

34th ANNUAL REPORT 2024-25

SB Sheel **Biotech** Limited
Since 1991

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AND
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AND

CULTIVATING TRUST



DIRECTOR'S REPORT TO THE MEMBERS

Dear Members,

Your directors have pleasure in presenting the 34th Annual Report together with the Audited Statement of Accounts of your Company for the financial Year ended March 31, 2025.

1. FINANCIAL SUMMARY:

The Company's financial performance for the financial year ended March 31, 2025:

(Amount in INR)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from Operations	1,01,75,24,713.00	92,28,21,853.00
Profit Before Tax	12,82,31,753.00	11,94,70,866.00
Less: Current Tax	2,12,87,434.00	1,95,46,749.00
Deferred Tax	(9,59,829.00)	(53,842.00)
Income Tax earlier years	3,50,139.00	-
Profit For The Year	10,75,54,009.00	9,99,77,959.00

2. SHARE CAPITAL:

Pursuant to the provisions of the Companies Act, 2013 and based on the changes during the year the equity share capital of the Company as at **March 31, 2025** is as under:

The equity share capital of the Company stood at **41,43,700 equity shares** at the beginning of the financial year. During the year under review, the Company issued and allotted **1,03,59,250 equity shares** as **Bonus Shares** in accordance with applicable provisions of the Companies Act, 2013. Further, the Company also allotted **4,49,600 equity shares** by way of **private placement** during the year.

Consequently, the **paid-up equity share capital** of the Company increased to **1,49,52,550 equity shares** as at **March 31, 2025**.

3. STATE OF AFFAIRS / HIGHLIGHTS:

1. The Company is engaged in the business of Tissue Culture, organic, Planting & Landscaping, Skill & FPO, Green & Packhouse Segment.
2. There has been no change in the business of the Company during the financial year ended March 31, 2025.

4. WEB LINK OF ANNUAL RETURN:

The Company is having website and annual return of Company has been published on such website. Link of the same is given as : <https://sheelbiotech.com/>

5. MEETINGS OF BOARD OF DIRECTORS:

13 Board Meetings were held during the Financial Year ended March 31, 2025. The maximum gap between any two Board Meetings was less than one Hundred and Twenty days. Details are given as follows:

Date of meeting (DD/MM/YYYY)	Total Number of directors as on the date of meeting	Attendance	
		Number of directors attended	% of attendance
05/04/2024	03	03	100%
31/07/2024	03	03	100%
14/08/2024	03	03	100%
22/08/2024	03	03	100%
25/08/2024	07	05	71%
11/09/2024	07	05	71%
20/09/2024	07	05	71%
09/10/2024	07	05	71%
14/10/2024	07	05	71%
27/11/2024	07	07	100%
20/01/2025	07	07	100%
28/01/2025	07	05	71%
31/03/2025	07	05	71%

6. DETAILS IN RESPECT OF FRAUD:

During the year under review, the Statutory Auditor in their report have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Companies Act, 2013.

7. BOARD'S COMMENT ON THE AUDITORS' REPORT:

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not call for any further comment.

8. MATERIAL CHANGES AGREEMENT AND COMMITMENTS:

During the financial year under review and from the end of the financial year up to the date of this Report, the Company has undertaken the following **material changes, agreements and commitments**, which are significant in the context of the Company's operations and the proposed SME Initial Public Offer (IPO)

- I. **Agreements for Dematerialization of Equity Shares**
The Company entered into an agreement dated July 01, 2024, with National Securities Depository Limited (NSDL) and Skyline Financial Services Private Limited, acting as the Registrar and Transfer Agent, for dematerialization of its equity shares.
Further, the Company entered into an agreement dated July 03, 2024, with Central Depository Services (India) Limited (CDSL) and Skyline Financial Services Private Limited, for dematerialization of its equity shares.
- II. **Appointment of Peer Reviewed Auditor**
Appointed M/s Rajan K Gupta & Co LLP, Chartered Accountants (FRN: 005945C/C400352), a Peer Reviewed Auditor holding valid Peer Review Certificate No. 014954, having its office at *2nd Floor, Corporate Suites, 34, Ansal Plaza, Sector 1, Vaishali, Ghaziabad - 201010*, for issuance of Restated Financial Statements as required under SEBI regulations for filing of the Draft Red Herring Prospectus (DRHP) on July 26, 2024.
- III. **Approval for SME Initial Public Offer**
The Board of Directors, at its meeting held on August 25, 2024, approved the proposal to proceed with an SME Initial Public Offer (IPO) of 54,00,000 equity shares, subject to receipt of necessary statutory, regulatory and stock exchange approvals.
- IV. **Issue of Bonus Shares**
The Board of Directors approved and the Company allotted 1,03,59,250 Bonus Equity Shares on August 25, 2024, in the ratio of 2.5:1 to the existing shareholders of the Company, in accordance with the applicable provisions of the Companies Act, 2013.
- V. **Raising of Funds through Private Placement**
The Company in the consent of the Members had offered 5,00,000 (Five Lakh) equity shares and in the receipt of share application, had allotted 4,49,600/- (Four Lakh forty nine thousand six hundred) equity shares having issue price of Rs, 45/- (Rupees 45/- Only) each share including face value of Rs. 10/- (Rupees 'Ten Only) and premium of Rs. 35/- (Rupees thirty five Only) each aggregating to Rs, 2,02,32,000 /- (Rupees Two Crore Two Lakh Thirty-Two Thousand Only) by way of preferential basis.
- VI. **Shareholders' Approval for Public Issue and Related Matters**
The shareholders of the Company, at their meeting held on August 28, 2024, approved the Public Issue, adoption of the new Articles of Association, private placement, and other matters connected therewith.
- VII. **Change in Registered Office**
During the year, the registered office of the Company was shifted from Sheel House, RZ-2705/30, 2nd Floor, Main Jagdamba Road, Tughlakabad Extension, South Delhi, Delhi - 110019 to 8, Balaji Estates, 2nd Floor, Block-C, Guru Ravidas Marg, Kalkaji, South Delhi, New Delhi - 110019, with effect from September 11, 2024, in compliance with the provisions of the Companies Act, 2013.
- VIII. **Approval of Restated Financial Statements**
The Board of Directors, at its meeting held on October 28, 2024, approved the Peer Review Auditors' Report on the Restated Financial Statements of the Company for the period ended May 31, 2024 and for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022, for inclusion in the DRHP.
- IX. **Appointment of Merchant Banker**
The Company entered into a Agreement dated November 05, 2024, with Narnolia Financial Services Limited, having its office at *201, 2nd Floor, Marble Arch, 236B A.J.C.*

Bose Road, Kolkata, West Bengal – 700020, for acting as the Merchant Banker in connection with the proposed SME IPO.

- X. **Appointment of Registrar and Transfer Agent**
The Company entered into an agreement dated November 05, 2024, with Skyline Financial Services Private Limited, appointing them as the Registrar and Transfer Agent (RTA) of the Company.
- XI. **Consideration of Legal Due Diligence Report**
The Board of Directors, at its meeting held on November 27, 2024, considered the Legal Due Diligence Report dated November 26, 2024, issued by Legacy Law Offices LLP, confirming the status of outstanding litigations and material developments of the Company for disclosure in the DRHP.
- XII. **Consideration of Secretarial Due Diligence Report**
At the same meeting held on November 27, 2024, the Board of Directors considered the Secretarial Due Diligence Report dated November 23, 2024, issued by M/s Sonia Patel & Co., Company Secretaries, confirming the secretarial compliance status of the Company as disclosed in the DRHP.
- XIII. **Submission of Due Diligence Certificate by Book Running Lead Manager**
The Due Diligence Certificate issued by the Book Running Lead Manager was submitted to SEBI on November 27, 2024, in connection with the filing of the DRHP.
- XIV. **Approval of Draft Red Herring Prospectus (DRHP)**
The Board of Directors, at its meeting held on November 27, 2024, approved the Draft Red Herring Prospectus (DRHP) and authorized its filing with the Securities and Exchange Board of India (SEBI) and other concerned statutory authorities in relation to the proposed SME IPO.

9. **CHANGE IN DIRECTORSHIP:**

There are **change in the directorship** of the Company during the year under review. The details of the Directors are as under.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, the **Directors of the Company are liable to retire by rotation and, being eligible, offer themselves for re-appointment.**

S.no	Director Name	Appointment /Resignation	Designation	Date of appointment/ Resignation
1	Mr. Satya Narayan Chandak	Appointment	Chairman	28/08/2024
2	Mr. Divye Chandak	Appointment	Managing Director	22/08/2024
3	Mrs. Mini Chadha	Appointment	Director (Non/Executive)	28/08/2024
4	Mr. Shyam Sunder Bang	Appointment	Independent Director	28/08/2024

5	Mr. Atul Kumar	Appointment	Independent Director	28/08/2024
6	Mr. Sumeet Chandak	Resignation	Director	11/09/2024

10. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

11. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year ended March 31, 2025, were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

However, the disclosure of transactions with related parties for the financial year is given in **Note no 27** to the Balance Sheet i.e. as per Accounting Standard 18.

12. COMPLIANCE WITH SECRETARIAL STANDARD:

The Company has Complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors and Meeting of Shareholders (EGM/AGM) i.e. SS/1 and SS/2 issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Companies Act, 2013.

13. PARTICULARS OF LOANS AND INVESTMENT:

The Company has not made any investments, given guarantees, or provided securities during the financial year under review. However, it has granted loans, in compliance with Section 186. Therefore, company has complied with the provisions of Section 186 of the Companies Act, 2013 and details of the same has given in the **Note no 12** to the Financial Statements.

14. TRANSFER TO RESERVE:

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the financial year under review.

15. DIVIDEND:

The Board of Directors of your company was pleased to recommend a dividend of INR. 1 per equity share for 1,49,52,550 equity share of the face value of INR. 10 each amounting to INR 1,49,52,550, payable to those Shareholders whose names appear in the Register of Members as on the Record Date. The dividend payout is in accordance with the

company's dividend distribution policy.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. Conservation of Energy, Technology Absorption

Conservation of energy is of utmost significance to the Company. Operations of the Company are not energy intensive. However, every effort is made to ensure optimum use of energy by using energy/ efficient computers, processes and other office equipment. Constant efforts are made through regular/ preventive maintenance and upkeep of existing electrical equipment to minimize breakdowns and loss of energy.

The Company is continuously making efforts for induction of innovative technologies and techniques required for the business activities.

- Steps taken by company for utilizing alternate sources of energy: NIL
- Capital investment on energy conservation equipment's: NIL

B. Foreign Exchange earnings and Outgo

Earnings	NIL
Outgo	NIL

17. RISK MANAGEMENT POLICY:

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as business, project execution, event, financial, human, environment and statutory compliance.

18. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE ["POSH"]:

The Company has adopted a policy for prevention of sexual harassment at the workplace, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"). An Internal Complaints Committee ("ICC") has been duly constituted as per the provisions of the POSH Act to redress complaints regarding sexual harassment at the workplace.

During the financial year under review, the Company has complied with all the provisions of the POSH Act and the rules framed thereunder. Further details are as follow:

a.	Number of complaints of Sexual Harassment received in the Year	Nil
b.	Number of Complaints disposed off during the year	Nil
c.	Number of cases pending for more than ninety days	Nil

19. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

As on March 31, 2025, Company doesn't have any Subsidiary & Joint Venture and Associate Companies at the end of the year.

20. INTERNAL FINANCIAL CONTROL:

The Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no reportable material weakness in the design or operation was observed.

21. AUDITOR:

i. Statutory Auditors (Change)

Pursuant to the provisions of Section 139(2), Section 141 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, **M/s. Manoj Sangeeta & Associates**, Chartered Accountants, ceased to be the Statutory Auditors of the Company upon completion of their term of appointment in accordance with the provisions relating to **mandatory rotation of auditors**.

Accordingly, based on the recommendation of the Board of Directors, the members of the Company, at the **Annual General Meeting**, approved the appointment of **M/s. Shyam Sunder Mangla & Co. LLP**, Chartered Accountants (Firm Registration No. 009633N/N500055), as the **Statutory Auditors of the Company** to hold office for a term of **five (5) consecutive financial years**, commencing from **01 April 2024** and concluding on **31 March 2029**, at such remuneration as may be decided by the Board of Directors.

The Statutory Auditors have furnished a certificate confirming that their appointment is in accordance with the provisions of **Section 141** of the Companies Act, 2013 and that they are eligible and not disqualified to be appointed as Statutory Auditors of the Company.

ii. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company appointed **M/s Sonia Patel & Co.** as the **Secretarial Auditor** for conducting the Secretarial Audit for the Financial Year 2024-25. But the secretarial audit is not applicable.

22. DIRECTOR'S RESPONSIBILITY STATEMENT:

The Directors would like to inform the Members that the Audited Accounts for the financial year ended March 31, 2025, are in full conformity with the requirement of the Companies Act, 2013. The Financial Accounts are audited by the Statutory Auditors, Shyam Sunder Mangla & Co LLP (Registration no. 009633N/N500055). The Directors further confirm that:

- a) In the preparation of the annual accounts for the year ended March 31, 2025 the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a 'going concern' basis.
- e) The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. DEPOSITS:

The company has not accepted any deposits under Section 73 of the Companies Act, 2013 during the financial year under review. However, the company has accepted loans from directors during the financial year, as mentioned below:

(Amount in INR)

Name of Director	Loan taken during the year	Loan remaining at the end of the year
Mr. Sanjay Chandak	3,56,00,000.00	4,11,26,000.00
Mr. Sumeet Chandak*	50,00,000.00	Nil

24. CORPORATE SOCIAL RESPONSIBILITY:

The Company had constituted a CSR Committee to decide upon and implement the CSR Policy of the Company.

As per the provision of Section 135 of the Companies Act, 2013 the Company was required to spend INR. 10,71,000.00/- (INR Ten Lakh seventy one thousand Only) during the F.Y. 2024-25 and the company has spent 11,00,000/- on the areas mentioned under Schedule VII of Companies Act 2013. Find as per Annexure-I

25. COST RECORD:

As per section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, your Company is not required to maintain cost records.

26. STATEMENT ON DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received necessary declarations from all Independent Directors of the Company in accordance with the provisions of Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

27. ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to the provisions of section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014, the Company has adopted Whistle Blower Policy/Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct. It also provides for adequate safeguards against victimization of directors and employees who avail of the Mechanism.

The Company affirms that no person has been denied access to the Audit Committee. To ensure proper functioning of vigil mechanism the Audit Committee of the Company on quarterly basis take note of the same.

28. PARTICULARS OF APPOINTMENT OF KEY MANAGERIAL PERSON:

In accordance with the provisions of Section 203 and Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, at its meeting held on 22 August 2024, appointed the following persons as Key Managerial Personnel (KMP) of the Company:

S. No.	Name of Key Managerial Personnel	Nature of Change	Designation	Date of Appointment
1.	Mr. Piyush Sharma	Appointment	Chief Financial Officer (CFO)	22/08/2024
2.	Mr. Anupam Pandey	Appointment	Company Secretary & Compliance Officer	22/08/2024

29. CORPORATE GOVERNANCE:

The Company has adopted best corporate practices and is committed to conducting its business in accordance with the applicable laws, rules and regulations. The Company's Corporate Governance practices are driven by effective and strong Board oversight, timely disclosures, transparent accounting policies and high level of Integrity in decision making.

30. FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES & INDIVIDUAL DIRECTORS:

The Board of Directors have evaluated the performance of all Independent Directors, Non/Independent Directors and its Committees. The Board deliberated on various evaluation attributes for all directors and after due deliberations made an objective assessment and evaluated that all the directors in the Board have adequate expertise drawn from diverse industries and business and bring specific competencies relevant to the Company's business and operations. The Board found that the performance of all the Directors was quite satisfactory.

The Board also noted that the term of reference and composition of the Committees was clearly defined. The Committee performed their duties diligently and contributed effectively to the decisions of the Board. Below are the list of the Committees formed and their composition.

i. Composition of Audit Committee

Sr. No	Name	Category	Designation
1	Mr. Atul Kumar	Independent Director (Non-executive)	Chairman
2	Mr. RC Shrivastav	Independent Director (Non-executive)	Member
3	Mr. Sanjay Chandak	Whole Time Director (Executive)	Member

ii. Composition of Nomination & Remuneration Committee

Sr. No	Name	Category	Designation
1	Mr. Atul Kumar	Independent Director (Non-executive)	Chairman
2	Mr. RC Shrivastav	Independent Director (Non-executive)	Member
3	Mrs. Mini Chadha	Director (Non-executive)	Member

iii. Composition of Stakeholder Relationship Committee

Sr. No	Name	Category	Designation
1	Mr. RC Shrivastav	Independent Director (Non-executive)	Chairman
2	Mr. Sanjay Chandak	Whole Time Director (Executive)	Member
3	Mrs. Mini Chadha	Director (Non-executive)	Member

iv. Composition of Corporate Social Responsibility Committee

Sr. No	Name	Category	Designation
1	Mr. Satya Narayan Chandak	Whole Time Director (Executive)	Chairman
2	Mr. Sanjay Chandak	Whole Time Director (Executive)	Member
3	Mr. RC Shrivastav	Independent Director (Non-executive)	Member

v. Composition of Initial Public Offer Committee

Sr. No	Name	Category	Designation
1	Mr. Divye Chandak	Managing Director (Executive)	Chairman
2	Mr. Sanjay Chandak	Whole Time Director (Executive)	Member
3	Mrs. Mini Chadha	Non-executive Director	Member

The functioning of the Board and its committees were quite effective. The Board evaluated its performance as a whole and was satisfied with its performance and composition of Independent and Non/Independent Directors.

31. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

No application has been made or any proceeding is pending under the IBC, 2016.

32. DIFFERENCE IN VALUATION:

The Company has not made any one/time settlement for loans taken from the Banks or

Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one/time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

33. AUDIT TRAIL APPLICABILITY:

Audit Trail Applicability (Audit And Auditors) Rules 2014 - Rule 11 of the Companies (Audit and Auditors) Rules, 2014 read with the Companies Act, 2013. The Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's.

34. DESIGNATION OF RESPONSIBLE PERSON:

Designation of Responsible Person under Rule 9 of the Companies (Management And Administration) Rules, 2014. In accordance with Rule 9 of the Companies (Management and Administration) Rules 2014, it is essential for the company to designate a responsible individual for ensuring compliance with statutory obligations. The company has proposed and appointed a designated person in a Board meeting and the same has been reported in Annual Return of the company.

35. DATA PRIVACY, DATA PROTECTION, AND CYBERSECURITY:

The Company is committed to upholding the highest standards of data privacy and protection. In light of the increasing reliance on digital infrastructure, the Company has implemented comprehensive cybersecurity and data protection policies, aligned with industry best practices and the evolving regulatory framework, including provisions under the Information Technology Act, 2000, and applicable data protection regulations.

The Company continues to invest in digital infrastructure to ensure robust protection of stakeholder information and business continuity.

36. MATERNITY BENEFIT:

The Company affirms that it has duly complied with all provisions of the Maternity Benefit Act, 1961, and has extended all statutory benefits to eligible women employees during the year.

ACKNOWLEDGMENT

Your directors place on the record their appreciation of the Contribution made by employees, consultants at all levels, who with their competence, diligence, solidarity, co/operation and support have enabled the Company to achieve the desired results.

The board of Directors gratefully acknowledge the assistance and co/operation received from the Central and State Governments Departments, Shareholders and Stakeholders.

**For and on behalf of the Board of Directors
Sheel Biotech Limited**

Place: Delhi

Annexure-I

ANNUAL REPORT ON CSR ACTIVITIES

(All the amounts in Lakhs)

1. CSR Policy of the Company: The Company shall undertake CSR projects or programs targeted at upliftment of beneficiaries belonging to the under privileged section of the society, promoting research in Science, Education Technology and promotion and protection of Art and Culture. The overarching goal of the Company's CSR initiatives is promoting education; promoting research in science, technology, engineering, providing preventive healthcare, providing sanitation, and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India and promotion and protection of Art and Culture, as per the intent and provisions of Schedule VII of Companies Act, 2013.

CSR is, therefore, the organization's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interest of its stakeholders.

2. Composition of CSR Committee: Applicable

3. Web-link- Composition of CSR committee, CSR Policy and CSR projects approved by the board is disclosed on the website of the company: <https://sheelbiotech.com/>

4. Impact assessment of CSR projects- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of Companies (CSR Policy) Rules, 2014, if applicable (attach the report): N.A.

5. Average net profit of the company as per section 135(5):Rs. 15.48 Lakhs.

6. Total CSR obligation for the financial year is as below

Average Net Profit for last three years= 774.49

Particulars	As At 31st March 2025
Gross amount required to be spent by the Company during the year/period	15.48
+ Shortfall / - Excess spent in the previous years	-4.77
Total amount required to be spent	10.71
Gross amount provided for CSR activities	N.A
Amount spent during the period / year	11
- Shortfall / + Excess spent at the end of the period / year	0.29
Reason for shortfall	N.A

7. (i). Net Worth: 8,387.27

(ii). Turnover: 10,175.25

(iii). Net Profit: 1,075.54

1	Shree Agrasen Foundation	Shree Agrasen Foundation is working towards Education and other work as per the list of activities in schedule VII	Rajasthan	Rajasthan	11	Yes	CSR00015653	Shree Agrasen Foundation
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(d) Amount spent in Administrative Overheads: Nil

(e) Total Amount Spent for the Financial Year (7b+7c+7d): Rs 11.00

(f) Excess amount for set off, if any

S. No.	Financial Year	Amount (Rs. In Lakhs)
(i)	Two percent of average net profit of the company as per Section 135 (5)	15.48
(ii)	Total amount spent for the Financial Year	11.00
(iii)	Deficit amount spent for the financial year (ii)-(i)	0.00
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	0.29
(v)	Set off amount carried forward from previous years	(0.00)
(v)	Amount available for set off in succeeding financial years [(iii)- (iv)]	0.29

10. Amount transferred to 'Unspent CSR Account' pursuant to sub-rule (4) of Rule 7 of Companies (CSR Policy) Rules, 2014 for the financial year 2014-15 to 2021-22: Rs. NIL

11. In case of creation or acquisition of asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

(a) Date of creation/ acquisition of the asset(s): N.A.

(b) Amount of CSR spent for creation /acquisition of asset: N.A.

(c) Details of the entity/ public authority under whose name such asset is registered, address etc.: N.A.

(d) Provide details of the property or asset(s) created/ acquired (including complete address and location of

the property): N.A.

12. Specify the reason(s) if the company has failed to spend two per cent of the average net profit as per section 135(5): Company has spent the required CSR Amount.

13. Whether any unspent amount of preceding three financial years (financial year ending after 31st March 2024) has been spent in the financial year: NIL

14. Details of amount spent against CSR projects in the financial year, if any: No

15. Whether any capital assets have been created or acquired through CSR spent in the financial year: No

**By order of the Board of Directors
For Sheel Biotech Limited.**

Sd.
Sanjay Chandak
(Director)
DIN: 03459807
Address: W-151, GK-II
New Delhi -110048.

Sd.
Divye Chandak
(Director)
DIN: 7100902
Address: W-151, GK-II,
New Delhi - 110048.

Place: New Delhi
Date: 04th July 2025

Independent Auditor's Report

To the Members of **SHEEL BIOTECH LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **SHEEL BIOTECH LIMITED** ("the Company"), which comprise the balance sheet as at **31st March 2025**, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2025**, its profit 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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.

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 '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 have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the 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 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) This report does not include report relating to internal financial controls as required u/s 143(3)(i) pursuant to Notification No. GSR 583(E) dated 13.06.2017 issued by MCA.
- g) With respect to the matter to be included in the Auditor's report u/s 197(16), in our opinion & according to the information & explanations given to us, The remuneration paid by the company to its directors during the current year is in accordance with the provisions of section 197 of the act. The remuneration paid to any director is not in excess of the limit laid down u/s 197 of the act. The MCA has not prescribed other details under section 197(16) which are required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed pending litigations and the impact on its financial position – refer note 26 to the standalone Financial Statement.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of

Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

- v. The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

- i. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For SHYAM SUNDER MANGLA & CO. LLP
Chartered Accountants
FRN:

Place:-DELHI
Date: 04.07.2025
UDIN:

SHYAM SUNDER MANGLA
(PARTNER)
Membership No. 088290

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The company has maintained proper records showing full particulars of intangible assets;
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
 - (c) According to the information and explanations given to us and on the basis of our examination of the record of the company, the Title deeds of all immovable properties (Other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has been sanctioned working capital limits in excess of Five Crore Rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns of statements filed by the company with

such banks or financial institutions are in agreement with the books of account of the company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has made the investments in, but not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, provisions of clause 3(iii)(a), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company, however clause 3(iii)(b) is applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the investment made are not prima facie prejudicial to the company's interest.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security not given to the director and any company, hence the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.

(v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.

(vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except following :

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where Dispute is pending	Remarks, if Any
Income tax Act, 1961	Income Tax	1118400	AY 2019	ITAT	
Income tax Act, 1961	Income Tax	516900	AY 2017	ITAT	

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on a short term basis have been used for long term purposes by the company.
- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has utilized funds raised by way of private placement of shares for the purpose for which they were raised.

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- (xii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- (xiv) (a) In our opinion and Based on our examination, the company does not require to have an internal audit system. Accordingly, clause 3(xiv)(a), of the order is not applicable.
- (b) Based on information and explanations provided to us, no internal audit has been conducted of the Company. Accordingly clause 3(xiv)(b) of the order is not applicable.
- (xv) In our opinion, during the year, the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the act are not applicable to the company.
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable. ,
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

- (xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, 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 company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) The Company has during the year spent the amount of Corporate Social Responsibility as required under sub-section (5) of Section 135 of the Act.
- (xxi) The company is not required to prepare a Consolidated financial statement hence this clause is not applicable.

For SHYAM SUNDER MANGLA & CO. LLP
Chartered Accountants
FRN:

Place:-DELHI
Date: 04.07.2025

SHYAM SUNDER MANGLA
(PARTNER)
Membership No. 088290

Balance Sheet As At 31st March 2025

Particulars	Notes	(Amount in Rs. Lakhs)	
		As At 31st March 2025	As At 31st March 2024
Equity and Liabilities			
Shareholders' Funds			
Share Capital	2	1,495.26	414.37
Reserves and Surplus	3	6,892.02	6,844.56
		<u>8,387.27</u>	<u>7,258.93</u>
Non-Current Liabilities			
Long Term Borrowings	4	482.25	1,026.80
Other Long Term Liabilities	5	58.97	38.09
Deferred Tax Liabilities	6	-	2.85
		<u>541.22</u>	<u>1,067.74</u>
Current Liabilities			
Short Term Borrowings	7	1,253.87	1,327.16
Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises; and		5.58	36.19
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	8	408.50	323.15
Other Current Liabilities	9	518.36	373.73
Short Term Provisions	10	215.31	197.01
		<u>2,401.63</u>	<u>2,257.24</u>
TOTAL		<u>11,330.12</u>	<u>10,583.91</u>
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment and Intangible assets	11		
(i) Property, plant and equipment		747.45	722.09
(ii) Intangible assets		1.37	1.60
Non Current Investment	12	79.20	80.19
Long-Term Loans and Advances	13	386.19	239.98
Deferred Tax Assets	6	6.74	
		<u>1,220.95</u>	<u>1,043.86</u>
Current Assets			
Inventories	14	3,938.53	3,277.39
Cash and Bank Balances	15	46.40	60.32
Trade Receivable	16	5,507.91	5,277.96
Short Term Loans and Advances	17	498.74	429.29
Other Current Assets	18	117.59	495.09
		<u>10,109.17</u>	<u>9,540.05</u>
Total		<u>11,330.12</u>	<u>10,583.91</u>

Statement on significant accounting policies 1
The accompanying notes are an integral part of the financial statements 2-45
As per our report of even date attached

For Shyam Sunder Mangla & Co L.L.P
Chartered Accountants

For and on Behalf of Board of Directors
Sheel Biotech Limited

Sheel Biotech Limited

8 Balaji Estate, 2nd Floor, Block-C, Guru Ravidas Marg, Kalkaji, South Delhi, Delhi, India, 110019
CIN No.U24239DL1991PLC046531

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(Amount in Rs. Lakhs)

Particulars	Notes	March 31, 2025	March 31, 2024
INCOME			
Revenue from Operations	19	10,175.25	9,228.22
Other Income	20	51.83	26.42
Total income		10,227.08	9,253.64
EXPENSES			
Changes in Inventories	21	(661.14)	(1,347.44)
Cost of Goods Consumed	22	7,167.90	7,042.24
Employee Benefit Expenses	23	1,347.98	1,231.88
Finance Costs	24	176.64	147.90
Depreciation and Amortisation Expenses	11	90.00	98.65
Other Expenses	25	823.38	886.70
Total Expenses		8,944.76	8,058.93
Profit before tax		1,282.32	1,194.71
Tax expenses:			
Current tax		212.87	195.47
Earlier years		3.50	-
Deferred tax		(9.60)	(0.54)
Profit /(loss) for the year		1,075.54	999.78
Excluding extra-ordinary items			
-Basic		7.28	24.13
-Diluted		7.28	24.13
Statement on significant accounting policies	1		
The accompanying notes are an integral part of the financial statements	2-42		
As per our report of even date attached			

For Shyam Sunder Mangla & Co LLP
Chartered Accountants

For and on Behalf of Board of Directors
Sheel Biotech Limited

Sheel Biotech Limited

8 Balaji Estate, 2nd Floor, Block-C, Guru Ravidas Marg, Kalkaji, South Delhi, Delhi, India, 110019

CIN: U24239DL1991PLC046531

Cash Flow Statement As At 31st March 2025

(Amount in Rs. Lakhs)

Particulars	As At 31st March 2025	As At 31st March 2024
A. Cash flow from operating activities:		
Profit before tax	1,282.32	1,194.71
Adjustments for:		
Depreciation	90.00	98.65
Finance Cost	176.64	147.90
Other Non Cash Items	-	-
Less:		
Interest Income	(7.75)	(7.63)
Gain on foreign exchange	(4.68)	(10.57)
Profit on Sale of Fixed Assets	(11.29)	-
Profit on Sale of Shares	(18.78)	-
Operating profit before working capital changes	<u>1,506.46</u>	<u>1,423.06</u>
Adjustments for changes in working capital :		
(Increase)/Decrease in Inventory	(661.14)	(1,347.44)
(Increase)/Decrease in Trade Receivables	(229.94)	(165.54)
(Increase)/Decrease in other current assets	377.50	165.96
Increase/(Decrease) in trade & other payables	217.67	278.50
Cash generated from operations	<u>1,210.55</u>	<u>354.53</u>
Income tax paid	(216.38)	(195.47)
Net cash generated from operating activities	<u>994.17</u>	<u>159.07</u>
B. Cash flow from investing activities:		
Long Term Loans and Advances	(146.20)	122.53
Decrease in Short Term Loans and Advances	(69.44)	(147.90)
Increase in Investment	19.77	-
Sale of Fixed Assets	20.00	14.18
Purchase of Fixed Assets	(123.84)	(43.59)
Interest Income and profit on sale of asset	12.43	18.20
Net cash used in investing activities	<u>(287.28)</u>	<u>(36.58)</u>
C. Cash flow from financing activities:		
Dividends Paid	(149.53)	(132.60)
Finance Cost Paid	(176.64)	-
Proceeds from Issuance of Share Capital	202.32	-
Increase in Long Term Loans	(544.55)	9.71
Decrease in Short Term Borrowings	(73.28)	-
Increase in Other Long Term Liabilities	20.88	39.64
Net cash used from financing activities	<u>(720.80)</u>	<u>(83.25)</u>
Net increase in cash and cash equivalents	(13.92)	39.24
Cash and cash equivalents at the beginning of the year	60.32	21.08
Cash and cash equivalents at the end of the year	<u>46.40</u>	<u>60.32</u>

Statement on significant accounting policies

1

The accompanying notes are an integral part of the financial statements

2-42

As per our report of even date attached

For Shyam Sunder Mangla & Co LLP
Chartered Accountants

For and on Behalf of Board of Directors
Sheel Biotech Limited

Sheel Biotech Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

NOTE NO. -1 SIGNIFICANT ACCOUNTING POLICIES

1. Corporate Information

Sheel Biotech Limited is a public limited company incorporated in the year 1991 under the Companies Act, 1956. The company has its registered office located at: 8, Balaji Estates, 2nd Floor, Block-C, Guru Ravidas Marg, Kalkaji, South Delhi, Delhi – 110019, India.

The company is primarily engaged in the activities of Tissue Culture, Organic, Planting & Landscaping, Skill & FPO, Green & Packhouse activities and related activities.

2. Basis of Preparation

The Financial statements has been prepared under historical cost conventions from books of accounts maintained on accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standard issued by the ICAI and referred to Section 129 & 133 of the Companies Act, 2013 of India. The Accounting Policies applied by the company are consistent with those used in the previous year.

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 as Act and guidelines. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of assets and liabilities.

3. Revenue Recognition

2.1 Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, the Company retains no effective control over the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Sales are recognized net of trade discounts, rebates and sales taxes.

2.2 Revenue from rendering services is recognized based on the stage of completion of the transaction when the outcome can be estimated reliably. Revenue is recognized proportionately as services are performed, provided the costs incurred and to be incurred can be measured reliably and it is reasonably certain that economic benefits will flow to the enterprise.

2.3 For ongoing projects revenue is recognized on a proportionate completion basis when the outcome of the contract can be reliably estimated or there is a contractual right to receive payment. This is similar to percentage of completion method, and in this case, the WIP is recognized as revenue to the extent of work completed, not total contract value.

2.4 Other incomes are also being taken on due basis.

4. Expenditure

Expenses are accounted on accrual basis.

5. Provisions and Contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event. It is probable that an outflow of resources embodying economies benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value. These are reviewed at each year end date and adjusted to reflect the best current estimate.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

6. Retirement/post-retirement benefits

Defined Contribution Plans

Contribution to defined contribution schemes such as employees state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when service are rendered by the employees Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined Benefit Plans

In respect of employees, provident fund contributions are made to a government directly by the company under the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

7. Tangible Assets

Tangible Assets are stated at cost, less accumulated depreciation and impairment, subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

8. Depreciation and amortization

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful lives of the assets or at the rates prescribed under Schedule II to the Companies Act, 2013.

Asset class	Useful Life
Land	N. A.
Motor Vehicles, Cars etc.(but scooters, motorcycles , life has been taken at 10 years)	8 Years
Plant & Machinery	15 Years
Computer & Parts	3 Years
Furniture	10 Years
Building	60 years
Office equipment	5 years
Shed	30 Years

9. Impairment

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. No such impairment is indicated in the balance sheet and neither such reflection has been arisen.

10. Trade receivables and Loans and advances

Trade receivables and loans and advances are stated at cost and no such doubtful debts has been indicated by the management and neither any such provision is required to be made this year.

11. Deferred Tax Provisions

Tax expense for the year comprises current tax and deferred tax. Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities using the applicable tax rates and tax laws.

Deferred tax is recognized for all the timing differences subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. The carrying amount of deferred tax assets is reviewed at each balance sheet date for any write down or reversal, as considered appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

12. Investment

Investments are classified into Current or long-term investments. Current investments are stated at the lower of cost or fair market value. Long term investments are stated at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of long-term investments. Company has made a provision for diminution during the year to recognize a decline, other than temporary, in the value of long-term investment as per AS- 13 "Accounting for Investment" issued by "The Institute of Chartered Accountants of India".

13. Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash and cash-on-deposit with banks and financial institutions. The group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

14. Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires that the management makes estimates and assumptions that effect the reported amounts of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements, and the reporting amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

15. Segment Reporting

Accounting Standard - 17 "Segment Reporting" issued by "The Institute of Chartered Accountants of India" is not applicable to this company as company does not have any reportable segment during the year.

16. Foreign Currency Transaction

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

17. Inventories

Inventories of Finished goods and raw materials are valued at cost (on FIFO method) or net realizable value whichever is less. Inventories of spares, consumables and accessories are valued at cost (on FIFO method). Inventories of work in progress or semi-finished goods has been valued at estimation of cost incurred.

2 Share Capital

(Amount in Rs. Lakhs)

Particulars	As At 31st March 2025		As At 31st March 2024	
	Number	Amount	Number	Amount
Authorised share capital				
Equity shares of Rs. 10 each	2,50,00,000	2,500.00	80,00,000	800.00
		<u>2,500.00</u>		<u>800.00</u>
Issued, subscribed and paid-up share capital				
Equity shares of Rs. 10 each	1,49,52,550	1,495.26	41,43,700	414.37
Total		<u>1,495.26</u>		<u>414.37</u>

Notes:

a) Terms and rights attached to equity shares

The Company has only one class of equity shares having the par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Reconciliation of equity share capital

	As At 31st March 2025		As At 31st March 2024	
	Number	Amounts	Number	Amounts
Balance at the beginning of the year	41,43,700	414.37	41,43,700	414.37
Add : Bonus Shares issued during the year*	1,03,59,250	1,035.93	-	-
Add : Private Placement made during the year**	4,49,600	44.96		
Balance at the end of the year	<u>1,49,52,550</u>	<u>1,495.26</u>	<u>41,43,700</u>	<u>414.37</u>

* Bonus Share- The Company had issued bonus shares in proportion of 2.5:01 (Two and half) ie. Two and half new fully paid-up equity share of Re. 10/- (Rupee ten only) each for every 1 (One) fully paid-up Equity Shares of Re. 10/- (Rupee ten only) each .

**Private Placement- The Company in the consent of the Members had offered 5,00,000 (Five Lakh) equity shares and in the receipt of share application, had allotted 4,49,600/- (Four Lakh forty nine thousand six hundred) equity shares having issue price of Rs, 45/- (Rupees 45/-Only) each share including face value of Rs. 10/- (Rupees Ten Only) and premium of Rs. 35/- (Rupees thirty five Only) each aggregating to Rs, 2,02,32,000 /- (Rupees Two Crore Two Lakh Thirty-Two Thousand Only) by way of preferential basis.

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

Equity shares of Rs.10 each fully paid up

Name of shareholders	As At 31st March 2025		As At 31st March 2024	
	Number of shares held	% of holding	Number of shares held	% of holding
S N Chandak	15,09,550	10.10%	2,86,300	6.91%
Sanjay Chandak	16,29,250	10.90%	3,80,400	9.18%
S.N Chandak(HUF)	14,65,450	9.80%	4,18,700	10.10%
Sumeet Chandak(HUF)	16,79,300	11.23%	4,32,800	10.44%
Sheela Maheswari	10,55,250	7.06%	2,41,500	5.83%
Sunita Chandak	17,36,000	11.61%	5,26,000	12.69%
Vitro Biotechnologies Ltd	7,75,250	5.18%	2,21,500	5.35%
Sanjay Chandak (HUF)	15,61,000	10.44%	2,96,000	7.14%
Sumeet Chandak	13,84,250	9.26%	3,95,500	9.54%
	<u>1,27,95,300</u>		<u>31,98,700</u>	

(d) Shareholding of Promoters as on 31st March 2025

Name of Promoter	As At 31st March 2025		
	Number of shares held	% of total shares	% change during the year
S N Chandak	15,09,550	10.10%	3.19%
Sanjay Chandak	16,29,250	10.90%	1.72%
Divye Chandak	4,20,000	2.81%	-0.08%
Mini Chadha	-	0.00%	0.00%
S.N Chandak(HUF)	14,65,450	9.80%	-0.30%
Sumeet Chandak(HUF)	16,79,300	11.23%	0.79%
Sanjay Chandak (HUF)	15,61,000	10.44%	3.30%
	<u>82,64,550</u>		

3 Reserve & Surplus

Particulars	As At 31st March 2025	As At 31st March 2024
Capital Reserve		
Balance at the beginning of the year	40.00	40.00
Add : Premium received of Rs 35 per share on private placement made during the year	157.36	-
	<u>197.36</u>	<u>40.00</u>

Surplus as per Statement of profit and loss

Balance at the beginning of the year	6,804.57	5,937.38
Add: Profit for the year	1,075.54	999.78
Less : Bonus Shares issued during the year	1,035.93	-
Less : Dividend paid during the year	149.53	132.60
Balance at the end of the year	<u>6,694.66</u>	<u>6,804.56</u>
	<u>6,892.02</u>	<u>6,844.56</u>

4 Long Term Borrowings			(Amount in Rs. Lakhs)
Particulars	As At 31st March 2025	As At 31st March 2024	
Secured Loans			
From Banks	90.53	29.82	
Less: Current maturities (payable within 1 year)	(19.54)	(25.94)	
	70.99	3.88	
Unsecured Loans			
From Directors (Refer note 27 for details)	411.26	1,022.92	
Total	482.25	1,026.80	

Note:

- (i) Term Loan from Bank consisting of Vehicle loan amounting to Rs. 70.99 lakhs is repayable in 83 instalments and carries an average interest rate of 9.38%. It is secured by hypothecation of motor vehicle.
(ii) Unsecured Loans from directors are repayable on demand.

5 Other Long Term Liabilities		
Particulars	As At 31st March 2025	As At 31st March 2024
Provision for Gratuity	58.97	38.09
Total	58.97	38.09

6 Deferred Tax Liability/Asset(Net)		
Particulars	As At 31st March 2025	As At 31st March 2024
Expenses allowable for tax purposes when paid/written off	16.86	9.71
Difference between book and tax base of fixed assets	(10.12)	(12.56)
Net Deferred Tax (Liability)/Asset	6.74	(2.85)

7 Short Term Borrowings		
Particulars	As At 31st March 2025	As At 31st March 2024
Secured Loans		
Cash credits*	1,234.33	1,301.22
Current maturity of long term Debt	19.54	25.94
Total	1,253.87	1,327.16

Note:

- (i) Term Loan from Bank consisting of Vehicle loan amounting to Rs.19.54 lakhs is repayable in 34 instalments and carries an average interest rate of 9.38%. It is secured by hypothecation of motor vehicle.
(ii) Cash credits are repayable on demand and secured against hypothecation of book debts and inventories

8 Trade Payables		
Particulars	As At 31st March 2025	As At 31st March 2024
Due to Micro, Small and Medium Enterprises *	5.58	36.19
Trade payables other than Micro and Small Enterprises	408.50	323.15
Total	414.09	359.34

Note:

*The dues to micro and small enterprises as required under MSMED Act, 2006, based on the information available with the Company.

9 Other Current Liabilities		
Particulars	As At 31st March 2025	As At 31st March 2024
Duties & Taxes	269.41	180.95
Advance from Customers	148.06	99.30
Employee benefits payable	77.95	76.33
Expenses Payable	22.94	17.16
Total	518.36	373.73

10 Short Term Provisions		
Particulars	As At 31st March 2025	As At 31st March 2024
Provision for Taxation	212.87	195.47
Provision for Gratuity	2.43	1.55
Total	215.31	197.01

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8.1 Trade Payables ageing schedule: As at 31st March, 2025

(Amount in Rs. Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	5.58	-	-	-	5.58
(ii) Others	402.58	5.93	-	-	408.50
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	408.16	5.93	-	-	414.09

Trade Payables ageing schedule: As at 31st March, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	36.19	-	-	-	36.19
(ii) Others	313.11	10.04	-	-	323.15
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	349.30	10.04	-	-	359.34

12 **Non Current Investments** (Amount in Rs. Lakhs)⁴

Particulars	As At 31st March 2025	As At 31st March 2024
Investment (Quoted)	-	0.99
(P.Y. 100000 shares of SC Agrotech Ltd @ 0.99 per share)		
Investment (Non - Quoted)	79.20	79.20
(2 equity shares of Dhurina Ventures Pvt. Ltd. @39.60 lakhs)		
(P.Y. 2 equity shares of Dhurina Ventures Pvt. Ltd. @39.60 lakhs)		
Total	<u>79.20</u>	<u>80.19</u>

13 **Long-Term Loans and Advances**

Particulars	As At 31st March 2025	As At 31st March 2024
Deposits		
Security deposits (Unsecured)*	386.19	239.98
Total	<u>386.19</u>	<u>239.98</u>

Note:

*This amount as on March 31, 2025 includes Fixed Deposit hypothecated by the company with banks amounting to Rs 20.83 lakhs. (March 31, 2024 - Rs 143.75 lakhs)

14 **Inventories**

Particulars	As At 31st March 2025	As At 31st March 2024
Inventories		
Raw material	3,938.53	3,277.39
Work-in-Progress	-	-
Total	<u>3,938.53</u>	<u>3,277.39</u>

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15 Cash and Bank Balances

(Amount in Rs. Lakhs)

Particulars	As At 31st March 2025	As At 31st March 2024
Cash and cash equivalents		
Cash in Hand	8.71	10.85
Balances with banks		
- on current accounts	37.69	49.47
Total	46.40	60.32

16 Trade Receivables

Particulars	As At 31st March 2025	As At 31st March 2024
Unsecured, considered good	5,507.91	5,277.96
Less: Provision for doubtful debts	-	-
	5,507.91	5,277.96

17 Short Term Loans & Advances

Particulars	As At 31st March 2025	As At 31st March 2024
Loans and Advances		
Deposits*	160.57	122.65
Balance with Revenue Authorities	295.18	228.68
Other Advances	42.99	77.96
Total	498.74	429.29

Note:

*This amount as on March 31, 2025 includes Fixed Deposit hypothecated by the company with banks amounting to Rs 160.57 lakhs.

18 Other Current Assets

Particulars	As At 31st March 2025	As At 31st March 2024
Advance to Suppliers	107.20	492.15
Prepaid Expenses	7.81	2.94
Interest Accrued but not due	2.58	-
Total	117.59	495.09

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16.1 Trade Receivables ageing schedule as at 31st March,2025

(Amount in Rs. Lakhs)

Particulars	Outstanding for following periods from due date of payment					Amount
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	3,971.67	534.38	779.72	122.39	99.74	5,507.91
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

Note: Trade receivables considered good are not subject to any provision because they are government contracts and are expected to be recovered in full.

Trade Receivables ageing schedule as at 31st March,2024

Particulars	Outstanding for following periods from due date of payment					Amount
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	3,229.10	372.63	460.28	927.58	288.37	5,277.96
(i) Undisputed Trade receivables -considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

Note: Trade receivables considered good are not subject to any provision because they are government contracts and are expected to be recovered in full.

(Amount in Rs. Lakhs)		
19 Revenue from Operations	As At 31st March 2025	As At 31st March 2024
Particulars		
Revenue from Trading/ Mfg.	9,332.83	8,533.98
Sale of Products	842.42	694.24
Sales Service		
Total	<u>10,175.25</u>	<u>9,228.22</u>
20 Other Income	As At 31st March 2025	As At 31st March 2024
Particulars		
Discount Received	-	5.10
Exchange Rate Difference	4.68	10.57
Credit Balance Written Off	0.90	-
Interest Received	7.75	7.63
Freight Charges (Income)	3.78	3.12
Packing Charges - Sale	0.65	-
Profit on Sale of Share	18.78	-
Profit on Sale of Building	11.29	-
Rent Income	4.00	-
Total	<u>51.83</u>	<u>26.42</u>
21 Change In Inventories Of Finished Goods And Work-In-Progress	As At 31st March 2025	As At 31st March 2024
Particulars		
Inventory at the beginning of the year	3,277.39	1,929.95
Inventory at the end of the year	3,938.53	3,277.39
Increase in Inventories of finished goods and work in progress	<u>661.14</u>	<u>1,347.44</u>
22 Cost of Goods Consumed	As At 31st March 2025	As At 31st March 2024
Particulars		
Opening Stock of raw materials	-	-
Purchase of raw material	5,945.16	5,895.92
Closing Stock of raw materials	-	-
Direct Expenses	1,222.74	1,146.32
Total	<u>7,167.90</u>	<u>7,042.24</u>
23 Employee Benefit Expenses	As At 31st March 2025	As At 31st March 2024
Particulars		
Salary & Wages Exp.	1,280.70	1,157.21
Employer Contribution in ESI	0.83	0.69
Employer Contribution in EPF	10.12	10.46
Administration Charges(PF)	0.39	-
Gratuity	25.87	40.41
Staff Welfare	30.07	23.11
Total	<u>1,347.98</u>	<u>1,231.88</u>

(Amount in Rs. Lakhs)		
24 Finance Costs	As At 31st March 2025	As At 31st March 2024
Particulars		
Bank Charges/Commission	32.09	32.86
Interest	144.55	115.04
Total	176.64	147.90

25 Other Expenses	As At 31st March 2025	As At 31st March 2024
Particulars		
Rent	98.22	137.36
Power & Fuel	12.99	32.06
Repair and Maintenance	64.79	67.40
Communication cost	5.35	6.75
Printing and stationary	9.63	10.12
Advertisement and publicity	73.74	83.79
Legal and Professional charges	89.91	105.02
Insurance	8.80	6.33
Office Expense	65.70	59.17
CSR Expense	11.00	6.03
Donation	2.51	0.39
Travelling Expense	162.99	165.74
Royalty	12.88	41.56
Training Expense	113.95	83.36
Miscellaneous Expenses	90.90	81.63
Total	823.37	886.70

26 Contingent liabilities and commitments

(Amount in Rs. Lakhs)

Particulars	As At 31st March 2025	As At 31st March 2024
a. Claims by customers against the Company not acknowledged as Debt (to the extent quantifiable)	54.18	54.18
b. Income Tax Demands AY 2019		
AY 2019	11.18	11.18
AY 2017	5.17	5.17
c. Guarantees		
Bank guarantees furnished in respect of customer	636.00	153.85

27 Related Party Disclosures-

Relationship as per accounting standard 18:

Name and relation of Related Party	Nature of Relationship with the reporting enterprise
Mr. Sumeet Chandak*	Director
Mr. Sanjay Chandak	Director
Mr. Satya Narayan Chandak	Director
Mr. Divye Chandak	Director
Jayshee Investments Private Limited	Mr. Sanjay Chandak, Sh. Sumeet Chandak and Sumeet Chandak(HUF) all together having shareholding more than 20%.
Vitro Biotechnologies Limited	Sh. Sumeet Chandak and Sumeet Chandak(HUF) having shareholding more than 20%.
Amit Cement Private Limited	Sh. Sumeet Chandak and Sumeet Chandak(HUF) having shareholding more than 20%.
Mrs. Sunita Chandak	Relative of Director
Mr. Sumeet Chandak*	Relative of Director
Himanshi Chandak	Relative of Director
Mrs. Sheela Chandak	Relative of Director
Mrs. Simmi Bhutra	Relative of Director
Mrs. Neha Chandak	Relative of Director
Mrs. Anisha Chandak	Relative of Director
Sanjay Chandak HUF	Entity in which Director is a Key person
Sumeet Chandak HUF	Entity in which Director is a Key person
Greenium	Entity in which Director is a Key person
Blue Ocean Realestates Private Limited	Mr. Satya Narayan Chandak is Director

(Amount in Rs. Lakhs)

NAME	NATURE OF TRANSACTION	For the period March 31, 2025	For the period March 31, 2024
Mr. Sanjay Chandak	Director Remuneration	90.00	55.00
Mr. Sanjay Chandak	Rent	9.60	9.60
Mr. Sanjay Chandak	Loan Received	356.00	117.00
Mr. Sanjay Chandak	Loan Repaid	439.21	41.50
Mr. Satya Narayan Chandak	Rent	7.80	7.80
Mr. Satya Narayan Chandak	Salary	72.00	54.25
Mr. Sumeet Chandak*	Director Remuneration	36.00	27.50
Mr. Sumeet Chandak*	Loan Received	50.00	91.90
Mr. Sumeet Chandak*	Loan Repaid	578.45	58.80
Mrs. Sunita Chandak	Rent	6.00	9.60
Mrs. Sunita Chandak	Salary	36.00	34.25
Mrs. Neha Chandak	Salary	18.00	14.25
Mr. Divye Chandak	Salary	30.00	29.50
Himanshi Chandak	Salary	7.50	15.50
Mrs. Anisha Chandak	Salary	30.00	14.60
Greenium	Business Purchase	42.39	-
Greenium	Business Sale	572.67	920.85
Greenium	Rental Income	4,000.00	-
Jay Shree Investment	Interest Expense	3.36	-
Jay Shree Investment	Loan Received	255.00	-
Jay Shree Investment	Loan Repaid	255.00	-
Sanjay Chandak HUF	Rent	3.60	7.20

Closing Balances of Related Party Transactions

(Amount in Rs. Lakhs)

NAME	NATURE OF TRANSACTION	As at March 31, 2025	As at March 31, 2024
Mr. Sanjay Chandak	Director Remuneration	-	7.50
Mr. Sanjay Chandak	Unsecured Loan	411.26	494.47
Mr. Sumeet Chandak*	Director Remuneration	-	3.00
Mr. Sumeet Chandak*	Unsecured Loan	-	528.45
Mr. Satya Narayan Chandak	Salary	-	6.00
Mrs. Sunita Chandak	Salary	-	3.00
Mrs. Neha Chandak	Salary	-	1.50
Mr. Divye Chandak	Salary	-	2.50
Himanshi Chandak	Salary	-	1.50
Mrs. Anisha Chandak	Salary	-	2.50
Greenium	Business Sale	(0.17)	17.04

*Note- Mr. Sumeet Chandak Resigned as director as on 11th September 2024.

28 **Earnings Per Share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the profit after tax by weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

(Amount in Rs. Lakhs)

Particulars	As At 31st March 2025	As At 31st March 2024
Profit After Tax(in Rupees)	1,075.54	999.78
Total number of equity share of Rs 10 each	1,49,52,550	41,43,700
Basic Earnings Per Share	7.28	24.13
Total weighted average number of equity share of Rs 10 each	1,47,72,710	41,43,700
Diluted Earnings Per Share	7.28	24.13

29 **Additional Information required as per schedule III of Companies Act, 2013**

(Amount in Rs. Lakhs)

Particulars	As At 31st March 2025	As At 31st March 2024
	Amount (Rs.)	Amount (Rs.)
Statutory Audit Fee	1.50	2.10
Tax Audit Fee	0.50	0.90
Fee for other certificates	-	-
Total	2.00	3.00

30 **Additional Information required as per Schedule III of Companies Act 2013.**

a). **Value of Imports**

(Amount in Rs. Lakhs)

Particulars	As At 31st March 2025	As At 31st March 2024
	Amount (Rs.)	Amount (Rs.)
Plant & Machinery	107.95	94.40
Plants	539.19	644.24
Total	647.14	738.64

b). **Expenditure in foreign Currency**

(Amount in Rs. Lakhs)

Particulars	As At 31st March 2025	As At 31st March 2024
	Amount (Rs.)	Amount (Rs.)
Payments for Purchase	88.79	61.15
Foreign Travelling	3.65	10.11
Total	92.44	71.26

31 **Corporate Social Responsibility (CSR)**

(Amount in Rs. Lakhs)

(a) Gross amount required to be spent during the year 2024-25 Rs. 15.48 lacs (Previous year: 10.71).

(b) Expenditure incurred on CSR during the year on:-

Particulars	As At 31st May 2025	As At 31st March 2024
a) Gross amount required to be spent by the Company during the year/period	15.48	10.71
b) +Shortfall/- Excess spent in the previous years.	(4.77)	(9.44)
c) Total amount required to be spent	10.71	1.26
d) Gross amount provided for CSR activities	N.A	N.A
e) Amount spent during the period / year	11.00	6.03
f) -shortfall/+ Excess Spent at the end of the period / year	0.29	4.77
g) reason for shortfall	N.A	N.A

Note 32: Employee Benefits

(Amount in Rs. Lakhs)

Employee Benefits	March 31,2025	March 31,2024
A. Gratuity		
The company does not maintain any fund to pay for Gratuity.		
i) Amount recognized in statement of Profit & Loss is as under:		
Description	Year ended March 31,2025	Year ended March 31,2024
Current service cost	12.27	8.39
Interest cost	2.86	-
Past service cost	-	31.24
Net actuarial (gain)/loss recognized during the year	10.74	-
Total	25.87	39.63
ii) Movement in the liability recognized in Balance Sheet is as under:		
Description	Year ended March 31,2025	Year ended March 31,2024
Present value of obligation at the beginning of the year	39.63	-
Current service cost	12.27	8.39
Past service cost	-	31.24
Interest cost	2.86	-
Benefit paid	(4.10)	-
Actuarial (gain) / loss on obligation	10.74	-
Present value of obligation as at the end of year	61.40	39.63
iii) Net assets / liability recognized in Balance Sheet		
Description	As at March 31,2025	As at March 31,2024
Current liability (Amount due within one year)	2.43	1.55
Non-Current liability (Amount due over one year)	58.97	38.09
Present value of obligation at the end of the year	61.40	39.63
iv.) For determination of gratuity liability of the Company the following actuarial assumption were used.		
Description	Year ended March 31,2025	Year ended March 31,2024
Discount rate	6.99%	7.22%
Future salary increase	6.00%	6.00%
Method used	Projected unit credit actuarial	Projected unit credit actuarial
In accordance with applicable Indian Laws, the company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering certain categories of employees. The Gratuity Plan provides a Lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the company.		

33. Financial Ratios

The ratios as per the latest amendment to Schedule III are as below:

Particulars	Current Year Ratio	Last Year Ratio	% Change	Reason for Variance
(1) Current ratio (Current assets/Current liabilities)	4.21	4.23	-0.49%	-
(2) Debt Equity Ratio (Total Debt/Shareholder's Equity) [Total Debt: Long term debt + Short term debt] [Shareholder's Equity: Equity share capital + Reserve & Surplus]	0.21	0.32	-35.31%	Due to decrease in Debt and increase in Equity
(3) Debt Service Coverage Ratio (Earnings available for debt service/Debt Service) [Earning for Debt Service: Net Profit before taxes + Depreciation + Amortization + Interest] [Debt service: = Total Principal + Interest on Borrowings]	1.95	2.52	-22.63%	Due to increase in Debt service
(4) Return on Equity (%) (Net Profits after taxes/Average Shareholder's Equity)	13.75%	15.43%	-10.90%	-
(5) Inventory turnover ratio (Sale of products / Average Inventory)	1.80	2.19	-17.65%	-
(6) Trade Receivable turnover ratio (Net Credit Sales/Average Accounts Receivable) [Average Accounts Receivable: (Opening Balance + Closing Balance)/ 2]	1.89	1.62	16.47%	-
(7) Trade payables turnover ratio (Net Credit Purchases/Average Trade Payables)	15.37	9.22	66.74%	Due to increase in Trade Payables
(8) Net capital turnover ratio (Turnover/Average Working Capital) [Average Working capital:(Opening working capital + Closing working capital) /2]	1.32	1.27	3.95%	-
(9) Net profit ratio (%) (Net profit after tax/Net Sales) [Net Sales: Total Sales - Sales Return]	10.57%	11.39%	-7.20%	-
(10) Return on Capital Employed (%) (Earning before interest and taxes /Capital Employed) [Earning before interest and taxes: Profit before tax + Interest] [Capital Employed: Tangible Net Worth + Total Debt + Deferred Tax Liability]	16.34%	16.47%	-0.79%	-

34 **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

As per the best information of the management, there are certain amounts payable to creditors as required to be disclosed under the micro, small and medium enterprises as defined under "The Micro, small and medium enterprises development act, 2006".

(Amount in Rs. Lakhs)

Particular	As At 31st March 2025	As At 31st March 2024
1. Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	5.58	36.19
2. Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	0.56	-
3. Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
4. Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED act, beyond the appointed day during the year.	-	-
5. Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
6. Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	-	-
7. Further interest remaining due and payable for earlier years	-	-

35 **Borrowings from Banks and Financial Institutions on the basis of security against Current Assets**

Cash credits are repayable on demand and secured against hypothecation of book debts and inventories

36 **Segment Reporting (AS 17)**

The company operates only in one segment i.e. "Agriculture and Agri related category". Accordingly, There is no separate reporting segments as per AS 17 'Segment Reporting'.

37 There are no loans and advances in the nature of loans which are granted to related parties (as defined under Companies Act 2013) that are

- Repayable on Demands or
- Without specifying any terms or period of repayment

38 **Capital Work-in Progress**

(Amount in Rs. Lakhs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress for Factory development	NIL	NIL	NIL	NIL	NIL

39 **Transaction with companies struck off under section 248 of Companies Act, 2013.**

The company has no transactions with any struck off companies u/s 248 of the Act.

40 **Share application money pending allotment**

There is no share application money which is pending for allotment.

41 **Registration of charges or satisfaction with Registrar of Companies**

There is no delay in the registration or satisfaction of charge, and all relevant filings have been made within the prescribed timelines as per the applicable provisions of the Companies Act, 2013.

Name of the Bank/ Financial Institution	Type of Loan	Brief Description of Charge/ Satisfaction	Location of Registrar	Due Date of Registration/ Satisfaction of Charge	Reason for delay
NA	NA	NA	NA	NA	NA

42 **Statutory Fillings with MCA**

- The company has filed AOC-4 on 25-11-2024 and MGT-7 on 26-11-2024 for the FY ending 2024 .
- Filing of Annual Return in form AOC-4 and MGT-07 is after the prescribed due date

43 **The Company does not have any immovable property whose title deed is not held in name of the company.**

Title deeds of immovable property not held in name of the company in format given below(exclude property on lease) and where such immovable property is jointly held with others, details are required to be given to the extent of company's share.

Relevant line item in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	reason for not being held in the name of the company **
NA	NA	NA	NA	NA	NA	NA

44 Other Notes

- (i) Financial statements are prepared as per requirement of the Schedule III of the Companies Act, 2013.
- (ii) In the opinion of the Board of Directors and Management, all the assets other than, Property, Plant and Equipment, Intangible assets and non-current investments have a value on realisation in the ordinary course of business which is at least equal to the amount at which they are stated.
- (iii) The Company does not have any immovable property whose title deed is not held in name of the company.
- (iv) The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (v) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- (vi) Company has not advanced or loaned funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) directly or indirectly lend to other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) 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 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the income Tax Act, 1961.
- (ix) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

45 Figures of the previous year have been regrouped, reclassified wherever necessary to make it comparable with this Current year figures.

For Shyam Sunder Mangla & Co LLP
Chartered Accountants

For and on behalf of the Board
Sheel Biotech Limited

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