as given below.

Name of statute	Nature of dues	Amount (In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Goods and service Tax Act	GST Demands	81.09	2017-18	Jt. Commissioner
	<b>Total</b>	<b>81.09</b>		

- (viii) There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The company has not taken any loan from any lenders and hence clause 3(ix)(a) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not availed any term loans during the year and thus reporting under paragraph (3)(ix)(c) of the order is not applicable to the Company.
- (d) 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 has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under paragraph 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under paragraph 3 (x)(b) of the Order is not applicable.





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- (xi) (a) We have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the company.
- (c) No whistle blower Complaints were received by the Company during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii) (b) and 3(xii)(c) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) (a) 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 during the year and till date, for the period under audit.
- (xv) The company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- (xvi) (a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the company.
- (b) There is no CIC in the Group.
- (xvii) The Company has incurred cash losses of Rs. 128.60 Lakhs in the current financial year and cash losses of Rs. 154.09 lakhs in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors (M/S NGST & Associates Chartered Accountants) during the year who have resigned on account of professional pre-



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occupation. Based on our review of reasons of resignation we state that there are no professional issues, objections or concerns raised by the outgoing auditors. We have also received the no objection letter from the outgoing auditor who have not indicated any reasons of professional issues.

- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion provision of section 135 of the Companies Act, 2013 is not applicable to the Company and hence clause 3(xx)(a) and 3(xx)(b) are not applicable to the Company.

For Natvarlal Vepari & Co LLP

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Chartered Accountants

FRN No: 106971W/W101085

  
N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 21, 2025

UDIN: 25040441BMUJCW8628





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### **Annexure - B to the Auditors' Report**

**Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Daikaffil Chemicals India Limited of even date**

**Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Financial Statements of Daikaffil Chemicals India Limited ("the Company") as of March 31, 2025, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

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



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[Converted from Natvarlal Vepari & Co. ( a partnership firm with registration no. BA-86186) into LLP w.e.f 23-03-2025]



# **Natvarlal Vepari & Co LLP**

## **CHARTERED ACCOUNTANTS**

(Formerly known as Natvarlal Vepari & Co.)

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai-400 021. Tel : (91) (22) 67527100

E-Mail : [nvc@nvc.in](mailto:nvc@nvc.in) LLPIN : ACM-9656

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

### **Inherent Limitations of Internal Financial Controls 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 control 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.



LLPIN – ACM-9656 – Natvarlal Vepari & Co LLP

[Converted from Natvarlal Vepari & Co. (a partnership firm with registration no. BA-86186) into LLP w.e.f 23-03-2025]



# Natvarlal Vepari & Co LLP

## CHARTERED ACCOUNTANTS

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E-Mail : [nvc@nvc.in](mailto:nvc@nvc.in) LLPIN : ACM-9656

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Natvarlal Vepari & Co LLP  
(Formerly known as Natvarlal Vepari & Co.)  
Chartered Accountants  
FRN No: 106971W/W101085

  
N Jayendran

Partner

M. No. – 040441

Mumbai, Dated: May 21, 2025

UDIN: 25040441BMUJCW8628





DAIKAFFIL CHEMICALS INDIA LIMITED  
CIN: L24114MH1992PLC067309  
Balance Sheet as at 31st March 2025  
(All figures are Rupees in Lacs unless otherwise stated)

Particulars	Note No.	As at 31st March 2025	As at 31st March 2024
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, plant and equipment	4	195.67	162.91
(b) Capital Work in Progress	5	31.58	4.61
(c) Financial assets			
(i) Investment	6	18.72	18.72
(ii) Loans	7	-	0.41
(iii) Other Financial Assets	8	5.88	-
(d) Deferred tax assets (Net)	9	3.70	2.39
(e) Other Non-Current Assets	10	37.33	24.16
<b>Total Non-Current Assets</b>		<b>292.88</b>	<b>213.21</b>
<b>Current Assets</b>			
(a) Inventory	11	324.79	116.69
(b) Financial assets			
(i) Trade Receivables	12	606.00	-
(ii) Cash and cash equivalents	13	66.01	751.91
(iii) Other Bank Balance	14	47.51	68.15
(iii) Other Financial Assets	8	2.33	3.27
(c) Other current assets	9	101.76	25.04
<b>Total Current Assets</b>		<b>1,148.40</b>	<b>965.05</b>
<b>TOTAL ASSETS</b>		<b>1,441.28</b>	<b>1,178.27</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	15	600.00	600.00
(b) Other equity	16	285.22	453.72
<b>Total Equity</b>		<b>885.22</b>	<b>1,053.71</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Provisions		59.12	-
<b>Total Non- Current Liabilities</b>		<b>59.12</b>	<b>-</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	17		
total outstanding dues of micro enterprises and small enterprises; and		34.63	-
total outstanding dues of creditors other than micro enterprises and small enterprises.		436.56	4.38
(ii) Other Financial Liabilities	18	15.16	91.26
(b) Other current liabilities	19	2.68	11.45
(c) Provision	20	7.91	17.47
<b>Total Current Liabilities</b>		<b>496.94</b>	<b>124.56</b>
<b>Total Liabilities</b>		<b>556.06</b>	<b>124.56</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,441.28</b>	<b>1,178.27</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date attached  
For Natvarlal Vepari & Co LLP  
(Formerly known as Natvarlal Vepari & Co.)  
Chartered Accountants  
Firm Registration No. 106971W/W101085

N Jayendran  
Partner  
Membership No. 040441  
Mumbai  
Date: May 21, 2025



For & on behalf of the Board of Directors  
Daikaffil Chemicals India Limited

R.K Shetty  
Managing Director  
DIN: 00038703  
Rajul R Shetty  
Chief Financial Officer

S. K. Shetty  
Director  
DIN: 00038681  
Jay C Patel  
Company Secretary





DAIKAFFIL CHEMICALS INDIA LIMITED  
CIN: L24114MH1992PLC067309  
Statement of Profit and Loss for the year ended 31st March, 2025  
(All figures are Rupees in Lacs unless otherwise stated)

Sr No.	Particulars	Note No.	Year ended 31st Mar 2025	Year ended 31st Mar 2024
I	<b>INCOME</b>			
	Revenue from Operations	21	749.75	-
	Other Income	22	46.85	71.11
	<b>TOTAL INCOME</b>		<b>796.60</b>	<b>71.11</b>
II	<b>EXPENSES</b>			
	Cost of materials consumed	23	597.87	-
	Changes in Inventories of Finished Goods and Work-in-Progress	24	(94.20)	-
	Employee Benefit Expenses	25	114.38	162.72
	Finance Costs	26	0.10	-
	Depreciation and Amortisation Expenses	27	27.08	35.19
	Other Expenses	28	311.64	62.48
	<b>TOTAL EXPENSES</b>		<b>956.87</b>	<b>260.39</b>
III	<b>Profit/ (Loss) before Tax</b>		<b>(160.29)</b>	<b>(189.28)</b>
IV	<b>Tax Expense</b>	29		
	(a) Current Tax		-	-
	(b) Deferred tax charge / (credit)		(1.31)	0.94
			<b>(1.31)</b>	<b>0.94</b>
V	<b>Profit/(Loss) for the Year</b>		<b>(158.98)</b>	<b>(190.22)</b>
VI	<b>OTHER COMPREHENSIVE INCOME</b>			
	Items that will not be reclassified to profit or loss			-
	- Remeasurement Gain/(Loss) on Defined Benefit Plan		(9.52)	-
VII	<b>Total other Comprehensive Income</b>		<b>(9.52)</b>	<b>-</b>
VIII	<b>Total Comprehensive Income for the year</b>		<b>(168.50)</b>	<b>(190.22)</b>
IX	<b>Earnings Per Share</b>			
	of face value of Rs. 10/- each (in Rupees)			
	Basic and Diluted	30	(2.65)	(3.17)

The accompanying notes are an integral part of the financial statements

As per our report of even date attached  
For Natvarlal Vepari & Co LLP  
(Formerly known as Natvarlal Vepari & Co.)  
Chartered Accountants  
Firm Registration No. 106971W/W101085

N Jayendran  
Partner  
Membership No. 040441  
Mumbai  
Date: May 21, 2025



For & on behalf of the Board of Directors  
Daikaffil Chemicals India Limited

R.K Shetty  
Managing Director  
DIN: 00038703

Raunak B Shetty  
Chief Financial Officer

S. K. Shetty  
Director  
DIN: 00038681

Jay C. Patel  
Company Secretary





DAIKAFFIL CHEMICALS INDIA LIMITED  
CIN: L24114MH1992PLC067309  
Cash Flow Statement for the year ended 31st March 2025  
(All figures are Rupees in Lacs unless otherwise stated)

Particulars	Year ended March 31,2025	Year ended March 31,2024
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(160.29)	(189.28)
Adjustments for:		
Depreciation and amortisation expenses	27.08	35.19
Impairment of capital work in progress	4.61	-
Finance Charge	-	0.47
Profit on Sale of Assets	(20.53)	(10.31)
Unrealised Exchange gain/(loss)	0.24	-
Interest Income	(25.23)	(60.80)
Operating Profit/(Loss) before changes in working capital	(175.12)	(224.72)
ADJUSTMENTS FOR :		
Trade and other Receivables	(606.24)	-
Inventories	(208.10)	(0.00)
Other Financial Assets	(5.88)	720.03
Other Assets	(56.83)	(0.42)
Trade payable	466.81	(1.15)
Other Financial Liabilities	(72.61)	80.00
Other Liabilities and provisions	31.31	18.08
Cash flow from operations after changes in working capital	(626.66)	591.82
Net Direct Taxes (Paid)/Refunded	(3.27)	-
Net Cash Flow from/(used in) Operating Activities	(629.93)	591.82
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property Plant & Equipment (Including Capital WIP)	(108.57)	12.90
Sale of Property Plant & Equipment	2.00	-
Fixed Deposit Investment (net)	20.63	(13.76)
Loans	0.41	-
Advance towards Share Application	5.88	-
Movement in Other Bank Balances	(3.49)	-
Interest on Fixed Deposits	27.18	60.80
Net Cash Flow from/(used in) Investing Activities	(55.96)	59.93
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Cash Flow from/(used in) Financing Activities	-	-
Net Increase/ (Decrease) In Cash and Cash Equivalents	(685.89)	651.75
Cash & Cash Equivalents at beginning of period (see Note 1)	751.91	100.17
Cash and Cash Equivalents at end of period (see Note 1)	66.01	751.91
Note 1:		
Cash and Cash equivalents comprises of:		
Cash on Hands	0.26	0.11
Balance with Banks	65.75	751.80
Cash and Cash equivalents	66.01	751.91

The Cash Flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (IND AS) 7, 'Statement of Cash Flows'

As per our report of even date attached  
For Natvarlal Vepari & Co LLP  
(Formerly known as Natvarlal Vepari & Co.)  
Chartered Accountants  
Firm Registration No. 106971W/W101085

N Jayendran  
Partner  
Membership No. 040441  
Mumbai  
Date: May 21,2025



For & on behalf of the Board of Directors  
Daikaffil Chemicals India Limited

R.K Shetty  
Managing Director  
DIN: 00038703

S. K. Shetty  
Director  
DIN: 00038681

Raunak B Shetty  
Chief Financial Officer

Jay C Patel  
Company Secretary





DAIKAFFIL CHEMICALS INDIA LIMITED

CIN: L24114MH1992PLC067309

Statement of Changes In Equity for the year ended 31st March 2025  
(All figures are Rupees in Lacs unless otherwise stated)

	Number of shares	Face value ₹ per share	Amount
<b>A. EQUITY SHARE CAPITAL</b>			
Opening balance as at 01st April 2023	60,00,000	10.00	600.00
Issue of share capital	-	-	-
Changes in Equity Share Capital	-	-	-
Balance as at March 31, 2024	60,00,000	10.00	600.00
Changes in equity share capital	-	-	-
Closing balance as at 31st March , 2025	60,00,000	10.00	600.00

**B. OTHER EQUITY**

Particulars	General Reserve	Securities Premium	Retained Earnings	Total
Balance at 31st March, 2023	202.00	34.49	407.45	643.94
Profit/(Loss) for the period			(190.21)	(190.21)
Add: Other Comprehensive Income on Defined Benefit Obligation				-
Balance at 31st March, 2024	202.00	34.49	217.24	453.73
Profit/(Loss) for the period			(158.98)	(158.98)
Add: Other Comprehensive Income on Defined Benefit Obligation	-		(9.52)	(9.52)
Balance at 31st March , 2025	202.00	34.49	48.74	285.22

The accompanying notes are an integral part of the financial statements

As per our report of even date attached  
For Natvarlal Vepari & Co LLP  
(Formerly known as Natvarlal Vepari & Co.)  
Chartered Accountants  
Firm Registration No. 106971W/W101085

N Jayendran  
Partner  
Membership No. 040441  
Mumbai  
Date: May 21, 2025



For & on behalf of the Board of Directors  
Daikaffil Chemicals India Limited

R.K Shetty  
Managing Director  
DIN: 00038703

Rajnak R Shetty  
Chief Financial Officer

S. K. Shetty  
Director  
DIN: 00038681

Jay C Patel  
Company Secretary





## DAIKAFFIL CHEMICALS INDIA LIMITED

### Statement of Material Accounting Policy Information and Other Explanatory Notes for financial statements for the year ended March 31, 2025

#### 1. Company Overview

Daikaffil Chemicals India Limited is a public limited Company incorporated and domiciled in India with registered office situated at E-4, M.I.D.C. Tarapur, Boisar Dist. Maharashtra-401506 and is listed on the Bombay Stock Exchange (BSE). The Company is engaged in manufacturing and trading of organic chemicals and intermediaries and trading of chemicals.

#### Authorization of Financial Statements

The financial statements are approved for issue by the Company's Board of Directors on May 21, 2025.

These financial statements can be amended by the board of directors till they are placed before the shareholders and also by the shareholders before their approval for adoption.

#### Statement of Compliances

The Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

#### 3 Basis of Preparation, Accounting judgements, estimates and assumptions and Material Accounting Policy Information:

##### 3.1 Basis of Preparation of Financial Statements

##### ➤ Statement of Compliances

The Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

##### ➤ The financial statements have been prepared on a historical cost basis, except for the following:

- a) certain financial assets and liabilities are measured at fair value, and
- b) defined benefit plans - plan assets measured at fair value.

##### ➤ Accounting policies have been consistently applied except where newly issued India accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### ➤ The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the Act). The Statement of Cash Flows has been prepared and presented in accordance with Ind AS 7 "Statement of Cash Flows". The disclosures with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming





## DAKAFFIL CHEMICALS INDIA LIMITED

### Statement of Material Accounting Policy Information and Other Explanatory Notes for financial statements for the year ended March 31, 2025

part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

- The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest Lakhs, except otherwise indicated.

### 3.2 Significant accounting judgments, estimates and assumptions.

The preparation of financial statements requires management's judgments, estimates and assumptions that impacts the reported amounts of revenues, expenses, assets and liabilities, and the accompanying notes thereon. Uncertainty about these assumptions and estimates could result in outcomes that might require a material adjustment to the carrying amount of assets or liabilities in future periods.

#### Estimates:

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

#### Judgments:

The company's management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements, while formulating the company's accounting policies:

#### **a. Defined benefit plans (gratuity benefits):**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases, attrition rates and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Discount rate: The said parameter is subject to change. In determining the appropriate discount rate (for plans operating in India), the management considers the interest rates of government bonds in currencies which are consistent with the post-employment benefit obligation. The underlying bonds are reviewed periodically for quality. Those having excessive credit spreads are excluded from the analysis since they do not represent high quality corporate bonds.





**Statement of Material Accounting Policy Information and Other Explanatory Notes for financial statements for the year ended March 31, 2025**

Mortality rate: It is based on publicly available mortality tables. Those mortality tables tend to change at an interval in response to demographic changes. Prospective increase in salary and gratuity are based on expected future inflation rates.

**b. 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.

**c. Impairment of property, plant and equipment:**

For property, plant and equipment and intangibles, an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the assets 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. As at the end of the year no judgement were exercised in this regard which impacts the useful life or the depreciation rates.

**d. Impairment of investment:**

The management assesses that all the investment are strategic fit for the company and therefore do not need any impairment provisioning as at the year end.

**e. Inventories:**

The company estimates the net realisable value (NRV) of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

**f. Recognition and measurement of other provisions:**

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, past experience and circumstances known at the closing date. The actual outflow of resources at a future date may, therefore, vary from the amount included in other provisions.

**3.3 Recent pronouncements**

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





**Statement of Material Accounting Policy Information and Other Explanatory Notes for financial statements for the year ended March 31, 2025**

**3.4 Material Accounting Policies Information**

**a) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division II of Schedule III to the Companies Act, 2013. 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 ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is expected to be realised within 12 months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least 12 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 respectively.

**b) Property Plant and Equipment and Depreciation / Amortisation**

- A. Items of Property, plant and equipment including Capital-work in-progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. 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





DAIKAFFIL CHEMICALS INDIA LIMITED

Statement of Material Accounting Policy Information and Other Explanatory Notes for financial statements for the year ended March 31, 2025

repair and maintenance costs are recognized in statement of profit or loss as incurred. On transition to INDAS for the first time, the Company adopted the deemed cost approach mentioned in INDAS 101 – First time adoption in respect of its Property, Plant and Equipment.

- B. Depreciation is provided on written down value based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant & Equipment	20
Computer desktops and laptops	3
Laboratory Equipment	10
Office Equipment	5
Plumbing and Piping	20-25
Electrical Installation	10
Factory Building	30
Non-Factory Building	60
Vehicles	8
Furniture and Fixture	10

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

c) Investments

i) Other Investment

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment-by-investment basis. Equity investments at FVTOCI are subsequently measured at fair value through OCI. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Investments other than the above are classified as FVTPL and are subsequently measured at fair value. The net gains and losses, including any dividend income, are recognised in profit or loss.

d) Inventories

All inventories are stated at lower of 'Cost and Net Realizable Value'.

- i. Stores and spares, packing materials and raw materials are valued at lower of cost and net





**DAIKAFFIL CHEMICALS INDIA LIMITED**

**Statement of Material Accounting Policy Information and Other Explanatory Notes for financial statements for the year ended March 31, 2025**

realisable value and for this purpose, cost is determined on First in First Out (FIFO) basis. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, the aforesaid items are not valued below cost if the finished products in which they are to be incorporated are expected to be sold at or above cost.

- ii. Finished products and Work in Progress are valued at lower of cost and net realisable value and for this purpose. Cost of finished goods and work in progress includes direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.
- iii. Traded goods are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis.

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

**e) Cash and Cash Equivalents**

Cash and cash equivalent 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, if any as they are considered an integral part of the Company's cash management.

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

A provision is recognized when the company has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. 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.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are also present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Contingent Liabilities are not recognized in the financial statements but are disclosed separately.

Contingent assets are not recognised unless it becomes virtually certain that an inflow of economic benefits will arise





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**g) Financial Assets**

➤ **Recognition and initial measurement**

Trade Receivables are initially recognised when they are originated. All other financial assets are initially recognised when the Company becomes party to the contractual provisions of the instrument. All financial assets other than trade receivables and those measured subsequently at fair value through profit and loss, are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

➤ **Classification and Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

**i. Financial Assets at Amortised Cost**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest rate method (EIR). Amortized cost is calculated by taking into account any discount or premium and fees or cost that are an integral part of the EIR.

The EIR amortization is included in finance income in the statement of profit & loss. The losses arising from impairment are recognized in the statement of profit and loss.

**ii. Financial Assets Measured at Fair Value through Other Comprehensive Income (FVOCI)**

Financial assets are measured at fair value through Other Comprehensive Income (OCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these assets are subsequently measured at Fair Value. Interest Income under Effective Interest method, foreign exchange gains and losses and impairment losses are recognized in the statement of profit and Loss. Other net gains and losses are recognized in OCI.

**iii. Financial asset not measured at amortised cost or at fair value through OCI is carried at Fair Value through Profit and Loss**

**iv. Equity Investments - All Equity investments within the scope of Ind AS 109 are measured at Fair Value. Such equity instruments which are held for trading are classified as FVTPL. For all other such equity instruments, the company decides to classify the same either as FVOCI or FVTPL.**





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The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For Equity instruments classified as FVOCI, all fair value changes in the instrument excluding dividends are recognized in OCI. Dividends on such equity instruments are recognized in the statement of Profit or loss.

➤ **De-recognition of Financial Assets:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised 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.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the statement of Profit and Loss. Gains and losses in respect of debt instrument measured at FVOCI and that are accumulated in OCI are reclassified to Profit and Loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to Profit or Loss on derecognition.

**h) Financial Liabilities**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**i) Recognition and Initial Measurement**

Financial liabilities are initially recognized when the company becomes a party to the contractual provisions of the instrument.

Financial Liability is initially measured at fair value plus, for an item not at fair value through profit and loss, net of transaction costs that are directly attributable to its acquisition or issue.

**ii) Classification and Subsequent Measurement**

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





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**-Financial liabilities at fair value through Profit or Loss (FVTPL)**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial Liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit and Loss.

**-Financial liabilities at amortised cost**

After initial recognition, financial liabilities other than those which are classified as FVTPL are subsequently measured at amortised cost using the 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 as finance costs in the Statement of Profit and Loss.

**iii) De-recognition of Financial Liabilities**

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**i) 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.

**j) Offsetting Financial Instruments**

Financial assets and liabilities are offset, and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**k) Impairment**

**a. 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 financial asset measured at amortized cost. Loss allowances on trade receivables are measured following the 'Simplified Approach' at an amount equal to the Lifetime ECL at each reporting date. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its





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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.

In respect of other financial asset, the loss allowance is measured at 12-month ECL only, if there is no significant deterioration in the credit risk since initial recognition of an asset or asset is determined to have a low credit risk at the reporting date.

**b. 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. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset 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.

**c. 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. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**1) Revenue Recognition**

The Company recognizes revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.





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The specific recognition criteria described below must also be met before revenue is recognised.

➤ **Sale of goods**

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Company and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognized when such freight services are rendered.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

➤ **Interest:**

Interest income including income arising on other instruments are recognised on time proportion basis using the effective interest rate method.

m) **Employee benefits**

a) **Defined Contribution Plan**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as define contribution plan and the contributions are recognised as employee benefit expense when they are due.

b) **Defined Benefit Plan**

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Rs. is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the year in which they occur, directly in other comprehensive income.





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Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

**c) Leave Entitlement**

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

**d) Short-term Benefits**

Short-term employee benefits such as salaries, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered.

**n) Taxation**

**i. Current Tax**

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

**ii. Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

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





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**o) Earnings per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

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

The number of equity shares are adjusted retrospectively for all periods presented for any bonus shares issues.

**p) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit for the period 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 associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**q) Trade Payables & Trade Receivables.**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

- r) A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at transaction values and subsequently measured at amortised cost using the EIR method (if there is a financing element), less provision for expected or lifetime credit loss.

**s) Segment Reporting**

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments the chief operating decision maker regularly monitors and reviews the operating results of the whole company as one segment of "Agro Chemicals". Thus, as defined in Ind AS 108, the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss. The analysis of geographical segments is based on the areas in which customers of the company are located.





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**Note 4. Property, plant and equipment and capital work-in-progress**

Particulars	Factory Building	Other Building	Plant and Equipment	Furniture, Fixtures and Electrical Installation	Laboratory Equipment	Office Equipment	Computers	Vehicles	Lease hold Land	Total
<b>Gross Carrying Value</b>										
Balance at 1st April, 2023	90.67	2.13	105.64	1.09	0.74	1.27	0.92	13.34	39.00	254.80
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	11.57	-	11.57
<b>Balance at 31st March, 2024</b>	<b>90.67</b>	<b>2.13</b>	<b>105.64</b>	<b>1.09</b>	<b>0.74</b>	<b>1.27</b>	<b>0.92</b>	<b>1.77</b>	<b>39.00</b>	<b>243.23</b>
Additions	3.03	-	48.70	3.55	5.13	5.11	0.34	-	-	65.86
Disposals	-	2.13	6.03	-	-	-	-	-	-	8.17
<b>Balance at 31st March 2025</b>	<b>93.70</b>	<b>-</b>	<b>148.31</b>	<b>4.64</b>	<b>5.87</b>	<b>6.38</b>	<b>1.26</b>	<b>1.77</b>	<b>39.00</b>	<b>300.92</b>
<b>Accumulated depreciation</b>										
Balance at 1st April, 2023	17.47	0.14	24.46	0.57	0.39	-	0.71	10.36	-	54.10
Depreciation charge	14.10	0.13	20.04	0.27	0.18	-	0.16	0.31	-	35.19
Disposals	-	-	-	-	-	-	-	8.98	-	8.98
<b>Balance at 31st March, 2024</b>	<b>31.57</b>	<b>0.27</b>	<b>44.49</b>	<b>0.84</b>	<b>0.57</b>	<b>-</b>	<b>0.87</b>	<b>1.69</b>	<b>-</b>	<b>80.31</b>
Depreciation charge	11.53	0.12	14.11	0.28	0.50	0.41	0.13	-	-	27.08
Disposals	-	0.39	1.75	-	-	-	-	-	-	2.14
<b>Balance at 31st March 2025</b>	<b>43.10</b>	<b>0.00</b>	<b>56.85</b>	<b>1.12</b>	<b>1.07</b>	<b>0.41</b>	<b>1.00</b>	<b>1.69</b>	<b>-</b>	<b>105.25</b>
<b>Net carrying value as on 31st March, 2025</b>	<b>50.61</b>	<b>(0.00)</b>	<b>91.45</b>	<b>3.52</b>	<b>4.79</b>	<b>5.97</b>	<b>0.26</b>	<b>0.08</b>	<b>39.00</b>	<b>195.67</b>
<b>Net carrying value as on 31st March, 2024</b>	<b>59.10</b>	<b>1.86</b>	<b>61.15</b>	<b>0.25</b>	<b>0.17</b>	<b>1.27</b>	<b>0.05</b>	<b>0.08</b>	<b>39.00</b>	<b>162.91</b>

In the Previous Year the Company has changed accounting policy to account PPE under cost model so as to align with the accounting policy and management estimates followed by the company having control. Accordingly effects are incorporated in financial results and financial position for the year ended March 31, 2024. Revaluation reserves of Rs.992.34 lakhs is removed as on 1st April 2022 and PPE is reinstated at cost less accumulated depreciation. The Depreciation and amortisation of PPE and ROU assets is decreased by Rs.53.23 lakhs in FY 2023-24.

**Note 5 - Capital Work in Progress**

Particulars	Total
Opening balance as on 01-04-2023	4.61
Addition	-
Less: Capitalised during the year	-
<b>Closing balance as on 31-03-2024</b>	<b>4.61</b>
Addition	84.16
Less: Capitalised during the year	52.58
Less: Written off	4.61
<b>Closing balance as on 31-03-2025</b>	<b>31.58</b>

There no cost and time overruns in any of the project.

Capital-Work-in Progress (CWIP) ageing schedule is as under:

Particulars	Project in Progress	
	March 31, 2025	March 31, 2024
Less than 1 year	31.58	-
1-2 years	-	-
2 to 3 years	-	4.61
> 3 years	-	-
<b>Total</b>	<b>31.58</b>	<b>4.61</b>





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6 Investments

Particulars	As at	As at
	31 March 2025	31 March 2024
Investments in Equity Instruments - Unquoted (at fair value through Profit & Loss (FVTPL))		
13,193 (P.Y.13,193) shares of face value Rs.100/- each of Tarapur Environment Protection Society.	18.72	18.72
	<u>18.72</u>	<u>18.72</u>

7 Loans

Particulars	As at	As at
	31 March 2025	31 March 2024
Unsecured, Considered Good unless otherwise stated		
Loan To Employees	-	0.41
	<u>-</u>	<u>0.41</u>

8 Other Financial Assets

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Unsecured, Considered Good unless otherwise stated				
Interest Accrued on Bank Deposits	-	-	2.33	3.27
Advance towards Share Application	5.88	-	-	-
Total	<u>5.88</u>	<u>-</u>	<u>2.33</u>	<u>3.27</u>

9 Deferred tax liabilities/(asset) net

Particulars	31-Mar-25	31-Mar-24
Deferred tax liability:		
Property, plant and equipment	(1.23)	(13.12)
Deferred tax asset:		
Provision for non moving inventories	-	10.13
Provision for Employee benefit	4.04	5.38
Others	0.89	-
Total	<u>3.70</u>	<u>2.39</u>

Note: The company has created Deferred Tax Asset on its unabsorbed losses considering the reasonable certainty of taxable profit.

10 Other Assets

Particulars	Non- Current		Current	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Advance Income Tax (Net of Provision for Taxation)	3.27	5.76	-	-
Advances to Suppliers	-	-	6.06	-
Capital Advances	15.67	-	-	-
Balance with Revenue Authorities	-	-	74.90	24.08
Prepaid Expenses	-	-	0.58	0.96
Security Deposits*	18.39	18.40	-	-
Other receivable	-	-	20.23	-
	<u>37.33</u>	<u>24.16</u>	<u>101.76</u>	<u>25.04</u>

\*Includes Rs.8.30 lacs (PY. Rs.8.30 lacs) paid as deposit for Environment Relief Fund towards order passed by Hon'ble National Green Tribunal and deposit against Company's share of contribution against 30% paid as per Hon'ble Supreme Court Order.





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11 Inventories

Particulars	31-Mar-25	31-Mar-24
Traded goods		
Raw Materials	210.17	93.29
Work-in- Progress	143.01	49.60
Finished Goods	5.27	4.48
Finished Goods - Traded goods	0.34	0.34
Stores and Spares.	1.39	4.96
Packing Materials	1.03	0.44
Less: Provision for non moving inventories	(36.42)	(36.42)
Goods in Transit	-	-
<b>Total</b>	<b>324.79</b>	<b>116.69</b>

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of IND AS 2 is as follows:

Particulars	31-Mar-25	31-Mar-24
Amount of inventories recognised as an expense.	503.67	-
Amount of write - down of inventories recognised as an expense	-	-
<b>Total</b>	<b>503.67</b>	<b>-</b>

12 Trade Receivables

Particulars	31-Mar-25	31-Mar-24
Unsecured but considered good		
Trade Receivables	22.81	-
Trade Receivables - Related parties	583.19	-
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Impairment loss allowance	-	-
Trade Receivables which are credit impaired	3.21	3.21
Less: Impairment loss allowance	(3.21)	(3.21)
	<b>606.00</b>	<b>-</b>

Details of Related Parties:

Particulars	31-Mar-25	31-Mar-24
Mikusu India Private Limited	578.59	-
Heranba Industries Limited	4.60	-
	<b>583.19</b>	<b>-</b>

The trade receivables ageing schedule (based on Bill date) for the year ended on 31st March, 2025 as follows:

Range of O/s period	Undisputed			Total
	Considered Good	Significant Increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	606.00	-	-	606.00
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	3.21	3.21
<b>Total</b>	<b>606.00</b>	<b>-</b>	<b>3.21</b>	<b>609.21</b>
Less: Impairment loss allowance	-	-	3.21	3.21
<b>Total</b>	<b>606.00</b>	<b>-</b>	<b>-</b>	<b>606.00</b>

There are no disputed trade receivables as at March 31, 2025.

The trade receivables ageing schedule (based on Bill date) for the year ended on 31st March, 2024 as follows:

Range of O/s period	Undisputed			Total
	Considered Good	Significant Increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months - 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	3.21	3.21
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3.21</b>	<b>3.21</b>
Less: Impairment loss allowance	-	-	3.21	3.21
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

There are no disputed trade receivables as at March 31, 2024.





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**13 Cash and cash equivalents**

Particulars	31-Mar-25	31-Mar-24
Cash on hand	0.26	0.11
Balances with banks:		
- in current accounts	65.75	751.80
<b>Total</b>	<b>66.01</b>	<b>751.91</b>

**14 Other Bank Balances**

Particulars	31-Mar-25	31-Mar-24
Other Bank Deposits for original maturity more than 3 months upto 12 months	-	19.50
Unclaimed Dividend	2.62	6.11
Earmarked bank deposits	44.89	42.54
<b>Total</b>	<b>47.51</b>	<b>68.15</b>

**15 Equity share capital**

Particulars	31-Mar-25	31-Mar-24
<b>Authorised Share Capital:</b>		
65,00,000 (PY 65,00,000) Equity Shares of ₹ 10/- each	650.00	650.00
<b>Issued and subscribed capital:</b>		
60,00,000 (PY 60,00,000) Equity Shares of ₹ 10/- each fully paid up	600.00	600.00
<b>Total</b>	<b>600.00</b>	<b>600.00</b>

**a) Reconciliation of number of equity share outstanding at the beginning and at the end of the period**

	Number of shares
Fully paid equity shares	
Balance at 1st April, 2023	60,00,000
Increase/ (Decrease) during the period	-
Balance at 31st March, 2024	60,00,000
Increase/ (Decrease) during the period	-
Balance at 31st March, 2025	60,00,000

**b) Terms / rights attached to equity shares**

The company has a single class of equity shares having a par value of Rs.10 per share. Each shareholder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

**c) Details of shareholders holding more than 5% equity shares in the company**

	As at 31st March, 2025		As at 31st March, 2024	
	No of shares held	% of holding	No of shares held	% of holding
Fully paid equity shares				
Mikusu India Private Limited	29,08,719	48.48%	29,08,719	48.48%

**d) Details of Promoters shareholders holding in equity shares of the company  
For the year ended March 31, 2025**

Promoter Name	No. of Shares	%of total shares	% Change during the year
<b>Promoters Group</b>			
Mikusu India Private Limited	29,08,719	48.48%	0.00%
Sams Industries Private Limited	2,29,800	3.83%	3.83%
Nithyanand K Shetty	10,200	0.17%	0.00%
Raghuram Kanayan Shetty	10,200	0.17%	0.17%
	<b>31,58,919</b>	<b>52.65%</b>	





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For the year ended March 31, 2024

Promoter Name	No. of Shares	% of total shares	% Change during the year
<b>Promoters Group</b>			
Mikusu India Private Limited	29,08,719	48.48%	48.48%
Surbhi Kishore Tanna	250	0.00%	0.00%
Amit Jayant Patel	-10,72,965	-17.88%	-17.88%
Caffil Private Ltd	-5,03,300.0	-8.39%	-8.39%
Aditya Amit Patel	-1,04,499.0	-1.74%	-1.74%
Nitin Prabhudas Bhagat	-50,000.0	-0.83%	-0.83%
Aruna Vinodchandra Merchant	-46,645.0	-0.78%	-0.78%
Amit Jayant Patel (HUF)	-45,310.0	-0.76%	-0.76%
Mita Bhagat	-25,000.0	-0.42%	-0.42%
Dhwani Aditya Patel	-15,800.0	-0.26%	-0.26%
Aditya Amit Patel (HUF)	-7,500.0	-0.13%	-0.13%

16 Other equity

Particulars	31-Mar-25	31-Mar-24
Securities Premium	34.49	34.49
General Reserve	202.00	202.00
Retained Earnings (Including Other Comprehensive Income)	48.74	217.23
	<b>285.23</b>	<b>453.72</b>

a) The securities premium is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013

b) The General Reserve is used from time to time to transfer profits from related earnings for appropriation purpose. As the General Reserve is created by a transfer from one component of equity to another and not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the statement of Profit and Loss.

c) The retained earnings comprise of surplus which is used from time to time to transfer profits by appropriations. Retained earnings is free reserve of the Company and is used for the purpose like issuing bonus shares, buy back of shares and other purposes (like declaring dividend etc.) as per the approval of the Board of Directors. It includes the remeasurements of defined benefit plan as per actuarial valuations which will not be re-classified to to statement of profit and loss in subsequent periods.

17 (i) Trade payables

Particulars	31-Mar-25	31-Mar-24
Total outstanding dues of micro enterprises and small enterprises	34.63	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	287.98	4.38
Total outstanding dues of creditors other than micro enterprises and small enterprises - Related Parties	148.58	-
	<b>471.19</b>	<b>4.38</b>

Details of Related Parties:

Particulars	31-Mar-25	31-Mar-24
Heranba Industries Limited	69.48	-
Heranba Organics Private Limited	79.09	-
	<b>148.58</b>	<b>-</b>





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The trade payable ageing schedule (based on Bill date) for the year ended on 31st March, 2025 as follows:

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	11.74	-
Not Due	-	-	-	-
Less than 1 year	34.63	-	424.82	-
1-2 years	-	-	-	-
2-3 year	-	-	-	-
> 3 years	-	-	-	-
<b>Total</b>	<b>34.63</b>	<b>-</b>	<b>436.56</b>	<b>-</b>

The trade payable ageing schedule (based on Bill date) for the year ended on 31st March, 2024 as follows:

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	4.11	-
Not Due	-	-	-	-
Less than 1 year	-	-	-	-
1-2 years	-	-	0.27	-
2-3 year	-	-	-	-
> 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4.38</b>	<b>-</b>

The MSME Parties have been determined to the extent such parties have been identified on the basis of information available with the Company. This is relied upon by the auditors.

Details of dues to micro and small enterprises as defined under MSMED Act, 2006	31-Mar-25	31-Mar-24
Principal amount due	34.63	-
Interest due on above	0.10	-
the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
Amount of Interest paid in terms of Sec 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest due and payable for the period of delay	0.10	-
Amount of Interest accrued and remaining unpaid as at year end	0.10	-
Amount of further Interest remaining due and payable in the succeeding year	-	-

18 Other Financial Liabilities

Particulars	31-Mar-25	31-Mar-24
Interest accrued payable on MSME	0.12	-
Employee Benefits Payable	12.42	85.14
Unpaid Dividend*	2.62	6.11
<b>Total</b>	<b>15.16</b>	<b>91.26</b>

\* During the year the Company has transferred amount of Rs.3.49 Lakhs to Investor Education & Protection fund.

19 Other current liabilities

Particulars	31-Mar-25	31-Mar-24
<b>Current</b>		
Statutory liabilities	2.68	11.45
<b>Total</b>	<b>2.68</b>	<b>11.45</b>

20 Provision

Particulars	31-Mar-25	31-Mar-24
<b>Non Current</b>		
Provision for Gratuity	52.79	-
Provision for Leave encashment	6.33	-
	<b>59.12</b>	<b>-</b>
<b>Current</b>		
Provision for Gratuity	6.63	5.38
Provision for Leave encashment	1.28	12.09
	<b>7.91</b>	<b>17.47</b>





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Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.  
The company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service restricted to Rs 20.00 lacs. The Company's gratuity liability is partly funded.

- i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as follow:

Particulars	As on March 31, 2025
<b>(a) Reconciliation of opening and closing balances of Defined benefit Obligation</b>	
Defined Benefit obligation at the beginning of the year	74.98
Interest Cost	5.25
Current Service Cost	3.29
Benefits paid by the Fund	(13.34)
Actuarial (Gains)/Losses on Obligations - Due to Experience Adjustment	6.10
<b>Defined Benefit obligation at the year end</b>	<b>76.28</b>
<b>(b) Reconciliation of opening and closing balances of fair value of plan assets</b>	
Fair Value of plan assets at the beginning of the year	69.60
Interest Income	4.87
Employer Contribution	(40.85)
Benefits Paid From the Fund	(13.34)
Return on Plan Assets, Excluding Interest Income	(3.42)
<b>Fair Value of Plan Assets at the year end</b>	<b>16.86</b>
<b>(c) Actual Return on Plan Assets</b>	
Interest Income	4.87
Return on Plan Assets, Excluding Interest Income	(3.42)
<b>Actual Return on Plan Assets</b>	<b>1.45</b>
<b>(d) Reconciliation of fair value of assets and obligations</b>	
Fair Value of Plan Assets	16.86
Present value of Defined Benefit obligation	76.28
<b>Liability recognized in Balance Sheet</b>	<b>59.42</b>
<b>(e) Expenses recognized during the year ( Under the head “ Employees Benefit Expenses )</b>	
Current Service Cost	3.29
Interest Cost	0.38
<b>Net Cost</b>	<b>3.67</b>
<b>(f) Actuarial (Gain)/Loss- Other Comprehensive Income</b>	<b>9.52</b>

**(ii) Actuarial Assumptions**

Particulars	As on March 31, 2025
Expected return on Plan Assets	6.72%
Discount rate (per annum)	6.72%
Rate of escalation in salary (per annum)	8%
Attrition rate	For Service 4 years and below : 10.00% p.a. and For Service 5 years and above : 2.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate





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(iii) Maturity Analysis of the Benefit Payments: From the Employer

Particulars	As on March 31, 2025
Projected Benefits Payable in Future Years From the Date of Reporting	
1st Following Year	8.01
2nd Following Year	1.64
3rd Following Year	1.75
4th Following Year	4.49
5th Following Year	1.94
6th to 10th Following Year	51.45
for Years 11 & above	65.98

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the company fully or partially pre-fund the liabilities under the plan.

iv) Sensitivity analysis

A quantitative Sensitivity analysis for significant assumption

Particulars	Discount Rate	Salary Growth Rate	Attrition Rate
Changes in Assumption			
March 31, 2025	1%	1%	1%
Increase in assumption			
March 31, 2025	(5.50)	6.00	(0.42)
Decrease in assumption			
March 31, 2025	6.13	(5.48)	0.45

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

1. Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
2. Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.
3. Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
4. Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
5. Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
6. Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.





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21 Revenue from Operations

Particulars	31-Mar-25	31-Mar-24
Sale of Goods	749.75	-
	749.75	-

I Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

Revenue disaggregation based on Service Type and by Geographical Region:

Revenue disaggregation by type of Service is as follows:

Major Service Type	Year ended 31st Mar 2025	Year ended 31st Mar 2024
Sale of Agrochemicals	749.75	-
	749.75	-

Revenue disaggregation by geographical region is as follows:

Geographical Region	Year ended 31st Mar 2025	Year ended 31st Mar 2024
India	746.98	-
Outside India	2.77	-
Total revenue from operations	749.75	-

Timing of revenue recognition

At a point in time	749.75	-
Total revenue from operations	749.75	-

b) Contract Balances

Balances at the beginning of the year	-	-
Revenue recognised that is included at the beginning of the period	-	-
Advances received which have remained outstanding at the end of the year	-	-

c) Significant adjustments between the contracted price and revenue recognized in the Statement of profit and loss account:

Particulars	Year ended 31st Mar 2025	Year ended 31st Mar 2024
Reconciliation of revenue from operations with Contract Price		
Contract Price	749.75	-
Less:		
Discounts	-	-
Total Revenue from operations	749.75	-

22 Other Income

Particulars	31-Mar-25	31-Mar-24
Interest Income	26.23	60.80
Profit On Sale Of Assets	20.53	10.31
Sundry Balances Written Back	0.00	0.00
Export Incentives	0.09	-
	46.85	71.11

23 Cost of materials consumed

Particulars	31-Mar-25	31-Mar-24
Raw Material / Packing Material		
Opening Stock	93.29	93.29
Add : Purchases (Net of Discount)	715.78	-
Less : Closing stock	211.20	93.29
Total	597.87	-





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24 Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade

Particulars	31-Mar-25	31-Mar-24
Inventory adjustment - WIP		
Opening Stock of Work In Progress	49.60	49.60
Closing Stock of Work In Progress	143.01	49.60
	(93.41)	-
Inventory adjustment - Finished Goods		
Opening Stock of Finished Goods	4.48	4.48
Closing Stock of Finished Goods	5.27	4.48
	(0.79)	-
Inventory adjustment - Stock-in-Trade		
Opening Stock of Stock-in-Trade	0.34	0.34
Closing Stock of Stock-in-Trade	0.34	0.34
	-	-
Total	(94.20)	-

25 Employee Benefit Expenses

Particulars	31-Mar-25	31-Mar-24
Salaries, wages and bonus, etc.	100.62	133.22
Contribution to provident and other funds	11.12	28.61
Staff welfare expense	2.64	0.89
Total	114.38	162.72

26 Finance Costs

Particulars	31-Mar-25	31-Mar-24
Interest on Delayed Payments to MSME	0.10	-
Total	0.10	-

27 Depreciation and Amortization

Particulars	31-Mar-25	31-Mar-24
Depreciation	27.08	35.19
	27.08	35.19

28 Other Expenses

Particulars	31-Mar-25	31-Mar-24
Consumption of Stores and Spares	10.98	-
Consumption of Packing Material	6.19	-
Rates & taxes	3.17	2.75
Power and Fuel	52.89	17.70
Freight	1.83	-
Repairs & Maintenance Building	5.47	-
Repairs & Maintenance Plant & Machinery	123.89	-
Repairs & Maintenance Others	12.76	0.59
Insurance premium	1.96	2.00
Audit Fees	2.73	2.70
Travelling & Conveyance Expenses	2.34	0.55
Legal & Professional Charges	12.38	8.92
Membership and Filing Fees	5.56	4.31
Exchange Difference	0.24	-
Office Expenses	0.03	-
Factory Expenses	17.06	0.82
Security Expense	11.19	9.62
Sales Promotion Expenses	0.87	1.48
C&F Charges	0.38	-
Sitting Fees	2.35	1.68
Labour Expenses	19.89	-
Impairment of capital work in progress	4.61	-
Bank charges	0.65	0.47
Other Expenses	12.22	8.90
Total	311.64	62.48
a. Audit Fees		
- Statutory Audit fees including Limited Review	2.70	2.70
- Certificates	0.03	-
Total	2.73	2.70





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29 Tax Expense

Particulars	31-Mar-25	31-Mar-24
<b>Current Tax</b>		
Tax for the year	-	-
Deferred Tax Expenses	(1.31)	0.94
<b>Income Tax expense</b>	<b>(1.31)</b>	<b>0.94</b>
<b>Particulars</b>	<b>31-Mar-25</b>	<b>31-Mar-24</b>
Accounting profit before income tax	(160.29)	(189.28)
Enacted tax rates in India (%)	27.82%	27.82%
Computed expected tax expenses	(44.59)	(52.66)
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Net changes on account of disallowances	10.84	-
Net changes on account of Allowances	(12.89)	-
Capital Gain	3.17	-
Losses to be carried forward	43.47	52.66
<b>Income tax expenses</b>	<b>-</b>	<b>-</b>

Deferred tax assets / (liabilities) in relation to:	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Closing Balance
<b>As at March 31, 2025</b>				
Provision for non moving inventories	10.13	(10.13)	-	-
Provision for Employee benefit	5.38	(1.34)	-	4.04
Property, plant and equipment	(13.12)	11.89	-	(1.23)
Others	-	0.89	-	0.89
	<b>2.39</b>	<b>1.31</b>	<b>-</b>	<b>3.70</b>
<b>As at March 31, 2024</b>				
Provision for non moving inventories	10.13	-	-	10.13
Provision for Employee benefit	2.85	2.53	-	5.38
Property, plant and equipment	(9.65)	(3.47)	-	(13.12)
<b>Total</b>	<b>3.33</b>	<b>(0.94)</b>	<b>-</b>	<b>2.39</b>

30 Earnings Per Share

Particulars	31-Mar-25	31-Mar-24
Profit / (Loss) for the period (₹ in Lakh)	(158.98)	(190.20)
Outstanding equity shares at period end	60,00,000	60,00,000
Weighted average Number of Shares outstanding during the period - Basic	60,00,000	60,00,000
Weighted average Number of Shares outstanding during the period - Diluted	60,00,000	60,00,000
<b>Earnings per Share - Basic (₹ Per Share)</b>	<b>(2.65)</b>	<b>(3.17)</b>
<b>Earnings per Share - Diluted (₹ Per Share)</b>	<b>(2.65)</b>	<b>(3.17)</b>

31 Contingent Liability and Capital Commitments

Particulars	31-Mar-25	31-Mar-24
<b>Contingent Liability</b>		
Outstanding Bank Guarantee (B.G. of Rs.18.50 Lacs is Expired for more than year)	38.50	38.50
GST Demand in Appeals	84.75	-
Disputed demand with MPCB/NGT case pending at Supreme Court*	18.00	18.00
Disputed demand with MPCB/NGT case pending at Supreme Court*	8.67	8.67
* (30% Deposit placed with Supreme Court against cases pending)		
₹( Rs. 3.66 Lakhs paid as pre- deposit )		
<b>Capital Commitment</b>		
Estimated amount of contracts remaining to be executed in Capital Account and not provided for	3.20	-
<b>Total</b>	<b>3.20</b>	<b>-</b>



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32 In the opinion of the Board of Directors, all assets other than Property, Plant & Equipment and non-current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

33 Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.  
Ind AS 108 establishes standards for the way that business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. As the Company is engaged in providing similar nature of products, production process, customer types etc., the company has a single operating segment of "Agro chemicals", there are no differing risks and returns attributable to the Company's services to its customers.  
The Company has sold 95% of its total sales to a single customer.

34 Related Party Transactions

Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies ( Indian Accounting Standards) Rules, 2015  
Details are given in Statement -1

35 Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 is as follows:

	31-Mar-25		31-Mar-24	
	Carrying Value	Fair Value	Carrying Value	Fair Value
a) Financial Assets at Fair Value Through Profit and Loss				
Investments	18.72	18.72	18.72	18.72
b) Financial Assets at amortised cost				
Loans	-	-	0.41	0.41
Trade Receivable	606.00	606.00	-	-
Cash and cash equivalents	66.01	66.01	751.91	751.91
Other Bank Balance	47.51	47.51	68.15	68.15
Other Financial Assets	8.21	8.21	3.27	3.27
Total	746.45	746.45	842.46	842.46
c) Financial Liabilities at amortised cost				
Trade payables	471.19	471.19	4.38	4.38
Other Financial Liabilities	15.16	15.16	91.26	91.26
Total	486.35	486.35	95.64	95.64

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, and other current financial assets and liabilities at amortised cost approximate their carrying amounts largely due to the short-term maturities of these instruments.

36 Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025 and March 31, 2024.

	Fair Value measurement using			
	Date of Valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Assets measured at fair value:</b>				
Investments	31-Mar-25	-	-	18.72
Investments	31-Mar-24	-	-	18.72
<b>Financial Liabilities measured at fair value:</b>				
	31-Mar-25	-	-	-
	31-Mar-24	-	-	-





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**37 Financial Risk Management**

**Risk management framework:**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's senior management oversees management of these risks. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**i) Market Risk**

**a. Foreign currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to currency risk as at March 31, 2025.

**b. Interest rate risk**

The Company is not exposed to Interest risk as at March 31, 2025.

**ii) Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

**Trade and Other Receivables:**

The Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. Based on the historical data of defaults and financial position of parties, chances of credit losses are minimal.

**iii) Liquidity risk**

Liquidity risk is the risk that the company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company manages its liquidity risk by preparing month on month cash flow projections to monitor liquidity requirements.

**The Working Capital Position of the Company is given below:**

Particulars	31-Mar-25	31-Mar-24
Inventory	324.79	-
Trade receivables	606.00	-
Cash and Bank Balance	113.52	820.06
Other Financial Assets	2.33	3.27
Other Current Assets	101.76	25.04
<b>Total</b>	<b>1,148.40</b>	<b>848.37</b>
<b>Less:</b>		
Trade payables	471.19	4.38
Other Financial Liabilities	15.16	91.26
Other Current liabilities	2.68	11.45
Provision	7.91	17.47
	<b>496.96</b>	<b>124.56</b>
<b>Net Working Capital</b>	<b>651.44</b>	<b>723.81</b>

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

Particulars	Less than 1 year	2-5 years	More than 5 years	Total
			years	
<b>As at 31st March 2025</b>				
Trade Payable	471.19	-	-	471.19
Other Financial Liabilities	15.16	-	-	15.16
<b>Total</b>	<b>486.35</b>	<b>-</b>	<b>-</b>	<b>486.35</b>
<b>As at 31st March 2024</b>				
Trade Payable	4.38	-	-	4.38
Other Financial Liabilities	91.26	-	-	91.26
<b>Total</b>	<b>95.64</b>	<b>-</b>	<b>-</b>	<b>95.64</b>



DAIKAFFIL CHEMICALS INDIA LIMITED

CIN: L24114MH1992PLC067309

Notes forming part of the Financial Statements as at and for the year ended March 31, 2025

(All figures are Rupees in Lacs unless otherwise stated)

38 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 maximize 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.

Since there are no Borrowings as at March 31, 2025, the Net Debt to Capital (Gearing Ratio) is NIL.

39 Relationship with Struck off Companies

The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company and the same is relied upon by the auditors.

40 Analytical Ratios

Analytical Ratios as per requirements of Schedule III are given in Statement 2

41 Audit Trail

The Ministry of Corporate Affairs (MCA) by the Companies (Accounts) Amendment Rules 2021 and vide notification dated 24 March 2021 has issued the "Companies (Audit and Auditors) Amendment Rules, 2021 has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

As required under above rules, the company uses, Tally Prime which has an audit Trail feature w.e.f July 23, 2024. The previous version of the accounting software did not have the feature of audit trail. Further, for the periods that the audit trail was enabled (with effect from July 23, 2024) and operated as aforesaid, the same has been maintained without any tampering and preserved by the company in compliance with the applicable statutory requirements for record retention.

42 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of material accounting policy information and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2025.

43 Previous year's figures have been regrouped, wherever necessary, to confirm to current year's classification.

As per our report of even date attached  
For Natvarlal Vepari & Co LLP  
(Formerly known as Natvarlal Vepari & Co.)  
Chartered Accountants  
Firm Registration No. 106971W/W101085

N Jayendra  
Partner  
Membership No. 040441  
Mumbai  
Date: May 21, 2025



For & on behalf of the Board of Directors  
Daikaffil Chemicals India Limited

R.K Shetty  
Managing Director  
DIN: 00038703

Ravank R Shetty  
Chief Financial Officer

S. K. Shetty  
Director  
DIN: 00038681

Jay C Patel  
Company Secretary





DAIKAFIL CHEMICALS INDIA LIMITED

CIN: L24114MH1992PLC067309

Notes forming part of the Financial Statements as at and for the year ended March 31, 2025

(All figures are Rupees in Lacs unless otherwise stated)

**Statement 1- Related Party Transactions**

**A. Relationship**

- |   |                              |   |
|---|------------------------------|---|
| a | Mikusu India Private Limited | Entity where control exist                      |
| b | Heranba Industries Limited   | Holding Company of Mikusu India Private Limited |

**B**

- |   |                                  |   |
|---|----------------------------------|---|
| a | M/s Amichem                      | Enterprise over which KMP is having Significant Influence till 12/04/2024 |
| b | Heranba Organics Private Limited | Fellow Subsidiary of entity where control exist                           |

**C Key Management Personnel and their Relatives**

- |   |                         |                                      |
|---|-------------------------|--------------------------------------|
| a | Mr. Amit Patel          | Director till 12/04/2024             |
| b | Mr. Aditya Patel        | Director till 27/03/2024             |
| c | Mr. Sudhir Patel        | Independent Director till 07/11/2023 |
| d | Mrs. Maitihli Siswawala | Independent Director till 27/11/2023 |
| e | Mr. Sunil Merchant      | Independent Director till 27/03/2024 |
| f | Mr. Sadashiv K. Shetty  | Director with effect from 26/03/2024 |
| g | Mr. Raghuram K. Shetty  | Director with effect from 26/03/2024 |
| h | Mr. Omprakash Singh     | Director with effect from 26/03/2024 |
| i | Mr. Bhagavati K Donga   | Director with effect from 26/03/2024 |

**D The following are the transactions with related parties**

**Related party transactions**

Sr. No.	Nature of transaction	Entity where control exist		Fellow Subsidiary of entity where control exist		Key Management Personnel and their Relatives		Total	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Service charges for use of premises M/s Amichem	-	-			-	1.60	-	1.60
							1.60	-	1.60
2	Remuneration Paid Mr. Aditya Patel		-			-	4.62	-	4.62
							4.62	-	4.62
3	Sitting fees paid to directors Mr. Sudhir Patel	-	-			2.36	1.68	2.36	1.68
	Mr. Sunil Merchant					-	0.55	-	0.55
	Mrs. Maitihli Siswawala					-	0.55	-	0.55
	Mr. Amit Patel					-	0.28	-	0.28
	Mr. Omprakash Singh					-	0.30	-	0.30
	Mr. Bhagavati K Donga					1.18	-	1.18	-
						1.18	-	1.18	-
4	Purchase of Goods	58.94	-	67.04	-	-	-	125.98	-
	Heranba Organics Private Limited	-		67.04				67.04	-
	Heranba Industries Limited	58.94						58.94	-
5	Expenses Incurred on our behalf	93.62	-					93.62	-
	Mikusu India Private Limited	93.62						93.62	-
6	Sale of Goods	716.69	-			-	-	716.69	-
	Heranba Industries Limited	3.01	-					3.01	-
	Mikusu India Private Limited	713.68						713.68	-
7	Purchase of Fixed Assets	1.06	-	-	-	3.68	-	4.74	-
	Heranba Industries Limited	1.06						1.06	-
	Heranba Organics Private Limited					3.68		3.68	-
8	Sale of Fixed Assets	0.88	-	-	-	-	-	0.88	-
	Heranba Industries Limited	0.88						0.88	-
9	Outstanding as at Balance Sheet Date	643.48	-			79.09	-	722.57	-
	Heranba Industries Limited	64.89						64.89	-
	Mikusu India Private Limited	578.59						578.59	-
	Heranba Organics Private Limited					79.09		79.09	-

**Terms and conditions**

All transactions with these related parties are priced on an arm's length basis. None of the balance is secured.



DAIKAFFIL CHEMICALS INDIA LIMITED

CIN: L24114MH1992PLC067309

Notes forming part of the Financial Statements as at and for the year ended March 31, 2025

(All figures are Rupees in Lacs unless otherwise stated)

Statement 2- Analytical Ratios

Sr. No.	Ratio	Numerator/ Denominator	Ratio (2024-25)	Ratio (2023-24)	Variance	Reason for variance
1	Current ratio	<u>Current Asset</u> Current Liabilities	2.31	7.75	70.18%	Current Ratio is improved due to settlement of trade payables and other current liabilities.
2	Debt-Equity ratio	<u>Total Debts</u> Shareholders Equity	-	-	NA	
3	Debt Service Coverage ratio	<u>Earnings available for debt service</u> Debt Service	-	-	NA	
4	Return on Equity ratio (ROE)	<u>Net Profits after taxes – Preference Dividend</u> Average Shareholder's Equity	16.40%	16.56%	0.96%	
5	Inventory Turnover Ratio	<u>Cost of goods sold OR sales</u> Average Inventory	2.28	-	0.00%	There are no corresponding comparables for the previous year, hence variance is not computed.
6	Trade Receivables turnover ratio	<u>Net Credit Sales</u> Average Accounts Receivable	2.47	-	0.00%	There are no corresponding comparables for the previous year, hence variance is not computed.
7	Trade payables turnover ratio	<u>Expenses excluding Depreciation and Employee benefit expense</u> Average Trade Payables	3.43	-	0.00%	There are no corresponding comparables for the previous year, hence variance is not computed.
8	Net capital turnover ratio	<u>Net Sales</u> Average working capital	1.01	-	0.00%	There are no corresponding comparables for the previous year, hence variance is not computed.
9	Net profit ratio	<u>Net Profit after Tax</u> Net Sales	-21.20%	-	0.00%	There are no corresponding comparables for the previous year, hence variance is not computed.
10	Return on Capital employed (ROCE)	<u>Earning before interest and taxes</u> Capital Employed	-18.10%	-17.96%	-0.74%	
11	Return on Investment (ROI)	$\frac{(MV(T1) - MV(T0) - \text{Sum } [C(t)])}{(MV(T0) + \text{Sum } [W(t) * C(t)])}$	NA	NA	NA	

