



Jadoo ki **Jhappi,**

Har Bite Mein



SHELLZ INDIA LIMITED
ANNUAL REPORT 2025

Content

What Joy Means to Us	2
Message from the Managing Director & Chairman	8
About the Company	22
What Sets Shellz Apart	24
Our Journey	32
Our Product Portfolio	34
Our Brand Portfolio	35
Key Performance Indicators	38
Opportunities	40
Blueprint for Tomorrow	42
Risk Management	44
Board of Directors & Senior Leadership	46
Directors' Report	50
Financial Statements	56
Significant Accounting Policies	68
Notes to Financial Statements	72
Notice	88



JOY

That Brings Us Together

Joy is simple.

A small bite. A familiar taste. A moment that stays.
At the heart of everything we do lies a simple pursuit – joy.
At Shellz, our purpose is to make that joy easier to find.
Because, for us, every joyful moment begins with a small bite.



JOY

That Everyone
Can Taste

Joy becomes powerful when it belongs to everyone.



With price points of ₹1, ₹2, ₹5 and ₹10, Shellz India brings joy within everyone's reach - turning small treats into everyday rituals.

Because joy multiplies when it's shared with others.



JOY

That Keeps Evolving

Newness keeps the Joy alive.

At Shellz, innovation lies at the heart of our journey. With over 30 new products launched in the past year, we continue bringing excitement to shelves across the country.

Because joy thrives when it keeps surprising.



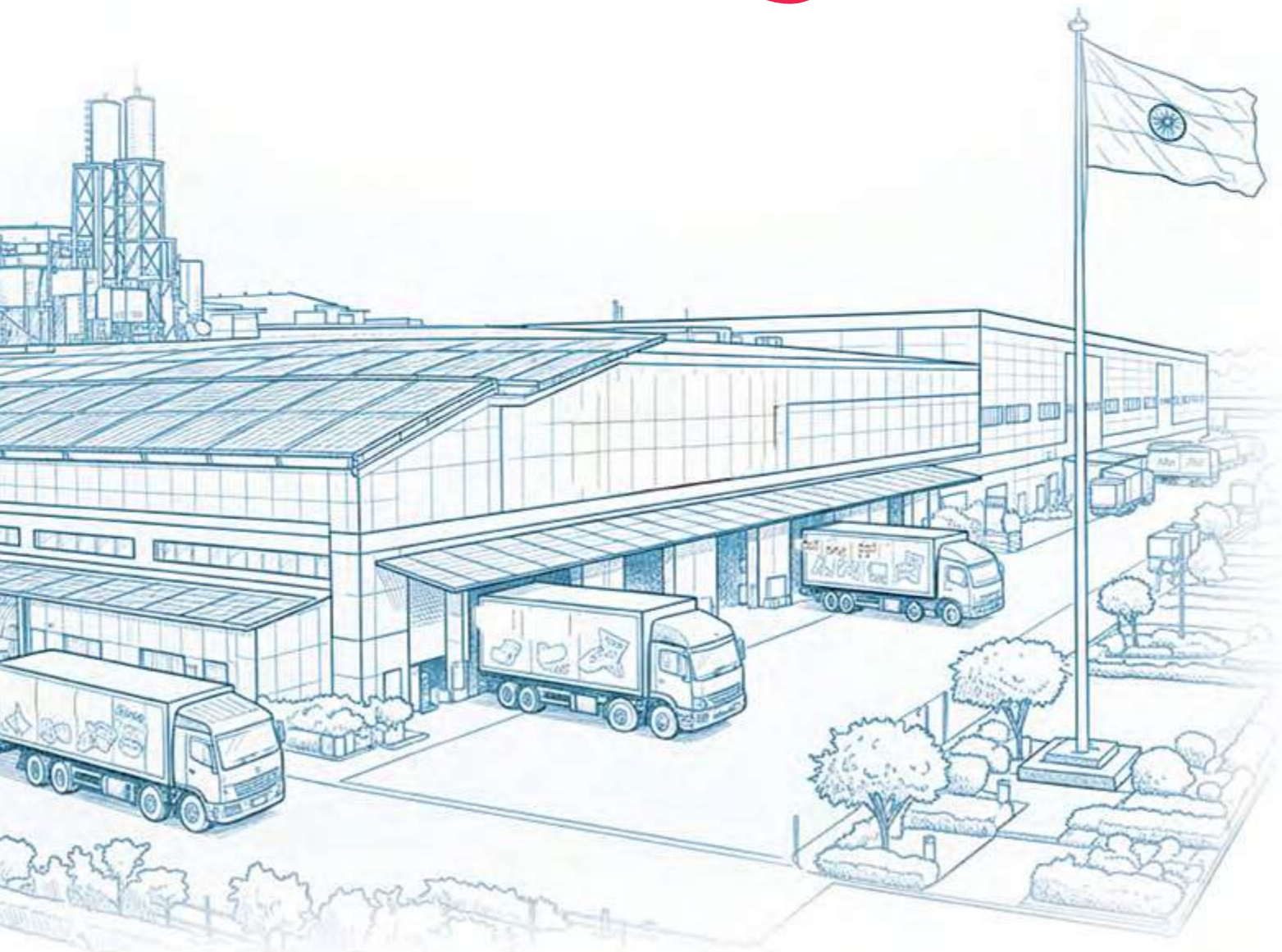
JOY

Built on Trust

Behind every joyful moment lies a promise of quality.

At Shellz, every product is made with care, consistency, and attention to detail - ensuring it delivers the same taste, safety, and quality every time.

Because joy should always be served with trust.



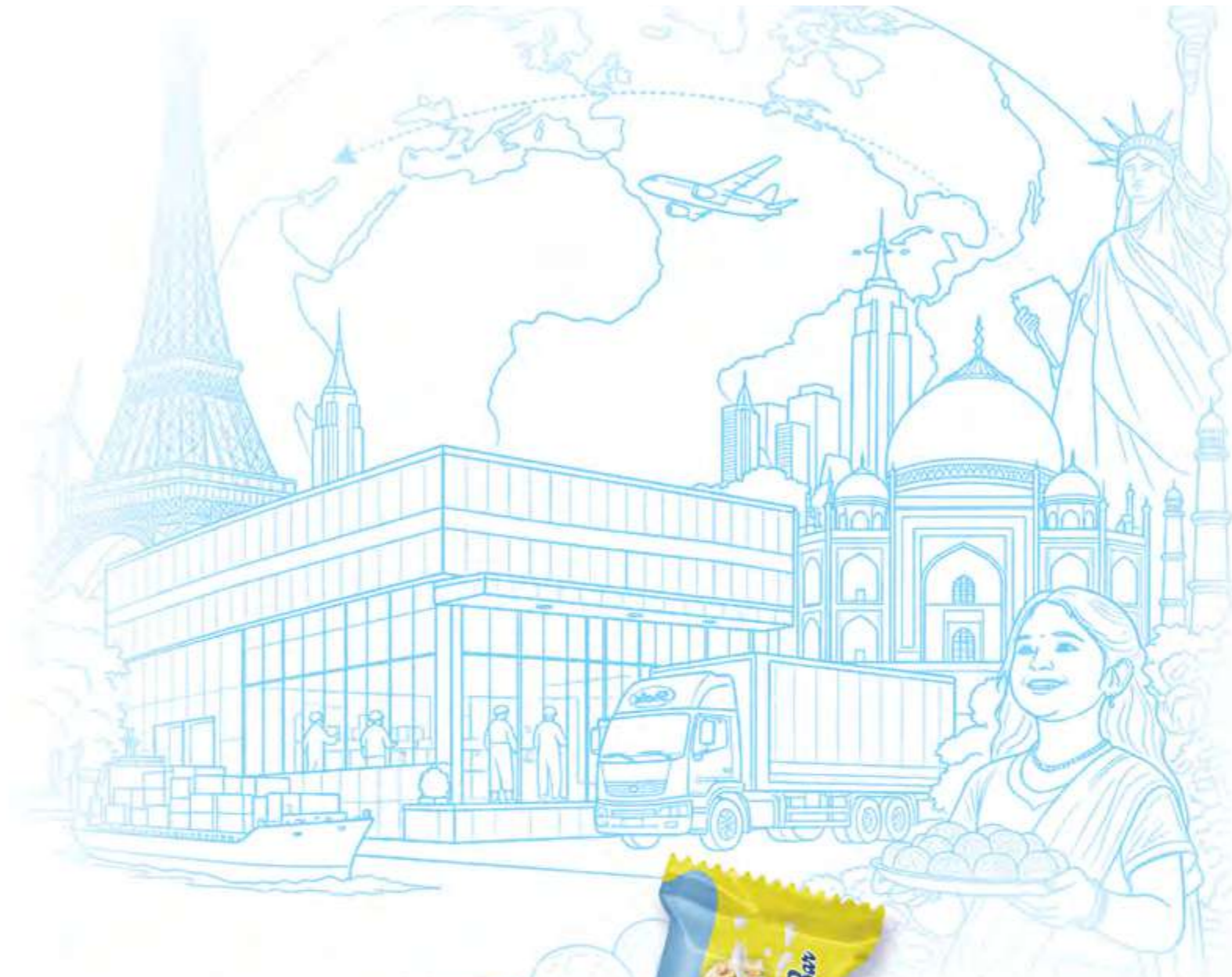
JOY

Built to Scale.

Great brands are built on strong foundations.

Our upcoming manufacturing facility in Haryana strengthens production capacity and operational efficiency - enabling us to meet rising demand with consistency and scale.

Because joy may begin with a bite, but growth begins with infrastructure.



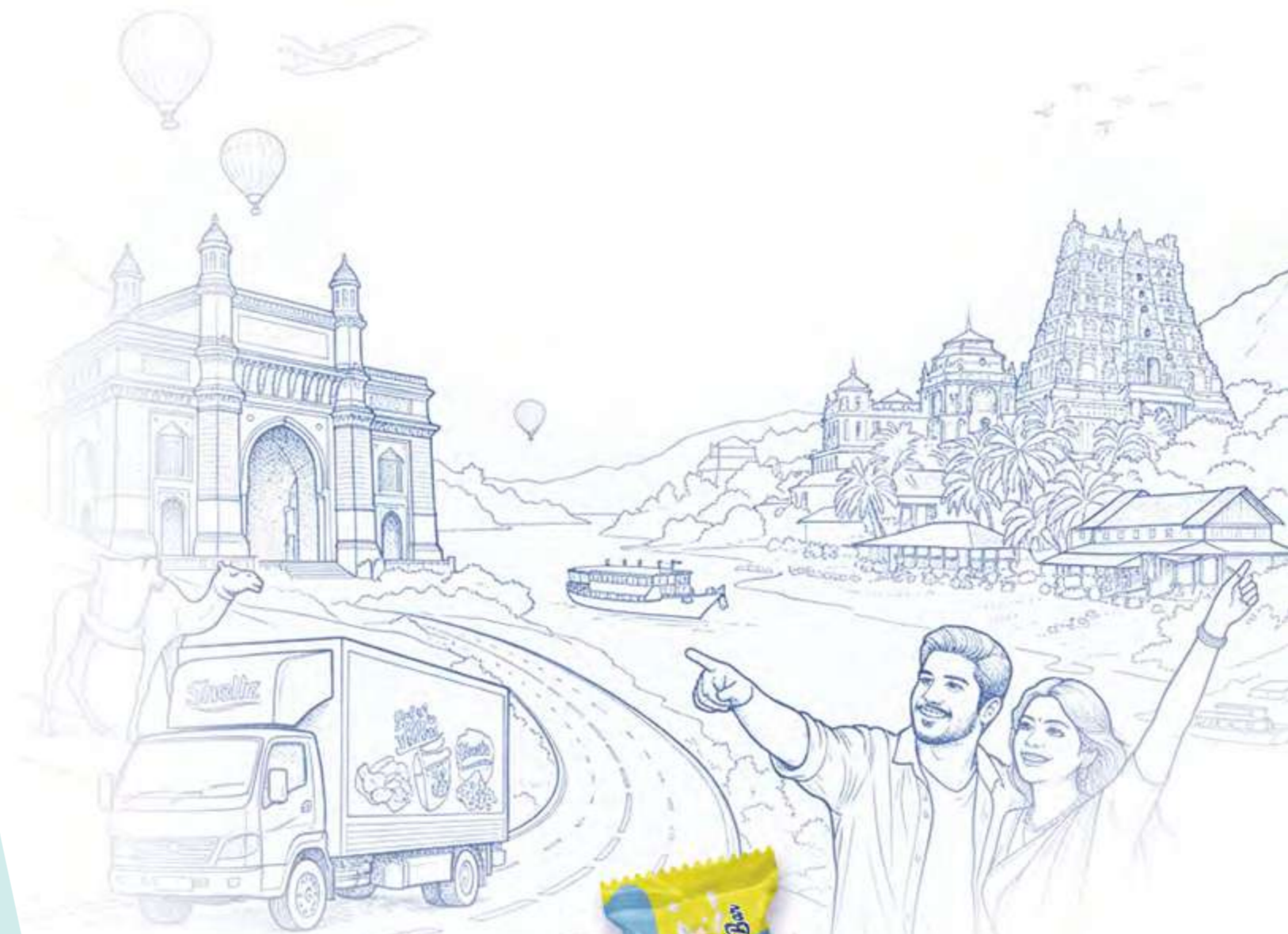
JOY

Without Boundaries

Indian at heart, Global in Ambition

From strong roots in North India, Shellz is expanding across the country while building its global presence – reaching new consumers and new markets.

**Because the joy that begins here
Is ready to travel far beyond.**





A Little JOY in Every Bite

Some brands sell products.
The best ones create moments.
At Shellz India, every bite carries a familiar warmth,
bringing people a little closer to joy.

Joy that is simple.
Joy that is shared.
Joy that truly feels like a
Jadoo ki Jhappi!

2024-25 was an exciting year as we sustained our growth momentum in the face of exceptional challenges.

1,870

Revenue (₹ in Mn)
15% growth y-o-y

248

EBITDA (₹ in Mn)
23% growth y-o-y

5%

Net Margin
169 bps improvement y-o-y

292

Cash Flow from Operations
(₹ in Mn)
182% growth y-o-y

89

Net Profit (₹ in Mn)
79% growth y-o-y

13%

EBITDA Margin
84 bps improvement y-o-y

27%

Gross Margin
404 bps improvement y-o-y



However, 2025-26 will be even more exhilarating as we prepare to transform our North-India footprint into a pan-India and beyond-India presence.



MESSAGE FROM THE MANAGING DIRECTOR & CHAIRMAN

“We are redefining how India experiences confectionery.”



Dear Shareholders and Partners,

Shellz was built on a bold belief: India deserves world-class confectionery and chocolate at accessible prices. In a market long deprived of innovation, we set out to create a company global in ambition, proudly Indian in identity and unwavering in our mission to delight the real Bharat. This year, that vision proved its strength more than ever.

We used external volatility as an opportunity to strengthen our operating model.

We entered FY 2024–25 amid significant external headwinds, including commodity volatility, inflationary pressures and global supply chain disruptions. Cocoa and palm-based derivatives saw sharp cost escalations, while logistics delays and geopolitical uncertainty further tested our profitability and the resilience of our strategic choices.

Rather than being constrained, we turned these headwinds into catalysts for transformation. We mitigated exposure through targeted reformulations and accelerated our shift toward milk, cereal, biscuit and hybrid-based formats. Thereby protecting affordability without compromising taste or quality. These portfolio pivots strengthened consumer trust and became a defining advantage this year.

We also deepened vendor partnerships and reinforced supply chain reliability, ensuring a consistent market presence despite bottlenecks and selective import price escalations. In parallel, we advanced our digital transformation, automating SOPs, enabling real-time monitoring, enhancing traceability and upgrading quality control systems across operations.

These were not incremental fixes but structural upgrades that sharpened our agility, efficiency and long-term resilience. Together, they created the foundation for strong, measurable financial outcomes.

Our numbers tell the story – our strategy is working.

FY 2024–25 marked a clear inflection point in our growth journey. We delivered strong top-line expansion alongside a sharp improvement in profitability, reaffirming the strength of our innovation-led mass market strategy. Revenue from Operations rose to ₹186.97 crore from ₹162.41 crore, a robust 15.12% year-on-year increase despite an intensely competitive environment. Consumer uptake of new variants and a stronger product mix drove meaningful Gross Margin expansion (□%).

Total Expenses increased modestly by 12.81% to ₹174.88 crore, reflecting disciplined cost management even as we continued to invest in growth. This operating leverage drove a strong step up in profitability. EBITDA rose 22.96% to ₹24.75 crore, supported by improved operational efficiency. The impact was most pronounced at the bottom line: Profit Before Tax grew 61.27% to ₹12.49 crore and Profit After Tax surged 78.58% to ₹8.88 crore, expanding PAT margins from 3.06% to 4.73%.

This profitability outperformance underscores the strength of our business model and positions us well for the next phase of expansion. These results reflect more than a strong year; they signal a structurally stronger enterprise and confirm we are ready to pursue larger opportunities across domestic and international markets.

Moreover, the future is even sweeter as the Bharat story, a vast opportunity, is steadily coming into its own.

India's confectionery market presents a monumental opportunity, held back by a legacy of stagnation. With per capita consumption far below global peers and a dearth of innovation, a massive consumer base remains underserved. The true battleground is the sub-₹10 segment, which constitutes 80% of the market. The category is expanding at a healthy rate, fuelled by rising disposable incomes, a fast-evolving gifting culture, a growing appetite for global flavours and continuous advancements in packaging.

This is not just a gap—it is our strategic arena. Shellz is built to dominate this space through targeted innovation, turning this industry-wide oversight into our greatest strength.

We are in an interesting sweet spot – delivering value with joy.

My 35 years in the food industry, I've learned that great brands are not built by size alone, but by clarity of purpose. And at Shellz, our purpose is beautifully simple, to make joy easier to find.

We are a firm believer in the Bharat story, but written differently. Not as a story of constraint, but of aspiration. Not as underserved markets, but as markets waiting to be understood. Not as "value consumers," but as joy-seeking families who deserve global quality at Indian prices. This perspective directly informs where and how we choose to compete.

This belief is what shapes our focus on the sub- ₹10 segment, where Shellz continues to fill a massive white space by combining reverse-engineering excellence, deep category know-how and a sharp pricing architecture at ₹1, ₹2, ₹5 and ₹10. It is a market where smart innovation can touch millions and Shellz has already emerged as a rising force. It is this conviction that gives us confidence as we look ahead.

We are uniquely positioned to capture this space. By introducing globally inspired yet locally affordable offerings, we can unlock mass market adoption while differentiating ourselves in a fragmented distribution landscape. This combination of affordability, innovation and distribution agility provides Shellz with a powerful platform to scale rapidly and establish leadership in one of the world's most promising confectionery markets.

Thus, the road ahead is filled with opportunity and we are ready to seize it. At the centre of this journey lies a belief that joy and value can coexist. To fully realise this opportunity, we are executing a clear and deliberate plan.



When innovation meets affordability, scale becomes inevitable - and the foundations we have built give us confidence in that journey.



We have charted an ambitious plan

We are redefining how India experiences confectionery. We are also entering a period of accelerated expansion and strategic strengthening. From our roots in North India, we are now building a truly pan-India presence by entering new states and deepening distribution across semi-urban and rural Bharat.

But our real ambition is even grander. When innovation meets affordability, scale becomes inevitable - and the foundations we have built give us confidence in that journey. We want to scale Shellz's brands into a trusted and loved household names globally. Scaling responsibly requires parallel investments in capacity and capability. Shellz, already supplying to 15+ international markets, will strengthen its export footprint with the upcoming, globally certified, facility in Sonipat. This state-of-the-art asset will not only triple our capacity but also unlock global export markets.

This strategic upgrade positions the company to partner with leading US and European retail chains, unlocking high-value markets and accelerating its global growth agenda. With enhanced compliance and rising demand, exports have the potential to generate much higher revenue, driving long-term growth and boosting shareholder value.

This capacity will be fuelled by an aggressive innovation pipeline, with over 30 new launches planned across high-growth categories. Simultaneously, we are building a formidable digital presence. Our expansion across Quick Commerce platforms like Swiggy and Blinkit is more than a sales channel; it's our digital showroom and a real-time pulse on consumer demand, enabling us to build powerful omnichannel brands.

Underpinning all of this is a relentless drive for operational excellence. Through a connected supply chain and data-driven decisioning, we are ensuring our growth is not just rapid but also resilient and profitable. These are not isolated initiatives; they are integrated components of an organisation's blueprint for market leadership.

The closing note

We stand today at an inflection point, one that holds the promise of propelling Shellz's brands into the league of India's most admired food brands.

Thank you for your trust, partnership and belief in what we are building. At Shellz, we measure success not just in crores, but in smiles. Jadoo Ki Jhappi, Har Bite Mein is not only our tagline. It is the promise we work to keep, every single day.

With confidence and gratitude,

Kapil Garg
Managing Director & Chairman





Shellz India Limited

Founded in 2012, now one of North India's fastest-growing confectionery brands. Reinventing the market with premium-quality treats at affordable prices.

Shellz operates **modern manufacturing infrastructure** supported by a **strong distribution network** across India. Its consumer portfolio spans across four core product categories - Baked Treats, Choco Delights, Jellies, and Panned & Sugar Candies - designed to cater to the mass market through accessible price points.

Driven by innovation, operational excellence and a deep understanding of the Indian consumer, Shellz continues to expand its presence while strengthening the foundations of its brands. With a growing distribution network, modern manufacturing capabilities and a diverse product portfolio, Shellz is building a scalable platform for long-term growth across both domestic and international markets.



Vision

To build globally recognised snack brands from India and redefine how the world experiences snacking.



Mission

We pursue this vision by

- **Driving product innovation to introduce** distinctive snack formats that expand and energise the category.
- **Scaling robust distribution networks** that ensure our brands are consistently available wherever consumers shop.
- **Strengthening manufacturing capabilities** that deliver consistent quality while enabling efficient and scalable production.
- **Building enduring household brands** through high-quality products that consumers recognise and trust.

What Sets Shellz Apart








At Shellz, our values define our commitment to bridging global innovation with the heart of Bharat. We are driven by the mission to democratize indulgence, delivering world-class quality at accessible price points. Through integrity, efficiency, and a passion for spreading joy, we empower every household to experience premium confectionery.

1. Har Jhappi Mein Kuch Alag

Innovation That Surprises

At Shellz, innovation begins with curiosity. We constantly explore new formats, textures and flavour experiences that bring novelty to everyday snacking. By introducing distinctive products inspired by global trends yet tailored to the tastes and price sensitivities of Bharat, Shellz continues to bring fresh excitement to store shelves and redefine everyday indulgence. This mindset has enabled us to introduce formats that are often first of their kind for consumers across Bharat, reinforcing our reputation for bringing something new with every bite.

Some landmark innovations include:


	Hugs Centre Filled Chocolate India's first ₹1 centre-filled chocolate
	Havai Jelly sticks
	Dip Sticks Biscuit sticks with chocolate cream
	Coconut Joy Coconut bar enrobed in chocolate
	Push Up the Cone Cream-and-biscuit-filled cone with breakage-free packaging
	Mad Hearts Toy-shaped jelly pudding
	Whistler Whistling compressed candy
	Oat Choco Entry into health-focused snacking
	American Cow Cereal flakes with milk chocolate

2. Har Jhappi Mein Kuch Extra

Indulgence Made Accessible

At Shellz, we believe that great snacking experiences should be within everyone's reach. We have built deep expertise in the sub- ₹10 segment, combining thoughtful product design, disciplined cost engineering and efficient sourcing to deliver exceptional value at everyday price points. By balancing affordability with quality and taste, Shellz brings distinctive snacking formats to households across Bharat. This philosophy ensures that consumers receive more indulgence for every rupee they spend.

List of our sub-₹10 products:

		
Dip Sticks ₹5	Push Up The Cone ₹2 / ₹5	Havai Fruity Jelly ₹1
		
Indian Pudding League ₹5	Ghana Twist ₹5	Hugs Gold Bon Bon ₹2
		
whistler ₹1	World Cup Choco ₹5	Top Sticks ₹10

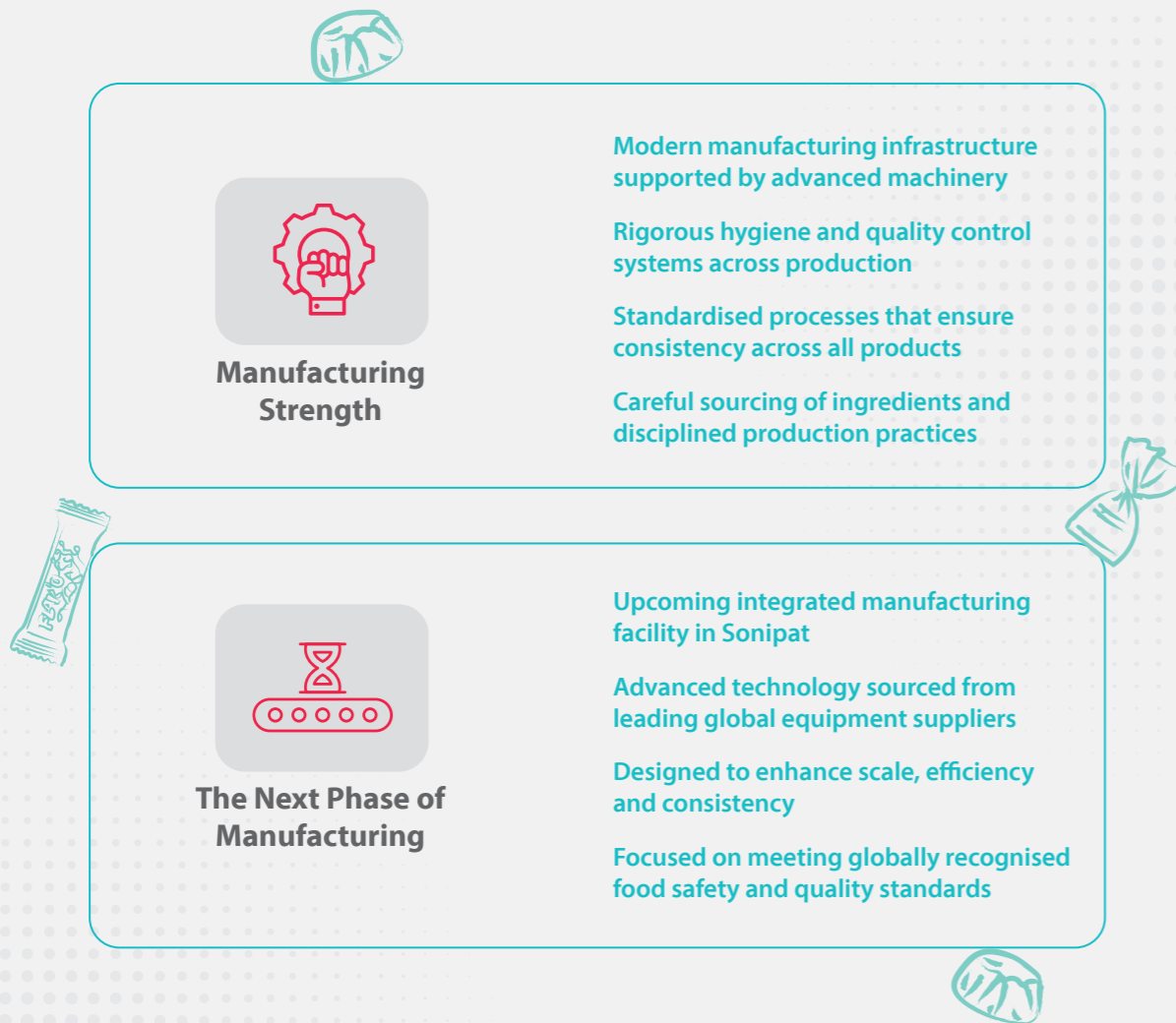


3. Har Jhappi Mein Bharosa

Quality You Can Trust

At Shellz, trust begins long before a product reaches the shelf. Quality and hygiene guide every decision across our manufacturing operations, shaping how we source ingredients, design processes and produce our products. Supported by modern infrastructure, advanced machinery and disciplined quality systems, we ensure that every product delivers consistent taste, safety and reliability. This culture is captured in a simple philosophy that guides our teams every day - "shaunk se khao, garv se khilao" - eat with delight, serve with pride.

As we continue to grow, Shellz is strengthening its manufacturing capabilities to support both domestic expansion and global opportunities. Our upcoming integrated facility in Sonipat represents the next step in this journey, bringing together advanced technology and modern production systems to enhance efficiency, consistency and scale. With a continued focus on meeting globally recognised food safety and quality benchmarks, Shellz is steadily building the capabilities required to compete confidently on the global stage.



4. Har Jhappi Mein Apnapan

Always Within Reach

At Shellz, being close to consumers is at the heart of how we build our brands. Over the years, Shellz has developed a strong distribution network that connects our products to neighbourhood stores, modern retail shelves and emerging digital platforms across the country. This wide retail presence ensures that our products remain easily accessible in the everyday moments when consumers choose their favourite treats.

With a growing network of distributors and retail partners, Shellz today reaches over 100,000 retail outlets across India. General Trade continues to form the backbone of this reach, supported by modern trade and rapidly expanding quick-commerce platforms that are transforming how consumers discover and purchase snacking products.

Rooted strongly in North India and steadily expanding across new regions, Shellz continues to strengthen its presence across the country while building momentum in international markets.



5. Har Jhappi Mein Bharat

Build For the Indian Consumer

Shellz proudly identifies as “made for Bharat, by Bharat”. By focusing on India’s tier-2 and tier-3 households, Shellz serves one of the most dynamic and rapidly expanding consumer segments in the world. These consumers seek exciting, high-quality products that remain accessible in everyday life. By understanding local tastes, purchasing behaviour and value expectations, Shellz continues to design products that resonate deeply with households across Bharat.

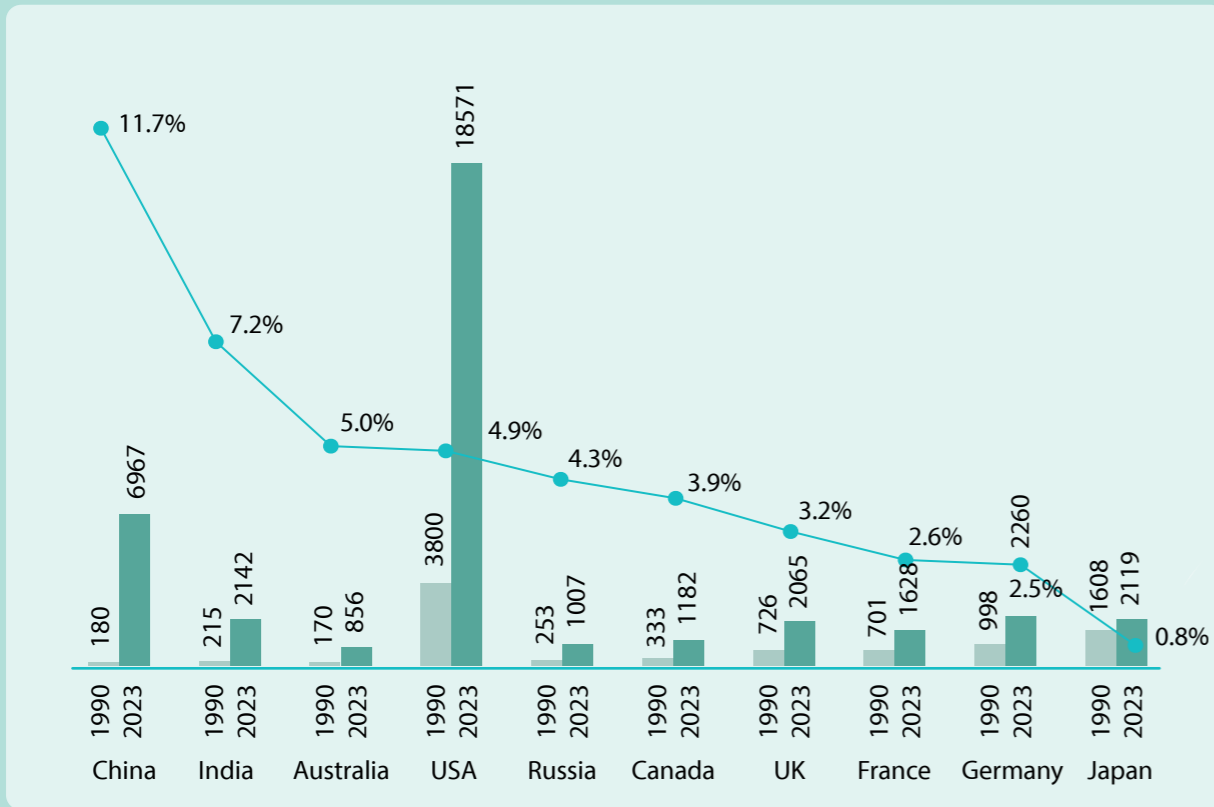


The Bharat Story: Scale, Strength and Opportunity

The future of consumption in India lies in Bharat. What was once seen as a constrained market is now the nation's most powerful growth engine, home to a rapidly expanding base of aspirational consumers. Rising incomes, digital access and evolving retail infrastructure are transforming consumption patterns across smaller cities and towns. For companies that understand this shift, Bharat represents one of the greatest opportunities for scale in the global consumer landscape.

Outpacing Global Peers

Households Final Consumption Expenditure (US\$ Bn)



Source: Moneycontrol, World Development Indicators, DSP; Data as of July 2024



FMCG High: Rural India's Role Speaks Volumes

Rural India has outpaced urban centres in volume growth for seven consecutive quarters. However, the gap is narrowing as urban areas are showing signs of sequential recovery. The rebound is driven by smaller urban towns.

— Taslima Bhasin

FMCG SALES

Value growth:

12.9%

Volume growth:

5.4%

(YoY growth in September quarter)



Urban India grew on the back of smaller towns

Food and home & personal care grew

5.4% by volumes

Modern trade recovered at **4.2%**

VOLUME GROWTH (%)

	Urban	Rural
Sept Qtr 2024	1.9	5.7
Sept Qtr 2025	3.7	7.7

Source: NielsenIQ

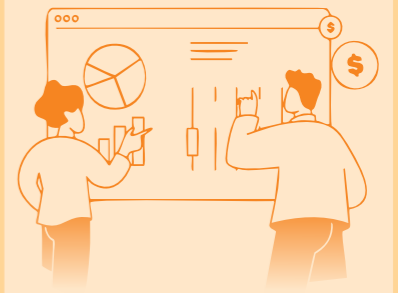
TRIGGERS FOR GROWTH

Price increases, rural markets



Rapid expansion of small manufacturers gave consumption a push

HUL, Dabur, Godrej had flagged GST-related disruptions in their quarter earnings



OUR JOURNEY

Moments that shaped our flavourful journey

At Shellz India, we began with a vision to craft confections that seamlessly blend timeless tradition with modern indulgence. Guided by an unwavering commitment to quality and creativity, we earned consumers' trust and delighted diverse tastes across the nation.

2012-13

Shellz was founded after identifying India's untapped potential in confectionery manufacturing, with a vision to bring global products to Indian consumers.

Introduced India's first ₹1 centre-filled chocolate, creating the iconic Hugs brand at a time when ₹1 chocolates did not exist.

2013-15

Expanded product categories into jellies and baked treats..

Launched Dipsticks, a ₹5 biscuit-with-chocolate-cream innovation that broke the prevailing ₹1/₹10 industry pricing norms and became a Hugs bestseller.

2015-18

Expanded team size and established a larger corporate office in New Delhi.

Set up a Hyderabad depot to strengthen distribution across South India.

Hugs Gold Bon-Bon Choco, recognised with the Superior Taste Award 2018 by the International Taste & Quality Institute (iTQi), Brussels

2019

Introduced Push Up The Cone, a packaging innovation featuring breakage-resistant, moisture-protected cones designed for Indian retail conditions.

2020-21

Achieved the ₹100 crore revenue milestone.

Entered the compressed and panned confectionery category, expanding our product portfolio.

2023

Launched the "Better-for-You" range with Oats Choco, marking Shellz's entry into health-conscious snacking.

Launched the Tosca brand, designed for India's emerging aspirational consumer segment.

2025

Initiated the transition to a new integrated manufacturing facility in Sonipat to support Shellz's next phase of growth across domestic and international markets.

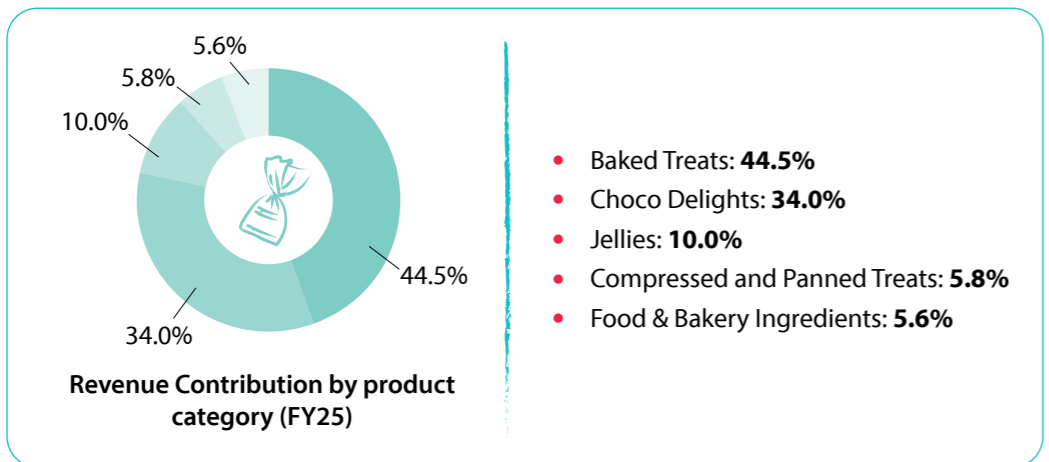


Our product portfolio

Shellz offers a diverse portfolio of products designed for the Indian mass market. Spanning multiple brands and formats, our range caters to the evolving tastes, occasions and purchasing power of consumers across Bharat. Built around accessible price points, the portfolio combines product innovation with strong distribution to deliver scale across categories.

Product Categories

Shellz offers a broad portfolio with over **275 SKUs across four core confectionery categories**. In addition to its consumer portfolio, Shellz also manufactures **industrial and institutional products** that support food manufacturers, bakeries and bulk customers.



- Baked Treats: **44.5%**
- Choco Delights: **34.0%**
- Jellies: **10.0%**
- Compressed and Panned Treats: **5.8%**
- Food & Bakery Ingredients: **5.6%**

Our Brand Portfolio

Shellz builds brands across multiple price points and consumer segments, supported by strong manufacturing capabilities and deep distribution.



Hugs – The Flagship Brand

Hugs is Shellz's flagship confectionery brand, built for the everyday consumer across Bharat. Positioned in the high-volume under ₹10 price points, the brand focuses on delivering enjoyable and innovative treats that remain accessible to a wide base of consumers.

Over the years, Hugs has introduced several distinctive formats that have strengthened its presence across categories. These include India's first ₹1 centre-filled chocolate, the popular Dip Sticks biscuit-with-cream format, and the Hugs Gold Bon-Bon Choco, which received the Superior Taste Award from the International Taste & Quality Institute (iTQi), Brussels.

Supported by an extensive distribution network and a growing export footprint, Hugs continues to strengthen its position as a widely recognised brand in everyday confectionery.



Tosca – The Mass Premium Confectionery Brand

Tosca represents Shellz’s entry into the mass-premium confectionery segment, targeting consumers seeking differentiated and indulgent snacking experiences.

The brand currently operates across e-com marketplaces, and soon to be launched on quick-commerce platforms. Designed to cater to the India tier-1 and aspirational consumer segments, Tosca focuses on delivering premium product formats supported by attractive packaging and differentiated flavour profiles.

As distribution expands across organised retail and digital commerce platforms, Tosca is expected to play an important role in strengthening Shellz’s presence in higher-value snacking segments.



Food and Bakery Ingredients

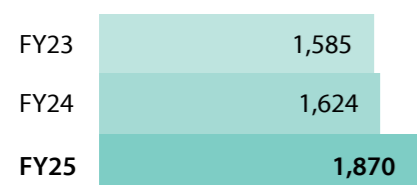
In addition to its consumer brands, Shellz also manufactures food and bakery ingredients that serve professional and institutional customers.

This segment allows Shellz to extend its capabilities beyond retail products while supporting a broader ecosystem of food businesses.

KEY PERFORMANCE INDICATORS

Metrics Built from Our Strategy.

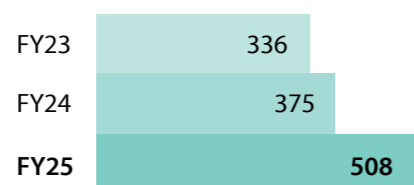
REVENUE FROM OPERATIONS
(₹ MILLION)



6%
CAGR

Relevance
Signals strong demand, positioning, and profit potential.

GROSS PROFIT
(₹ MILLION)



15%
CAGR

Relevance
Reflects operational efficiency and business health.

GROSS PROFIT MARGIN
(%)



Relevance
Reflects profitability, efficiency, and growth potential.

EBITDA
(₹ MILLION)



13%
CAGR

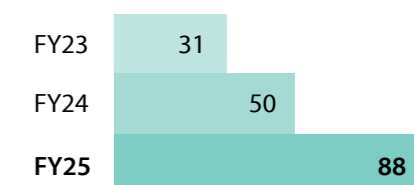
Relevance
Reflects operational profitability, cash generation, and peer comparability.

EBITDA MARGIN
(%)



Relevance
Represents earnings available for dividends or reinvestment.

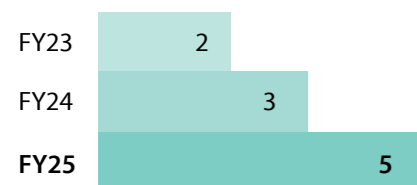
PAT
(₹ MILLION)



42%
CAGR

Relevance
Reflects true profitability after all costs and taxes.

PAT MARGIN
(%)



Relevance
Reflects true profitability after all costs and taxes.

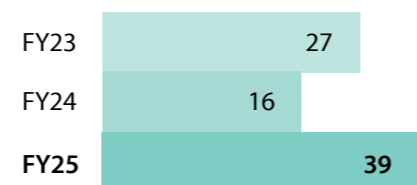
CAPITAL EMPLOYED
(₹ MILLION)



10%
CAGR

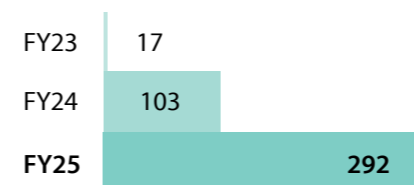
Relevance
Shows capital invested to generate profits and support growth.

RETURN ON CAPITAL EMPLOYED
(%)



Relevance
Indicates efficiency in generating returns on invested capital.

CASH FLOW FROM OPERATIONS
(₹ MILLION)



[]%
CAGR

Relevance
Indicates cash generation, financial health, and funding capacity.



OPPORTUNITIES

Growth Tailwinds and Untapped Demand Across Bharat

Shellz is well positioned to benefit from several structural growth drivers shaping India's confectionery sector. Rising incomes, expanding consumer aspirations and improving distribution access are creating new opportunities across Bharat, aligning closely with Shellz's long-term expansion strategy.

1. Improving prospects of rural India.

Rural India is expected to witness meaningful income growth over the coming decade, driven by improving agricultural productivity, government initiatives, expanding digital access and rising employment opportunities. As purchasing power increases, rural households are steadily upgrading consumption patterns and seeking better-quality products.

The proportion of "aspirer households" - defined as households earning between ₹1,25,000 and ₹5,00,000 annually (at 2020-21 prices) - is projected to rise from 69% in 2020-21 to 77% by 2030-31, highlighting the growing importance of Bharat as a consumption engine.

2. Low Per-Capita Consumption Creates a Massive Untapped Opportunity

India's per-capita confectionery consumption remains significantly lower than many global markets, indicating substantial headroom for long-term category expansion. As disposable incomes rise and younger consumers increasingly adopt modern snacking habits, the opportunity to drive penetration, consumption frequency and household adoption across confectionery categories continues to grow.

3. The Sub-₹10 Mass Market Remains Underserved Yet Dominant

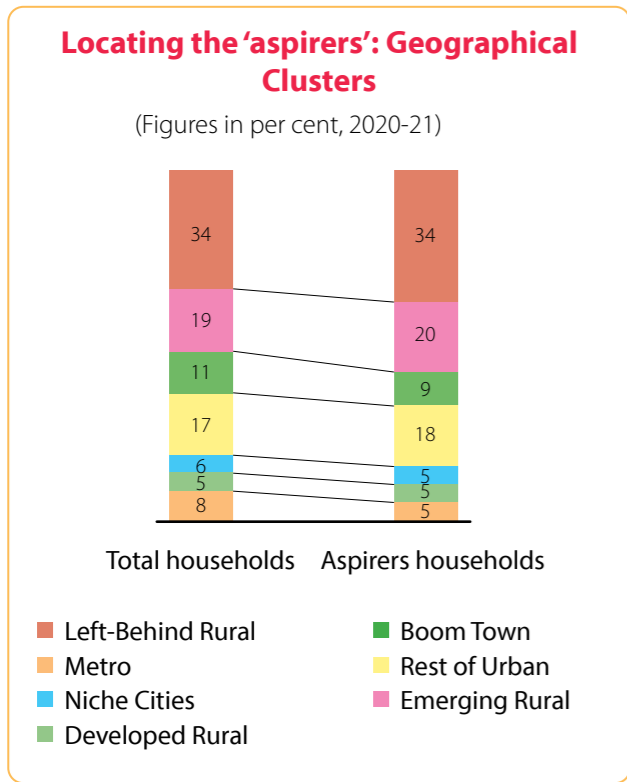
More than, 80% of India's confectionery market operates below ₹10, making it one of the largest high-volume segments in the category. Despite its scale, product innovation in this segment has historically been limited. (Source: Indian confectionery market, Ken Research, page - 18)

Shellz focuses on introducing distinctive formats and flavours at Bharat-friendly price points, enabling us to address a large consumer base while expanding category participation among India's mass-market households.

4. Global Expansion and Private-Label Opportunities

Shellz's upcoming manufacturing facility in Sonipat will strengthen our ability to meet stringent international food-safety standards and support the growth of its export business. This capability creates opportunities to expand private-label partnerships with leading global retailers and international food companies.

With rising demand for competitively priced confectionery products in international markets, Shellz is well positioned to leverage its manufacturing expertise and cost efficiencies to scale exports and improve plant utilisation.



Source: Rajesh Shukla (2022), "The Rise of India's Middle Class"
Source: People Research on India's Consumer Economy



The Bottomline

India's confectionery sector is projected to grow from ₹89.6 thousand crore in 2025 to ₹116.9 thousand crore by 2030, reflecting sustained category expansion.. Rising disposable incomes, increasing urbanisation and evolving snacking habits across tier-2 and tier-3 cities are expected to drive long-term demand. For companies that can combine innovation, affordability and strong distribution, the opportunity to scale within India's confectionery market remains significant.

- Source : Ken Research

BLUEPRINT FOR TOMORROW

Driving the Next Wave of Growth and Value Creation

Shellz's growth strategy is guided by a set of strategic priorities designed to strengthen our position in India's evolving snacking landscape. By combining product innovation, manufacturing strength, wider market reach and diversified sales channels, Shellz aims to build a scalable platform for long-term growth.



Product Innovation and Portfolio Expansion

Shellz continues to focus on introducing distinctive products that resonate with Indian consumers across multiple snacking occasions. By expanding its portfolio across confectionery and adjacent categories, we aim to strengthen its presence in both existing and emerging segments while maintaining its focus on accessible indulgence.



Manufacturing Scale and Operational Strength

Strong manufacturing capabilities remain central to Shellz's long-term growth. We continue to invest in strengthening its production infrastructure and operational processes to support future expansion while maintaining consistent quality and efficiency.



Geographic Expansion and Global Reach

Shellz is steadily expanding its presence across new domestic markets while strengthening its export footprint. As distribution networks deepen across India and international partnerships grow, we expect to increase the availability of our products across a wider set of markets.



Multi-Channel Distribution

Shellz continues to build a diversified channel presence across traditional retail, organised trade and emerging digital platforms. This approach enables us to reach consumers across multiple shopping environments while strengthening brand visibility and accessibility.



RISK MANAGEMENT

Safeguarding Growth Through Proactive Risk Mitigation

Shellz has identified key operational, financial and strategic risks and implemented targeted mitigation measures to safeguard business continuity and support long-term growth.



Risk 1: Delays in Commissioning New Product Lines

Postponements in activating new product lines could push back product launches and delay revenue realisation.

Mitigation:

- Shellz follows structured project planning and commissioning protocols to minimise implementation delays.
- We work closely with experienced engineering and technology partners to ensure timely installation and operational readiness of new production lines.

Risk 3: Supply Chain and Logistics Challenges

Extended logistics timelines or disruptions in transportation networks may impact product availability across certain markets.

Mitigation:

- Shellz continues to strengthen its supply chain infrastructure and distribution network to improve service levels across regions.
- Ongoing efforts to optimise logistics planning and inventory management help ensure consistent product availability for channel partners.

Risk 2: Raw Material Price Volatility

Fluctuations in the prices of key inputs such as cocoa, edible fats and packaging materials may impact operating margins.

Mitigation:

- Shellz adopts disciplined sourcing practices and long-term supplier relationships to manage input costs.
- We continuously optimise our product portfolio and formulations to maintain affordability while preserving product quality.

Risk 4: Competitive Industry Landscape

The confectionery and snacking industry in India remains highly competitive, with both established brands and new entrants competing for market share.

Mitigation:

- Shellz focuses on product innovation and strong distribution to maintain differentiation in the marketplace.
- Continued investment in brand development and consumer engagement supports long-term brand strength.

Risk 5: Margin Sensitivity in a Value-Oriented Market

Operating in high-volume, value-driven price segments may place pressure on margins if costs increase.

Mitigation:

- Shellz continuously improves operational efficiency and manufacturing productivity to support sustainable margins.
- We maintain a balanced product mix and diversified sales channels to strengthen overall profitability.

Risk 6: Brand Visibility Across New Markets Risk

As we expand into new regions, building brand awareness and consumer familiarity remains important.

Mitigation:

- Shellz continues to strengthen brand visibility through distribution expansion and targeted brand-building initiatives.
- A multi-channel presence across traditional retail and emerging digital platforms helps enhance consumer reach.



BOARD OF DIRECTORS & SENIOR LEADERSHIP

Leadership That Offers Experience, Insight and Direction

Board Of Directors



Kapil Garg
Managing Director & Chairman

Kapil Garg is the Founder and Managing Director of Shellz India and has played a central role in building the company into a leading manufacturer of affordable confectionery products. With over 35 years of experience in the food industry, including more than 16 years in confectionery, he brings deep industry knowledge and strong relationships across domestic and international markets. Under his leadership, Shellz has developed the flagship Hugs brand, expanded its distribution footprint across India and strengthened its manufacturing capabilities to support long-term growth.



Shalini Garg
Non-executive Director

Shalini Garg serves as a Non-Executive Director on the Board of Shellz India and brings over 18 years of experience across brand strategy, communication and operations. She provides guidance on brand philosophy, consumer engagement and long-term vision. Her perspective supports Shellz's focus on building trusted brands and strengthening its connection with consumers as the company continues to scale.



Sapna Tomar
Independent Director

Sapna Tomar is an experienced Company Secretary with over two decades of experience in corporate governance, regulatory compliance and legal advisory. She has worked with a wide range of companies across sectors, advising on board processes, statutory compliance, mergers and regulatory matters. At Shellz, she contributes to strengthening governance frameworks and ensuring adherence to evolving regulatory requirements.



Narinder Sethi
Independent Director

Narinder Sethi brings extensive experience in the packaging industry, with deep expertise in flexible packaging, materials and large-scale manufacturing environments. Over the course of his career, he has held senior leadership roles in leading packaging companies and has been involved in the development and scaling of multiple manufacturing facilities. At Shellz, he provides guidance on packaging innovation, material optimisation and cost efficiency.

Key Management Personnel



Sangeeta Thakur
Chief Financial Officer

Sangeeta Thakur leads the finance function at Shellz India and brings over two decades of experience in financial management, compliance and cost optimisation. She oversees budgeting, financial reporting, taxation, audits and internal controls. Her work supports strong financial discipline, improved working capital management and greater transparency as the company continues to expand.



Sumit Kumar
Company Secretary

Sumit Kumar oversees legal, secretarial and regulatory compliance functions at Shellz India. His responsibilities include corporate governance, statutory filings, board processes and coordination with regulatory authorities. He also advises the Board and management on legal matters, contracts and compliance across applicable corporate and commercial regulations.



Pavil Garg
Head of Strategy and Operations

Pavil Garg leads strategy and operations at Shellz India, focusing on business growth, operational execution and strategic initiatives. He works closely with the leadership team on projects related to product development, capacity expansion and organisational scale-up. Prior to joining Shellz, he gained experience across management consulting, technology and retail organisations. He holds a global undergraduate degree in business from Bocconi University, the University of Southern California and the Hong Kong University of Science and Technology.



Directors' Report

(Pursuant to Section 134 (3) of the Companies Act, 2013)

Dear Members,

The Directors of your Company have pleasure in presenting their Thirteenth (13th) Report for the year ended 31st day of March 2025.

1. Financial Summary/ Highlights:

The Company's financial performance for the year ended 31st day of March 2025 is summarized below: (₹ in Million)

Particulars	2024-25	2023-24
Revenue from Operations	1,869.73	1,624.13
Profit / (Loss) Before Depreciation, exceptional items & Tax	163.48	118.57
Less: Depreciation, amortization, impairment and obsolescence	38.38	41.13
Profit / (Loss) before tax	124.88	77.44
Less: Provision for tax	36.11	27.73
Profit for the year carried to the Balance Sheet	88.77	49.71

2. State of Company Affairs:

Your Company is planning to get its equity shares listed on SME platform of recognised Stock Exchange in India and pursuant thereto, during the year under review undertook the following activities:

- Pursuant to a Special Resolution passed in an Extra-Ordinary General Meeting dated 02.12.2024, increased its authorised share capital to ₹13,00,00,000/- from ₹70,00,000/- divided into 1,30,00,000 equity shares of ₹10 each.
- Pursuant to a Special Resolution passed in an Extra-Ordinary General Meeting dated 12.12.2024, converted into a public limited Company and has received the Certificate of Incorporation dated 04.02.2025 consequent upon conversion to public company issued by Central Processing Centre of Ministry of Corporate Affairs.
- Executed Tripartite Agreements with NSDL and CDSL along with Bigshare Services Private Limited, a Registrar & Transfer Agent for getting its securities admitted in depository systems.

3. Capital & Finance:

During the year under review, the Company has issued and allotted a total number of 52,835 equity shares on preferential basis, tabled herein, for an aggregate amount of ₹6,33,07,775/-.

S. No.	Date of Allotment	No. of Shares	Face Value (₹)	Issue Price (₹)
i.	31.08.2024	47,435	10	1,165
ii.	10.02.2025	5,400	10	1,490

4. Capital Expenditure:

During the year, your Company entered into a long-term agreement with Pluchi Texnit Private Limited for taking on lease an industrial property bearing Plot No. 427 F, Phase I, HSIIDC Industrial Estate, Barhi, Sonipat, Haryana – 131101. The arrangement has been undertaken after evaluating the Company's operational requirements and future capacity-building plans.

This leased facility will support the expansion and shifting of the Company's existing manufacturing operations, enabling improved production efficiency, better resource utilization, and enhanced operational flexibility. The board believes that this development will strengthen the Company's overall manufacturing capabilities and contribute to long-term growth.

5. Amount to be carried to general reserve:

The Company has not transferred any amount from Profit and Loss to general reserve during the current financial year.

6. Dividend:

Your directors do not recommend any dividend for the year ended 31st March 2025.

7. Material changes and commitments affecting the financial position of the Company, between the end of the financial year and the date of the report:

There are no material changes affecting the financial position of the Company between the end of the financial year and the date of the report.

8. Conservation of Energy, Technology absorption, foreign exchange earnings and outgo

Conservation of Energy

The Company has taken necessary steps relating to conservation of energy to the extent applicable. All efforts are being made on continuous basis by undertaking regular and periodical maintenance activities for ensuring that all the machines and equipment are in perfect working conditions to enhance their efficiency to reduce the power consumption.

At new manufacturing facility at Barhi, Sonipat, your Company shall be utilising alternate sources of energy by using Solar panels to reduce the traditional power consumption.

Technology absorption

Multiple technology advancement efforts are being made during the design of the Company's existing and proposed projects.

Foreign Exchange

During the financial year under review, your Company has earned forex equivalent to ₹79.08 lakhs and made an expenditure equivalent to ₹4.36 lakhs.

9. Details of Directors and Key Managerial Personnel appointed/resigned during the financial year:

S. No.	Name	Designation	Date of Appointment
i.	Ms. Sapna Tomar	Independent Director	7 th November, 2024
ii.	Mr. Narendra Sethi	Independent Director	10 th February, 2025
iii.	Mr. Sumit Kumar	Company Secretary and Compliance Officer	10 th February, 2025
iv.	Ms. Sangeeta Thakur	Chief Financial Officer	3 rd March, 2025

Mr. Kapil Garg, Director of the Company was re-designated as Chairman and Managing Director of your Company w.e.f. 03.03.2025.

Accordingly, the present Directors and Key Managerial Personnel of the Company are:

Mr. Kapil Garg	Chairman and Managing Director
Mrs. Shalini Garg	Non-Executive Director
Mr. Narendra Sethi	Independent Director
Mrs. Sapna Tomar	Independent Director
Ms. Sangeeta Thakur	Chief Financial Officer
Mr. Sumit Kumar	Company Secretary and Compliance Officer

Mrs. Shalini Garg, Non-Executive Director of the Company retire by rotation at the Annual General Meeting of the Company and offers herself for re-appointment.

The notice convening the AGM includes the proposal for re-appointment of Mrs. Shalini Garg, Non-Executive Director of the Company.

10. Declaration given by independent directors under Section 149 (6) of the Act:

The Independent Directors' declaration in terms of Section 149(6) of the Companies Act, 2013 has been received they meet the criteria laid in Section 149(6) of the Companies Act, 2013 and further the Board has satisfied itself as to the integrity, expertise, experience, and proficiency of each of these directors, in accordance with the applicable provisions of the Act. The Independent directors had met once in compliance with Clause VII of Schedule IV of the Act.

11. Names of companies which have become or ceased to be subsidiaries, joint ventures or associate companies of the Company during the year:

There is no company which have either become or ceased to be subsidiaries, joint ventures or associate companies of the Company during the year.

12. Deposits:

During the year under review, the Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

13. Cost records:

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable on the Company.

14. Protection of Women at Workplace:

The Company is committed to provide a safe and inclusive workplace free from sexual harassment. Your Company has formulated a policy on 'Protection of Women's Rights at Workplace'. This has been widely disseminated. There were no cases of sexual harassment received during the year ended 31st March 2025.

15. Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016):

Neither any application was received nor any proceedings has been admitted against the Company under the Insolvency and Bankruptcy Code, 2016, during the F.Y. 2024-25.

16. 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:

The Company has not made any one-time settlement and hence this clause is not applicable.

17. Compliance with the provisions of the Maternity Benefit Act 1961:

The Company has complied with the applicable provisions relating to the Maternity Benefit Act 1961.

18. Risk Management Framework:

The Company has in place a mechanism to inform the Board Members about risk assessment and minimization initiatives taken. It also periodically reviews the risk to ensure that executive management controls risk by means of a properly designed framework.

19. Corporate Social Responsibility

During the year under review, the provisions of Section 135 of the Act dealing with Corporate Social Responsibility become applicable on the Company by virtue of net profit exceeding ₹5 Cr. in the F.Y. ended on 31.03.2025. Accordingly, your Company is in the process of constituting a CSR Committee which shall further formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in line with Schedule VII of the Act.

20. Depository System:

As on 31st March 2025, 100% of the Company's total paid up share capital representing 6,92,835 equity shares are held in dematerialized form.

21. Number of Meetings of the Board of Directors:

The meetings of the board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings. The board meets at regular intervals to discuss pertinent matters with a formal schedule. During the year under review, twelve (12) meetings were held on 15.04.2024, 22.04.2024, 12.06.2024, 26.07.2024, 31.08.2024, 05.09.2024, 07.11.2024, 18.11.2024, 23.12.2024, 23.01.2025, 10.02.2025 and 03.03.2025.

22. Directors Responsibility Statement:

As required under clause (c) of sub-section (3) of section 134 of the Act, the Directors of your Company, to the best of their knowledge and belief, state that:

- In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- 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 at the end of the financial year and of the loss of the Company for that year:

- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:
- The Directors have prepared the Annual Accounts on a going concern basis:
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

23. Details in respect of frauds reported by auditors under Section 143 (12) of the Act:

There were no frauds committed against the Company during FY 24-25 by its officers or employees which are required to be disclosed as per Section 143 (12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

24. Committees of the Board

During the year under review, the board has constituted the following Committees to effectively deliberate its duties under the Act:

Audit Committee

S. No.	Name of Director	Designation on the Board	Designation in the Committee
i.	Mrs. Sapna Tomar	Non- Executive Independent Director	Chairperson
ii.	Mr. Narendra Sethi	Non- Executive Independent Director	Member
iii.	Mr. Kapil Garg	Managing Director	Member

Nomination and Remuneration Committee

S. No.	Name of Director	Designation on the Board	Designation in the Committee
i.	Mr. Narendra Sethi	Non- Executive Independent Director	Chairperson
ii.	Mrs. Sapna Tomar	Non- Executive Independent Director	Member
iii.	Mrs. Shalini Garg	Non-Executive Director	Member

Details of company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director, key managerial personnel and other employees are made part of this Report as Annexure – A.

25. Auditors Report:

- The Statutory Auditors' report to the shareholders does not contain any qualification, observation or comment or adverse remarks.
- Secretarial Audit as mandated u/s 204 of the Act read with Rule 9 the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable on the Company during the financial year under review.

26. Particulars of loans given, investments made, guarantees given or security provided by the Company:

The Company has not given any loans, made any investments or given guarantees or provided any security during the year ended 31st March 2025, as specified under Section 186 of the Companies Act, 2013.

27. Particulars of Contracts or Arrangements with related parties:

The Board has approved the Related Party Transactions for 2024-25. All the related party transactions were in ordinary course of business and at arm's length. The details of the Related Party Transactions are given in Annexure B. There are no materially significant related party transactions that may have a conflict with the interest of the Company.

28. Vigil mechanism / whistle blower:

The Whistle Blower Policy of the Company meets the requirement of the Vigil Mechanism framework under the Companies Act, 2013. This policy provides for adequate safeguards against victimization of persons who complain under the mechanism and provides for direct access to the Chairperson of the Board.

29. Adequacy of Internal Financial Controls:

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5) (e) of the Companies Act, 2013. For the year ended 31st March 2025, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and is operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

30. Compliance with Secretarial Standards on Board Meetings and General Meetings:

The Company has complied with Secretarial Standards on Board Meetings and General Meetings, issued by the Institute of Company Secretaries of India.

31. Auditors:

The Company's Auditors M/s R S A V and Company (Firm's registration no. 022058N) were appointed as Statutory Auditors of the Company from the conclusion of the 12th Annual General Meeting till the conclusion of the 17th Annual General Meeting of the Company. The Board reviews the independence and objectivity of the Auditors and the effectiveness of the Audit process.

32. Details of Significant and Material orders passed by the regulators or courts or tribunals:

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

33. Annual Return:

The Company has initiated the process of carrying out requisite modifications on its existing website to comply with the requirement of uploading Annual Return of the Company on its website as on 31st March 2025 in form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014.

34. Designated person for furnishing information and extending co-operation to ROC in respect of beneficial interest in shares of the company:

The Company has appointed Mr. Kapil Garg, Managing Director, as designated person, for furnishing information, if any, and extending co-operation to ROC in respect of beneficial interest in shares of the Company to ensure compliance with MCA notification on this matter.

35. Other Disclosures

No disclosure is required under Section 67(3)(c) of the Act, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

36. Acknowledgement:

Your directors take this opportunity to thank the customers, supply chain partners, Financial Institutions, Banks, Central and State Government authorities, Regulatory authorities and all other stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board
Shellz India Limited

Kapil Garg
Managing Director
DIN: 00006050

Shalini Garg
Non-Executive Director
DIN: 00006159

Place: Delhi
Date: 7th September, 2025

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Act including certain arm's length transactions under fourth proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Not applicable.

2. Details of material contracts or arrangements or transactions at arm's length basis:

S. No.	Corporate identity number (CIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	Name(s) of the related party	Nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount	Value in Lakhs
i.	AAHPG7399D	Kapil Garg	Managing Director	Remuneration	On going	In the ordinary course of business	3
ii.	U15400DL2019 PTC348296	Winola India Private Limited	Common Directorship	Purchase Sale	On going	In the ordinary course of business	191.84
iii.	U65923DL1996 PTC078653	Shellz Overseas Private Limited	Common Directorship	Purchase Sale Interest paid	On going	In the ordinary course of business	423.57
iv.	U25209DL2008 PTC181416	Skyway Polymers Private Limited	Relatives are directors	Purchase Sale Interest paid	On going	In the ordinary course of business	968
v.	U15549HR2017 PTC070405	Euroville Private Limited	Relatives are directors	Purchase Sale	On going	In the ordinary course of business	0.05

• Date of approval by the Board: 03.03.2025

• Amount paid as advances, if any: No.

Financial Statements

Independent Auditor's Report

To the Members of
SHELLZ INDIA LIMITED
 (Formally known as SHELLZ INDIA PRIVATE LIMITED)
Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Financial Statements of SHELLZ INDIA LIMITED (Formally known as SHELLZ INDIA PRIVATE LIMITED) ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, for the year ended on March 31, 2025, & Cash flow statement for the year ended on that date and 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("AS"), and other accounting principles generally accepted in India, of:

- the state of affairs of the Company as at March 31, 2025;
- its profit & loss Statement for the year ended on that date; and
- its cash flow Statement for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the standards on Auditing specified under

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

KEY AUDIT MATTERS

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor Response to key Audit Matter
1.	<p>Provisions and Contingent Liabilities: (Refer note 30 of the standalone financial statements)</p> <p>The Company is involved in certain legal proceedings and claims of such cases not acknowledged as debt as at 31 March 2025 is ₹1265.46 Lakhs (Previous year ₹360.83 Lakhs).</p> <p>The assessment of the likelihood of an adverse outcome and the estimation of any potential financial impact requires significant judgment by management, considering the complex nature of such litigations, interpretations of applicable laws, and reliance on legal advisors.</p> <p>Given the inherent uncertainty in the outcome of such matters and the level of judgment involved in determining whether a provision is required or a disclosure as a contingent liability is appropriate, this area has been identified as a key audit matter.</p>	<p>Principal Audit Procedures:</p> <p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"> Obtaining an understanding of the procedures adopted by the Company for identifying and monitoring pending legal cases. Evaluating management's assessment of the likelihood of obligations arising from the legal proceedings. Reviewing relevant documents, including case records. Discussing significant matters with management and, where considered necessary, with the Company's external legal advisors to assess the basis for management's judgments. Assessing whether the related disclosures in the financial statements are appropriate and comply with the requirements of AS 29 – Provisions, Contingent Liabilities and Contingent Assets.

S. No.	Key Audit Matter	Auditor Response to key Audit Matter
		<p>Conclusion:</p> <p>Based on the procedures performed, we found the disclosures relating to legal proceedings to be adequate and the related judgments to be reasonable.</p>
2.	<p>Assessment of Trade Receivables: (Outstanding for more than 180 days)</p> <p>The company has trade receivables amounting to ₹3555.14 Lakhs (i.e. 21.14% of total assets) at the Balance Sheet Date March 31, 2025.</p> <p>Due to level of judgment required relating to its recoverability the same is considered as key audit matter.</p>	<p>Our Audit procedures based on which we arrived at the conclusion regarding reasonableness of trade receivables outstanding for more than 180 days:</p> <ul style="list-style-type: none"> Obtain the details of parties having outstanding for more than 180 days. Evaluated the facts, terms and conditions, relevant correspondence, status of legal proceedings wherever initiated and management's rationale for the recoverability of the outstanding dues. Meeting with the management.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON.

The company's board is responsible for the preparation of the other information. The other information comprises the information included Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility 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.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance, & cash flows of the Company in accordance with accounting standard & accounting principles generally accepted in India. 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.

The board of directors are responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF 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 decision of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatements 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit 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 & 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.
 - e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to the financials' statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of

the companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanation given to us:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- (ii) The Company has made provision, as at March 31, 2025 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- (iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2025.
- (iv)
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company

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

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - (v) No dividend has been declared or paid during the year by the company.
 - (vi) Based on information and explanation the company has not yet started the feature of recording audit trail (edit log) in its accounting software used for maintaining its books of accounts.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **RS&V & COMPANY**
Chartered Accountants
FRN : 022058N

Abhinaya Verma
Partner

Place : Delhi
Date: 7th September, 2025
M. No. : 511290
UDIN : 25511290BMKOTN5514

Annexure “A” to the Auditor’s Report

Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act, 2013 (‘The Act’)

We have audited the internal financial control over financial reporting of Shellz India Limited (‘the company’) as of 31st March, 2025 in conjunction with our audit of the financial statement of the company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by ICAI and the standards on auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating

the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **RS&V & COMPANY**
Chartered Accountants
FRN : 022058N

Abhinaya Verma
Partner

M. No. : 511290
UDIN : 25511290BMKOTN5514

Place : Delhi
Date: 7th September, 2025

Annexure "B" to the Auditor's Report

Referred to in Paragraph 2 Under "Report on Other Legal and Regulatory Requirements" of Our Report to the member of Shellz India Limited of Even Date

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- 1) In respect of the Company's Property, Plant and Equipment, right of use assets and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (B) The Company does not have intangible assets. Accordingly, Clause 3(i)(a)(B) of the order is not applicable to the company.
 - (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) The company does not own any immovable properties, except the immovable properties taken on operating lease in respect of which lease/rent agreements are 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, no proceeding has been initiated or are pending against the company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) (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) The Company has been sanctioned working capital limits in excess of ₹5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets and the book debt statement filed by the company with the bank are in agreements with the books of accounts.
- 3) In our opinion the investments made by the company are prima facie, not prejudicial to the interest of the company. Further the company has not, provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLP or other parties covered in register maintained under section 189 of the companies act 2013. Hence the question of reporting such loans are not prejudicial to the company's interest or whether the receipt of the principal amount and interest are regular and whether reasonable steps for recovery of overdues of such loan are taken, does not arise.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities and no statutory dues were outstanding as at 31st March, 2025 for a period of more than six months from the date they became payable except as followings:
 - b) According to the information and explanation given to us, there are no dues of income tax, Goods & service tax & duty of customs outstanding on account of any dispute.
- 8) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9) According to the information and explanations given to us and on the basis of our examination of the records of the company:

- a) The Company has not defaulted in repayment of any loans or other borrowings from any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) is not applicable.
- 10) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- 11) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub section (12) of section 143 of the companies act has been filed in Form ADT-4 as prescribed under rule 13 of companies (Audit and Auditors) Rules, 2014 with the central Government during the year and upto the date of this report.
- c) According to the information and explanations given to us by the management, no whistleblower complaints had been received by the company.
- 12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) 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.
- 14) a) In our opinion and based on our examination, the company does not require to have internal audit system. Accordingly, clause 3(xiv)(a), of the Order is not applicable.
- 15) 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 Companies Act, 2013 are not applicable to the Company.
- 16) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- 18) During the year under review, there has been resignation of statutory auditors during the year.
- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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.
- 20) Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx) (a) and 3(xx)(b) of the Order are not applicable.
- 21) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **RSAV & COMPANY**
Chartered Accountants
FRN : 022058N

Abhinaya Verma
Partner

Place : Delhi M. No. : 511290
Date: 7th September, 2025 UDIN : 25511290BMKOTN5514

Balance Sheet

 as at 31st March, 2025

(Amount in Million ₹)

Particulars	Refer Note No.	As on 31 st March, 2025	As on 31 st March, 2024
I. Equity and Liabilities			
1 Shareholders' Funds			
(a) Share Capital	1	6.93	6.40
(b) Reserves and Surplus	2	413.08	261.53
		420.01	267.93
2 Non-Current Liabilities			
(a) Long-Term Borrowings	3	211.70	263.50
(b) Deferred Tax Liabilities (Net)	4	-	-
(c) Long-Term Provisions	5	2.72	1.76
		214.42	265.26
3 Current Liabilities			
(a) Short-Term Borrowings	6	397.05	461.87
(b) Other Current Borrowings		173.09	-
(c) Trade Payables	7		
(i) Total outstanding dues of micro enterprises and small enterprises		13.93	8.57
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		13.93	8.57
(d) Other Current Liabilities	8	319.19	386.71
(e) Short-Term Provisions	5	93.85	41.55
		43.78	38.64
TOTAL		1,040.90	937.34
II. Assets		1,675.33	1,470.53
1 Non-Current Assets			
(a) Property, Plant and Equipment			
(i) Tangible Assets	9	181.13	194.94
(ii) Intangible Assets		-	-
(iii) Capital Work-in-Progress		39.36	0.70
(b) Long-Term Loans and Advances	10	248.71	5.00
(c) Other Non-Current Asset	11	56.20	23.85
2 Deferred Tax Assets (Net)		3.53	0.17
		528.92	224.66
3 Current Assets			
(a) Inventories	12	656.59	548.06
(b) Trade Receivables	13	355.51	557.15
(c) Cash and Cash Equivalents	14	4.72	17.11
(d) Other Current Assets	15	129.58	123.55
		1,146.40	1,245.88
TOTAL		1,675.33	1,470.53

Notes forming part of the Accounts
Standard Accounting Policies
Additional Notes forming part of accounts

1 to 15
1
2(i to viii)

As per our report attached on even date.

For **RSAV and Company**
Chartered Accountants
FRN. 022058N

For and on behalf of Board of Directors

Abhinaya Verma
Partner
M. No. 511290
UDIN: 25511290BMKOTN5514

Shalini Garg
Non-Executive Director
DIN: 00006159

Kapil Garg
Managing Director
DIN: 00006050

Place : New Delhi
Date : 7th September, 2025

Sumit Kumar
Company Secretary

Sangeeta Thakur
Chief Financial Officer

Statement of Profit and Loss

 for the year ended 31st March, 2025

(Amount in Million ₹)

Particulars	Refer Note No.	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
I Revenue From Operations	16	1,869.73	1,624.13
II Other Income	17	4.19	3.57
III Total Revenue (I + II)		1,873.92	1,627.70
IV Expenses:			
Cost Of Material Consumed	18	1,451.48	1,311.96
Changes in Inventories	19	(89.66)	(63.28)
Employee Benefits Expenses	20	63.77	31.02
Finance Costs	21	84.28	82.74
Depreciation and Amortisation	22	38.38	41.13
Other Expenses	23	200.57	146.69
Total Expenses		1,748.82	1,550.26
V Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		125.10	77.44
VI Exceptional Items		0.22	-
VII Profit before Extraordinary Items and Tax (V - VI)		124.88	77.44
VIII Extraordinary Items			
IX Profit before Tax (VII- VIII)		124.88	77.44
X Tax Expenses:			
(1) Current Tax	24	39.46	26.00
(2) Deferred Tax	25	(3.35)	(2.59)
Excess/Short Provision Relating Earlier Tax Year	26	-	4.31
XI Profit (Loss) for the Period from Continuing Operations (IX-X)		88.77	49.71
XII Profit/(Loss) from Discontinuing Operations		-	-
XIII Tax Expenses of Discontinuing Operations		-	-
XIV Profit/(Loss) from Discontinuing Operations (After Tax) (XII-XIII)		-	-
XV Profit (Loss) for the Period (XI + XIV)		88.77	49.71
XVI Earnings per equity share:			
(a) Basic		13.28	7.77
(b) Diluted		13.28	7.77

Notes forming part of the Accounts
Standard Accounting Policies
Additional Notes forming part of accounts

1 to 16
1
2(i to viii)

As per our report attached on even date.

For **RSAV and Company**
Chartered Accountants
FRN. 022058N

For and on behalf of Board of Directors

Abhinaya Verma
Partner
M. No. 511290
UDIN: 25511290BMKOTN5514

Shalini Garg
Non-Executive Director
DIN: 00006159

Kapil Garg
Managing Director
DIN: 00006050

Place : New Delhi
Date : 7th September, 2025

Sumit Kumar
Company Secretary

Sangeeta Thakur
Chief Financial Officer

Statement of Cash Flow

 for the year ended 31st March, 2025

(Amount in Million ₹)

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
A. Cash Flow from Operating Activities		
Net Profit before Extraordinary items	88.77	49.71
Adjustment For:		
(a) Provision for tax	36.11	27.73
(b) Depreciation and Amortization	38.38	41.13
(c) Interest Expenses	84.28	82.74
(d) Adjustment of Prior Period Item	0.22	-
(e) Profit on Sale of Fixed Asset	-	-
(f) Interest & Other Income	(1.66)	0.82
(g) Other Inflows or Outflows	0.94	1.76
Operating Profit before Working Capital Changes	247.04	202.25
Adjustment for :		
(a) (Increase)/ Decrease in Inventories	(108.52)	(162.69)
(b) (Increase)/ Decrease in Trade Receivables	201.64	(28.19)
(c) (Increase)/ Decrease in Loans & Advances	121.20	20.73
(d) Increase/ (Decrease) in Other Current Liabilities	47.16	33.82
(e) Increase/ (Decrease) in Trade Payables	(62.16)	66.37
(f) (Increase)/ Decrease in Othrer Current Assets	(127.83)	(0.59)
Cash Generated from Operations	318.52	131.70
Less : Direct Taxes paid (Net of Refund)	(33.64)	(28.50)
Cash Flow before Extraordinary Items	284.88	103.21
Adjustment for :		
(a) Extraordinary Profit	-	-
(b) Extraordinary Loss	-	-
Net Cash from Operating Activities (A)	284.88	103.21
B. Cash Flow from Investing Activities		
(a) Purchase of Fixed Assets	(63.23)	44.62
(b) Sale of Fixed Assets	-	4.48
(c) (Increase)/Decrease in Non-Current Asset	(32.36)	5.60
(d) Interest and Other Income	1.66	0.82
(e) Purchase of Investments	(243.71)	
Net Cash from Investing Activities (B)	(337.64)	(44.92)

Statement of Cash Flow

 for the year ended 31st March, 2025 (Contd.)

(Amount in Million ₹)

Particulars	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
C. Cash Flow From Financing Activities		
(a) Long Term Borrowing Received	-	16.52
(b) Repayment of Long-Term Borrowings	(51.80)	-
(c) Increase/(Decrease) in Short-Term Borrowing	108.28	20.66
(d) Increase / (Decrease) in Long-Term Provisions	0.96	
(e) Increase in Share Capital	63.31	-
(f) Interest Paid	(84.28)	(82.74)
(g) Other Inflows or Outflows	3.35	2.59
Net Cash Flow In Financing Activities (C)	39.82	(42.97)
Net Decrease In Cash & Cash Equivalents (A)+(B)+(C)	(12.94)	15.32
Opening Balance – Cash & Cash Equivalent	17.11	1.79
Closing Balance - Cash & Cash Equivalent	4.72	17.11

As per our report attached on even date.

 For **RS&V and Company**
 Chartered Accountants
 FRN. 022058N

Abhinaya Verma
 Partner
 M. No. 511290
 UDIN: 25511290BMKOTN5514

 Place : New Delhi
 Date : 7th September, 2025

For and on behalf of Board of Directors

Shalini Garg
 Non-Executive Director
 DIN: 00006159

Sumit Kumar
 Company Secretary

Kapil Garg
 Managing Director
 DIN: 00006050

Sangeeta Thakur
 Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

(All amounts are in ₹ millions unless otherwise stated)

A. Significant Accounting Policies
1. Basis of Accounting: -

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention on accrual basis.

2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3. Revenue Recognition: -

Revenue in the case of sale of goods has been recognized when property in goods has been transferred for a price or all the significant risk and reward of the ownership of goods has been transferred to the buyer and seller effectively has no control over the goods to a degree usually associated with the ownership and there is a reasonable certainty with regard to its ultimate collection.

Revenue from the interest has been recognized on time basis unless there is a significant uncertainty regarding its ultimate collection. In the case of interest on tax, duty or other sum revenue has been recognized in the year of receipt.

4. Property, Plant & Equipment: -

Property, Plant & Equipment including Intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date. Company has adopted cost model for all class of items of Property Plant and Equipment. Capital Work in Progress comprises Cost of Property Plant and Equipment and related expenses that are not yet ready for their intended use at the reporting date. Shellz India Limited (formerly known as Shellz India Private Limited).

5. Impairment of Tangible and Intangible Assets: -

At each Balance Sheet date, the Company reviews the carrying amount of assets to determine whether there is an

indication that those assets have suffered impairment loss based on external/internal factors. If any such indication exists, the recoverable amount of assets is estimated in order to determine the extent of Impairment loss. The recoverable amount is higher of the net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

6. Investments: -

The Company has paid share application money amounting to Rs 2,497.87 lakhs to Shellz Overseas Private Limited during the financial year for the proposed allotment of equity shares. As on 31 March 2025, the equity shares have not yet been allotted by Shellz Overseas Private Limited.

The Company expects the allotment to be completed in due course. Pending allotment, the amount continues to be classified as Share Application Money Paid Under Investments.

7. Depreciation: -

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

8. Inventories: -

Inventories are valued as under-

- a. Inventories : Lower of cost (FIFO) or net realizable value
- b. Scrap : At net realizable value.

9. Borrowing cost: -

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended uses or sale. All other borrowing costs are charged to revenue in the year of incurrence.

10. Retirement Benefits

a) Defined Contribution Plans: - A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

(All amounts are in ₹ millions unless otherwise stated)

Provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss for the year when the contributions to the provident fund are due. There are no other obligations other than the contribution payable to the government administered provident fund.

- b) Defined Benefit Plans: - A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs.

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity.

The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability.

Compensated absences can be availed within the year and un-availed balances are encashed, hence treated as short-term compensated absences. The undiscounted value of un-availed balances at the end of the year is charged to the statement of Profit & Loss.

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period for which the services are rendered by the employee.

11. Taxes on Income-

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. The deferred tax for timing differences between the book and tax

profits for the year is accounted for, using the tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty with convincing evidence that these would be realized in future. At each Balance Sheet date, the carrying amount of deferred tax is reviewed to reassure realization.

12. Earnings Per Share: -

In determining the Earning per share, the company considers the net profit after taxes and includes the past tax effect of any extra-ordinary item. The number of shares used in computing basic E.P.S. is the weighted average number of shares outstanding during the period.

13. Leases: -

a) Finance lease: - Assets acquired under Finance Lease are capitalized and the corresponding lease liability is recorded at an amount equal to the fair value of the leased asset at the inception of the lease. Initial costs directly attributable to lease are recognized with the asset under lease.

b) Operating lease: - Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating lease are recognized as expense on accrual basis in accordance with the respective lease agreements.

14. Foreign currency Transactions: -

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year-end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

15. Provisions, Contingent Liabilities and Contingent Assets: - (AS-29)

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities is disclosed in Notes to the account for: - (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statement since this may result in the recognition of the Income that may never be realized.

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

(All amounts are in ₹ millions unless otherwise stated)

B. Notes on Financial Statements

- Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.
- Some of the balances of Trade Receivables, Trade Payable, Customer Advances, Loans and Advance (stated as good for recovery), are subject to reconciliation pending confirmation from respective parties. These balances are taken as shown by the books of accounts. No provision for any loss that may result out of such reconciliation/confirmation has been made in the financial statements as the ultimate financial impact after the reconciliation and/or confirmation cannot presently be determined.

3. Payments to Auditors:

Auditors Remuneration	2024-2025	2023-2024
Tax Audit Fees	0.75	0.50
Statutory Audit Fees	1.40	0.75
Other Services	0.00	0.80
Total	2.15	2.05

- Loans and Advances are considered good in respect of which company does not hold any security other than the personal assurance of directors.

- The Company provides for gratuity for its employees as per the Payment of Gratuity Act, 1972 based on the actuarial report from an independent actuary. Employees who have rendered at least five years of continuous service gets entitled to gratuity at the rate of fifteen days' wages for every completed year (i.e., 15/26) of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned. The present value of the obligation is determined on the basis of year end actuarial valuation based on the projected unit credit method. The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

a) Expenses recognised for defined contribution plan

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Company's contribution to Provident Fund	1.63	1.05
Company's contribution to ESI	1.03	0.98
Total	2.66	2.04

b) Gratuity Bifurcation of Net Liability/(Asset)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Current (Short term) Liability	3.33	1.35
Non-Current (Long Term) Liability	27.19	17.59
Net Defined Benefit Liability/(Assets)	30.52	18.94

- The principal actuarial assumption used for estimating the company's defined benefit obligation (Gratuity) are set out as per actuarial Valuation Reports dated 12th Apr, 2025 as per AS 15 (Revised 2005) by M/s Kapadia Global Actuaries.

6. Effect of Pending Litigation -

Some of the suppliers have filed legal suits against the company for recovery of their dues. The management is hopeful that the total liability to be paid to them would not be materially excess as booked in books of accounts. However, the excess liability is included in contingent liabilities. Moreover, the landlord of the company has also filed a claim against the company amounting Rs. 715.59 Lacs on account of some disputes of rented property. This matter has been decided in the favour of the company by lower authority, however the claimant has filed the appeal before higher authority. The management is hopeful that the claim is not tenable and company will not liable to pay the amount. As no claim exist at the year-end therefore the same has not been included in the contingent liabilities of current year. Further the company has provided security to landlord amounting Rs 50 Lacs, which has been shown under long term loans and advances. The same is considered good for recovery.

Further a demand from Custom Authority amounting Rs.107.23 Lacs has also been disputed by the company at appropriate forum. In the opinion of the management there is good chance for success in the matter therefore no provision has been made for the same. The amount has been included in the contingent liability. Further the company has started legal recovery proceedings against some of the defaulting trade receivables. As the management is hopeful that the recovery to the extent of book value of these trade receivable will be made, therefore these are classified as disputed but considered good and accordingly no provision has been made.

7. % of imported & indigenous raw material & consumables

Particulars	2025		2024	
	%	Amount	%	Amount
Imported	0.04	5.60	0.00	0.00
Indigenous	99.96	14,371.4	100.00	13,120

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON FINANCIAL STATEMENTS

(All amounts are in ₹ millions unless otherwise stated)

8. Value of imports

Particulars	2025	2024
Raw Material	5.60	Nil
Capital Goods	54.48	3.65

9. Expenditure in

Particulars	2025	2024
Foreign Currency	4.36	Nil

10. Earning in

Particulars	2025	2024
Foreign Exchange	79.08	212.80

11. a) Operating leases-

The Company has taken office premises, factory land and building etc. under cancellable lease agreements, that are renewable on a periodic basis at the option of both the Lessor and Lessee. The Initial tenure of the lease period is generally 11 to 60 months

Particulars	2024-2025	2023-2024
Lease rental charges for the year	245.56	251.16
Future lease rental obligation payable (under non-cancellable lease)	NA	NA

b) Finance Lease

The company has taken machinery on finance lease which has been separately disclosed under Property,

Plant and Machinery from owned assets. The term of lease is 05 years at the end of which the legal title is to be passed on to the lease at salvage value. There is no sub lease in respect of such machinery.

Particulars	2024-2025	2023-2024
Total minimum lease payment at the year end.	313.86	364.27
Present value of minimum Lease Payment	269.19	228.25
Minimum lease payment not later than one year	85.03	90.30
Present value of minimum Lease Payment	78.73	62.02
Minimum lease payment later than one year but not later than five years	237.73	273.96
Present value of minimum Lease Payment	190.45	166.23
Minimum Lease payment later than five years	Nil	NIL
Present value of minimum Lease Payment	Nil	NIL

- Previous year figures have been regrouped/rearranged wherever necessary.

For **RS&V and Company**
Chartered Accountants
FRN. 022058N

Abhinaya Verma
Partner
M. No. 511290
UDIN: 25511290BMKOTN5514

Place : New Delhi
Date : 7th September, 2025

For and on behalf of Board of Directors

Shalini Garg
Additional Director
DIN: 00006159

Sumit Kumar
Company Secretary

Kapil Garg
Managing Director
DIN: 00006050

Sangeeta Thakur
Chief Financial Officer

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 1

Share Capital	As at 31 st March 2025		As at 31 st March 2024	
	Number	(Amount in Million ₹)	Number	(Amount in Million ₹)
Authorised				
Equity Shares of ₹10 each	13.00	130.00	0.70	7.00
Issued, Subscribed & Paid up				
Equity Shares of ₹10 each	0.69	6.93	0.64	6.40
Total	0.69	6.93	0.64	6.40

Disclosure pursuant to Note as per requirements of the Companies Act, 2013

Particulars	Equity Shares		Equity Shares	
	Number	(Amount in Million ₹)	Number	(Amount in Million ₹)
Shares outstanding at the beginning of the year	0.64	6.40	0.64	6.40
Shares issued during the year	0.05	0.53	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	0.69	6.93	0.64	6.40

The Company has issued paid up capital consisting total number of equity shares 47,435 (face value ₹10 Per share) at a premium of ₹1,155 on 31st August 2024. Moreover, Company has issued paid up capital consisting total number of equity shares 5,400 (face value ₹10 Per share) at a premium of ₹1,480 on 10th February 2025.

During the Year, Company has increased its authorised share capital by ₹12,30,00,000 divided into 1,23,00,000 equity shares of ₹10/- on 7th November 2024.

Right, Preferences and Restriction attached to shares
Equity shares

The company has only one class of Equity having a par value ₹10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Disclosure pursuant to Note as per requirements of the Companies Act, 2013
(if more than 5% holding at the any point of time during the year)

Sr. No.	Name of Shareholder	As at 31 st March 2025		As at 31 st March 2024	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Kapil Garg	0.52	75.05%	0.52	81.25%
2	Shellz Overseas Pvt Ltd	-	0.00%	0.12	18.75%
3	Shalini Garg	0.12	17.32%	-	0.00%
		0.64	92.37%	0.64	100%

Shareholding of Promoters

Sr. No.	Name of Shareholder	As at 31 st March 2025			As at 31 st March 2024		
		No. of Shares held	% of Holding	% Change in Shareholding	No. of Shares held	% of Holding	% Change in Shareholding
1	Kapil Garg	0.52	75.05%	-6.20%	0.52	81.25%	-
2	Prem Lata Garg	-	-	-	0.00	0.00%	-
3	Varun Garg	-	-	-	0.00	0.00%	-
4	Shellz Overseas Pvt Ltd	-	-	-18.75%	0.12	18.75%	-
5	Shalini Garg	0.12	17.32%	17.32%	-	0.00%	-
		0.64	92.37%	-7.63%	0.64	100%	-

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 2 Reserves & Surplus

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Surplus		
Opening Balance	196.31	146.60
(+) Net Profit/(Net Loss) For the current year	88.77	49.71
Closing Balance	285.08	196.31
Securities Premium		
Opening Balance	65.22	65.22
(+) Addition during the year	62.78	-
(-) Deletion during the year	-	-
Closing Balance	128.00	65.22
Total	413.08	261.53

Note. 3 Long -Term Borrowings

(Amount in Million ₹)

Particulars	As at 31 st March 2025			As at 31 st March 2024		
	Non-Current	Current-Maturities	Total	Non-Current	Current-Maturities	Total
Term Loan - From banks						
GECL Loans	5.14	3.86	9.00	9.00	5.85	14.85
Vehicle Loan (Axis Bank Limited)	0.73	0.12	0.85	0.85	0.11	0.96
	5.87	3.98	9.85	9.85	5.97	15.82
Term Loan - From Others						
Business Loans	2.98	26.29	29.27	29.27	23.55	52.83
Machinery Loans (Mahindra)	10.59	3.29	13.88	-	-	-
Business Loans (Mahindra & bajaj)	76.84	31.80	108.63	108.63	31.56	140.19
Machinery Loan (Protium Finance Ltd. New)	2.78	0.52	3.30	-	-	-
	90.41	61.89	155.08	137.90	55.11	193.02
Loans and Advances from Related Parties						
Loans and advances from Director and Relatives	66.21	-	66.21	76.37	-	76.37
	66.21	-	66.21	76.37	-	76.37
Finance Lease Obligation						
Finance Lease Obligations	22.88	8.50	31.39	22.30	6.20	28.50
	22.88	8.50	31.39	22.30	6.20	28.50
Other Loans and Advances						
Loan from Corporate	23.55	-	23.55	17.08	-	17.08
	23.55	-	23.55	17.08	-	17.08
The Above Amount Includes						
Secured Borrowings	96.08	39.58	135.67	118.48	37.52	156.01
Unsecured Borrowings	115.62	34.79	150.41	145.02	29.76	174.78
Amount Disclosed Under the Head "Short Term Borrowings"		(74.38)		(67.28)		(67.28)
Net Amount	211.70	-	286.08	263.50	-	263.50

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 3 Long -Term Borrowings (Contd.)

- Business Loans (Secured) from Other than banks are taken from Non Banking Financial Institutions. These loans are secured against hypothecation of Plant & Machinery of the Company and personal guarantee of the directors.
- Term Loan ECLGS from bank is secured against the second charge on assets already mortgage with Axis/Yes Bank as stated in note 06 of Financial Statement. It is Further Guaranteed by NCGTC (National credit Guarantee Trustee Company Ltd.) (Ministry of Finance, Government of India).
- ECLGS Term Loan has a repayment schedule that includes a 12-month principal moratorium, followed by 36 monthly installments for principal repayment. Interest is to be serviced on a monthly basis, starting from 22.08.2022.
- The Company has obtained a secured term loan from Protium Finance Limited, a Non-Banking Financial Company, on 24th January 2025 for the purpose of acquiring new equipment. The loan is secured by way of hypothecation of the machinery purchased out of the loan proceeds. The loan carries interest at 13.10% per annum and is repayable in 60 equal monthly installments.
- The Company has obtained a Working Capital term loan from Mahindra Finance ₹1,50,00,000/- (Rupees One Crore and Fifty Lakh Only), on 30th November 2024. The loan is secured by way of hypothecation of Machinaries. The Loan carries interest at 11.00% per annum and is repayable in 48 equal monthly installments.
 - Term of Repayment of Loan**
 - Vehicle Loan(Axis Bank Limited) was taken during 2023 year and carries interest @ 9.30 % to p.a.The loan is repayable in 84 instalment of ₹16,420 each along with interest, from the date of loan. The loan is secured by hypothecation of respective vehicle of the company.

Note. 4 Deferred Tax

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Deferred Tax Liability		
Deferred Tax	-	-
Gross Deferred Tax Liability	-	-
Deferred Tax Assets		
Deferred Tax	3.53	0.17
Gross Deferred Tax Asset	3.53	0.17
Net Deferred Tax Assets	3.53	0.17
Net Deferred Tax Liability	-	-
Total	3.53	0.17

Note. 5 Provisions

(Amount in Million ₹)

Particulars	As at 31 st March 2025			As at 31 st March 2024		
	Long-Term	Short-Term	Total	Long-Term	Short-Term	Total
Provision for Employee Benefit						
Gratuity Liability	2.72	0.33	3.05	1.76	0.14	1.89
	2.72	0.33	3.05	1.76	0.14	1.89
Other Provisions						
Current Tax Provision	-	43.44	43.44	-	38.50	38.50
	-	43.44	43.44	-	38.50	38.50
Total	2.72	43.78	46.49	1.76	38.64	40.40

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 6 Short-Term Borrowings

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Loans Repayable on Demands - From Banks		
Yes Bank Working Capital Demand Loan	-	130.00
Axis Bank CC- 5274	162.14	202.92
Bajaj Finance Ltd - New Loan	100.00	-
Yes Bank - 0068	34.90	-
Yes Bank - 0625 -Current A/c	34.14	-
	331.18	332.92
Current-Maturities of Long-Term Debt	65.87	61.08
Total	397.05	393.99
Other Current Borrowing		
Bills Discounting	173.09	67.87
	173.09	67.87
Total	173.09	67.87

Note- Cash Credit Facility from Yes Bank and/or Axis Bank and/or Bajaj Finance is secured against the following-

1. Primary Security

- First Pari Passu Charge by way of Hypothecation on Current Assets (Current Assets excluding cash) and All movable Fixed Assets excluding vehicles/assets (Specifically not financed by other banks/financial institutions) of the company both present and future.

2. Collateral Security

- Residential Property Located at A4, Block-A, Heritage Floresta Chalta No. 82/5 of Pt Sheet No. 10 Cunchelim, Mapusa, Bardez, Mapusa, Goa-403115
- Three Commercial Property Located at D-3/1, Rana Pratap Bagh, Delhi, India Shop No.6 and Two Shops on ground Floor.
- Rear Basement, One Hall at Mezzanine and RHS Portion at 2nd Floor and 3 Floor with roof right and Basement of D-3/1 Rana Pratap Bagh, Delhi-110007
- Front Basement D-3/1, Rana Pratap Bagh, Delhi-110007
- Plot No. 20, 2nd Floor, North Avenue Road, Punjabi Bagh, New Delhi.-110026

3. Personal Guarantee

- Kapil Garg (Director)
- Shalini Garg (Director)
- Prem Lata Garg (Relative of Director)

4. Corporate Guarantee

- Shellz Overseas Pvt. Ltd.

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 7 Trade Payables

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(A) Micro Enterprises and Small Enterprises		
Trade Payable	13.93	8.57
	13.93	8.57
(B) Others		
Trade Payable	319.19	386.71
Total	333.13	395.29

Note. 7.1 Ageing Analysis of Trade Payables:

 As on 31st March, 2025

(Amount in Million ₹)

Particulars	Outstanding for following periods from due date of payment/Invoice Date				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
- MSME	0.59	1.45	1.10	-	3.14
- Others	189.28	21.26	14.07	2.67	227.28
- Disputed dues - MSME	-	0.47	10.00	0.32	10.79
- Disputed dues - Others	4.82	17.95	54.53	14.62	91.92
Total	194.68	41.13	79.71	17.61	333.13

 As on 31st March, 2024

(Amount in Million ₹)

Particulars	Outstanding for following periods from due date of payment/Invoice Date				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
- MSME	0.68	0.29	-	-	0.98
- Others	237.28	25.35	6.01	4.25	272.89
- Disputed dues - MSME	-	7.28	0.32	-	7.60
- Disputed dues - Others	16.57	81.99	13.88	1.38	113.83
Total	254.53	114.91	20.21	5.63	395.29

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
(a) Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(A) (i) Principal amount remaining unpaid	13.93	8.57
(ii) Interest amount remaining unpaid	5.75	2.83
(B) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day		
(C) Interest due and payable for the period of defay In making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006		
(D) Interest accrued and remaining unpaid	5.75	2.83
(E) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	5.75	2.83

Note. 8 Other Current Liabilities

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Current Maturities of Finance Lease Obligation	8.50	6.20
Interest on MSME	5.75	2.83
	5.75	2.83
Others payables		
Statutory Dues	1.33	2.21
Audit Fee Payable	0.22	-
Expenses Payable	62.21	11.16
Advance from Customer	15.85	19.15
	79.60	32.51
Total	93.85	41.55

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

Note. 9 Property, Plant and Equipment and Intangible Assets as at 31st March 2025

Assets Category	Useful Life (in Years)	Gross Block			Accumulated Depreciation/Amortisation			Net Block	
		(Balance as at 1 st April 2024)	(Addition during the year)	(Deletion during the year)	(Balance as at 1 st April 2024)	(Provided during the year)	(Deletion/adjustments during the year)	(Balance as at 31 st March 2025)	(Balance as at 31 st March 2024)
A Tangible Assets									
Own Assets:									
Furniture & Fixture	10	0.23	0.00	0.00	0.18	0.01	-	0.19	0.04
Plant & Machinery	15	458.11	12.99	0.00	306.00	28.72	-	334.72	152.11
Office Equipments	5	2.87	0.25	0.00	2.68	0.05	-	2.73	0.19
Electrical Installation & Equipments	10	7.89	0.00	0.00	7.22	0.14	-	7.37	0.67
Computer	3	1.04	0.11	0.00	0.89	0.10	-	1.00	0.14
Motor Vehicles	10	1.02	0.00	0.00	0.14	0.23	-	0.36	0.88
Sub Total		471.14	13.34	0.00	317.11	29.26	0.00	346.37	154.03
Leased Assets:									
Plant and Machinery	15	44.54	11.22	0.00	5.60	7.88	-	13.48	38.94
Temporary Building Structure	3	9.24	0.00	0.00	7.27	1.25	-	8.52	1.97
Sub Total		53.78	11.22	0.00	12.87	9.12	0.00	21.99	40.91
Total (A)		524.92	24.57	0.00	329.98	38.38	0.00	368.36	194.94
P.Y Total		482.11	42.81	0.00	288.85	41.13	0.00	329.98	193.26
B Capital work in progress									
Plant and Machinery		0.70	38.66	0.00	0.00	0.00	0.00	0.00	0.70
Total (B)		0.70	38.66	0.00	0.00	0.00	0.00	0.00	0.70
P.Y Total		3.37	1.81	0.00	-	-	0.00	-	3.37
Current Year Total (A + B)		525.62	63.23	0.00	329.98	38.38	0.00	368.36	195.64
Previous Year Total		485.48	44.62	0.00	288.85	41.13	0.00	329.98	196.63

General Notes:

- No depreciation if remaining useful life is negative or zero.
- If asset is used less than 365 days during current financial year then depreciation is equals to w.d.v as on 31-03-2024 less residual value.
- Depreciation is calculated on pro-rata basis in case asset is purchased/sold during current F.Y.
- If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

Note. 10 Loans and Advances

(Amount in Million ₹)

Particulars	As at 31 st March 2025		As at 31 st March 2024	
	Long-Term	Short-Term	Long-Term	Short-Term
Other Loans and Advances				
Unsecured, Considered Good (Head)	5.00	-	5.00	-
Advance Against Share	243.71	-	-	-
Total	248.71	-	5.00	-

Note. 11 Other Non-Current Assets

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Non Current Bank Balance FDR	25.48	10.07
Security Deposit	30.72	13.78
Total	56.20	23.85

Note. 12 Inventories

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
(Valued at cost or NRV unless otherwise stated)		
Raw Material	303.43	284.56
Finished Goods	313.94	254.16
WIP	39.22	9.34
Total	656.59	548.06

Note. 13 Trade Receivables

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Secured, Considered Good	-	-
Unsecured, Considered Good	355.51	557.15
Doubtful	-	-
Allowance for Doubtful Receivables	-	-
Total	355.51	557.15

Ageing Analysis of Trade Receivables

As on 31st March, 2025

(Amount in Million ₹)

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 Months -1Year	1-2 years	2-3 years	More than 3 Years	Total
- Undisputed Trade Receivable - Considered Good	298.12	10.39	8.00	3.90	0.73	321.14
- Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Good	3.08	4.08	3.25	3.18	20.78	34.38
- Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
Total	301.20	14.47	11.25	7.08	21.51	355.51

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
As on 31st March, 2024

(Amount in Million ₹)

Particulars	Outstanding for following periods from due date of Payment					
	Less than 6 months	6 Months -1Year	1-2 years	2-3 years	More than 3 Years	Total
- Undisputed Trade Receivable - Considered Good	402.97	99.35	19.57	4.78	4.18	530.83
- Undisputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
- Disputed Trade Receivable - Considered Good	-	1.53	3.61	2.77	18.41	26.32
- Disputed Trade Receivable - Considered Doubtful	-	-	-	-	-	-
Total	402.97	100.87	23.18	7.55	22.58	557.15

Note. 14 Cash and Cash Equivalents

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
A. Balance with Banks		
Yes Bank 0068	-	7.16
HDFC\ Bank O/D A/C (Cc Colony) 3407	0.13	0.13
Yes Bank	-	0.05
Axis Bank - Escrow A/C - 36649	0.01	-
HDFC Bank (Rajender Nagar) 3011	0.01	0.01
ICICI Bank Od A/C 0005	0.00	0.00
FDR (Aditya Birla)	4.50	7.50
	4.65	14.85
B. Cash in hand		
Cash on hand (as certified by the management)	0.07	2.26
	0.07	2.26
Total	4.72	17.11

Note: All the FDR's with HDFC Bank Limited are held as margin money with respective Bank for issuing various guarantees which are exceeding 12 months. The same are considered non current by the management.

Note. 15 Other Current Assets

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Other Current Assets		
Claims receivables	6.64	1.50
Advance to Suppliers	91.95	51.29
GST Input	27.55	68.32
Prepaid Expenses	0.40	0.34
Salary Advance	1.25	1.25
Interest Accrued on FDR	1.79	0.86
Total	129.58	123.55

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 16 Revenue From Operations

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Sale of Products		
Chocolate Confectionery and Related items	1,869.73	1,624.13
Net Revenue From Operations	1,869.73	1,624.13

Note. 17 Other Income

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Interest Income		
Interest received on FDR	1.66	0.82
	1.66	0.82
Other non-operating income		
Foreign Exchange Fluctuation	0.34	0.50
Other Income	2.20	2.25
	2.54	2.76
Total	4.19	3.57

Note. 18 Cost of Material Consumed

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Inventory at the beginning		
Raw Material	284.56	185.16
Add: Purchase		
Raw Material	1,470.35	1,411.37
Less: Inventory at the end		
Raw Material	303.43	284.56
Total	1,451.48	1,311.96

Note. 19 Changes in Inventories

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Inventory at the end of the year		
Finished Goods	313.94	254.16
Work-in-Progress	39.22	9.34
	353.16	263.50
Inventory at the beginning of the year		
Finished Goods	254.16	176.71
Work-in-Progress	9.34	23.51
	263.50	200.22
(Increase)/decrease in inventories		
Finished Goods	(59.78)	(77.45)
Work-in-Progress	(29.88)	14.16
Total	(89.66)	(63.28)

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 20 Employee Benefit Expenses

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Salaries and Wages		
Salary and Wages	50.71	26.07
Leave encashment	1.56	1.43
Staff Incentive	6.84	-
Directors Remuneration	0.30	0.30
	59.42	27.80
Contribution to Provident and Other Fund		
Contribution to ESI	0.10	0.10
Contribution to Provident Fund	0.16	0.11
	0.27	0.20
Staff Welfare Expenses		
Staff Welfare	3.15	1.11
Gratuity	0.94	1.89
Others	-	0.02
Total	63.77	31.02

Note. 21 Finance Costs

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Interest		
Interest on Loan	33.12	30.79
Interest on OD/CC	31.44	39.48
	64.56	70.27
Other Borrowing costs		
Bank and Financial Institution Charges	16.81	10.26
Interest Provisions for MSME	2.91	2.21
	19.73	12.47
Total	84.28	82.74

Note. 22 Depreciation and Amortization Expenses

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Depreciation on Tangible Assets	38.38	41.13
Total	38.38	41.13

Note. 23 Other Expenses

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Audit Fees	0.22	0.13
Advertisement & Publicity Expenses	0.02	0.21
Bank Charges	0.74	-
Clearing Charges	1.77	1.81
Consumables Expenses	4.54	0.18
Client Entertainment	3.39	-
Director's Sitting Fees	0.05	-

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Exhibition Charges	1.77	0.48
Factory Rent	18.45	19.80
Listing Expenses	1.69	-
Freight and Cartage inward	0.37	0.47
Freight and Cartage outward	4.80	2.25
Interest, TDS and Late fees of TDS	0.25	1.28
Insurance Expenses	1.00	0.28
Insurance Keyman	-	2.34
Job Work	-	0.01
Legal and Professional Expenses	3.93	3.33
Lease Expenses(Siemens)	0.26	-
Miscellaneous Expenses	0.27	-
Metro and Walmart Expenses	5.00	6.77
Office Expenses	4.71	0.30
Power and Fuel Electricity Expenses	50.68	48.41
Power and Fuel Gas Expenses	32.55	27.90
Penal Charges	0.56	-
Processing Fee	2.66	-
Processing Fees For Lease Machine	0.13	-
Parties Balance Write off	-	0.24
Printing and Stationery	0.89	0.13
Factory and Warehouse Rent	6.11	5.32
Rebate and Discount	21.37	0.87
Repair and Maintenance	6.12	0.08
Security Expenses	3.52	3.10
Staff Conveyance & Travelling	3.76	-
Staff Placement Exp	0.02	-
Tour & Traveling Expenses	2.79	-
Tour & Traveling Expenses (Foreign)	0.44	1.25
TDS Refund Written Off	0.85	-
Business Promotion Expenses	0.26	1.01
Online Sale Charges (E-commerce)	13.93	16.06
GST/VAT and Interest Expenses	-	2.55
Interest on GST Expenses	0.00	-
Vehicle Petrol Expenses	0.71	0.11
Total	200.57	146.69

Note. 24 Current Tax

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Current Year Tax pertaining to current year	39.46	26.00
Total	39.46	26.00

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 25 Deferred Tax

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Deferred Tax	(3.35)	(2.59)
Total	(3.35)	(2.59)

Note. 26 Excess/short provision relating earlier year tax

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Earlier Year Taxes Paid	-	4.31
Total	-	4.31

Note. 27 Earning Per Share

(Amount in Million ₹)

Particulars	Before Extraordinary Items		After Extraordinary Items	
	31 st March 2025	31 st March 2024	31 st March 2025	31 st March 2024
Basic				
Profit after tax (A)	88.77	49.71	88.77	49.71
Weighted average number of shares outstanding (B)	6.68	0.64	6.68	0.64
Basic EPS (A/B)	13.28	77.67	13.28	77.67
Diluted				
Profit after tax (A)	88.77	49.71	88.77	49.71
Weighted average number of shares outstanding (B)	6.68	0.64	6.68	0.64
Diluted EPS (A/B)	13.28	77.67	13.28	77.67
Face value per share	10	10	10	10

Note: 28 Additional Regulatory Information
(1) Details of Benami Property held

- Not Applicable

(2) Borrowings from banks or financial institutions on the basis of security of current assets

Whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. Yes

(3) Willful Defaulter

- Not Applicable

(4) Relationship with Struck off Companies
Current Year FY 24-25

(Amount in Million ₹)

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding	Relationship with the Struck off company
Hazzel Dairy Products Pvt Ltd	Sale of Goods	0.013	Trade Receivables

Previous Year FY 23-24

(Amount in Million ₹)

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding	Relationship with the Struck off company
SIS India Ltd.	Security Service Provider	0.608	Trade Payables
Hazzel Dairy Products Pvt Ltd	Sale of Goods	0.013	Trade Receivables

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
(5) Registration of Charges or Satisfaction with Registrar of Companies
Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof
Current Year

The charge in favor of Bajaj Finance Ltd. on the Company's assets has not yet been registered with the Registrar of Companies due to the pending approval for creation of a pari passu charge from the lead banker. The Company is in the process of completing the charge registration with the ROC

Previous Year

NA

(6) Compliance with Number of Layers of Companies

Not Applicable

(7) Ratios:

(Amount in Million ₹)

Ratio	Numerator	Denominator	C.Y.	P.Y.	% Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	1.10	1.33	22.86%	Due to decrease in current assets
(b) Debt-Equity Ratio	Long Term Debt + Short Term Debt	Shareholder equity	1.45	2.71	126.06%	Due to increase in earning after interest tax and depreciation
(c) Debt Service Coverage Ratio	Earning Before Interest, Tax, Depreciation & Amortization	Total principal + Interest on Borrowings	0.39	1.23	84.43%	Due to increase in earning after interest tax and depreciation
(d) Return on Equity Ratio	Earning After Interest, tax, Depreciation & Amortisation	Average Shareholder's Equity	0.26	0.20	-5.81%	Due to increase in earning after interest tax and depreciation
(e) Inventory turnover ratio	Turnover	Average Inventory	3.10	3.48	37.58%	Due to Increase Inventory
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivable	4.10	2.99	-110.73%	Due to Decrease Trade Receivable
(g) Trade payables turnover ratio	Net Credit Purchase	Average Trade Payable	4.04	3.90	-13.71%	Due to increase in purchases
(h) Net capital turnover ratio	Total Sales	Average Working Capital	9.03	5.26	-377.15%	Due to increase in sales
(i) Net profit ratio	Net Profit	Net Sales	0.05	0.03	-1.75%	Due to increase in net profit
(j) Return on Capital employed	Earning Before Interest & Tax	Total Assets - Current Liability	0.39	0.16	-23.02%	Due to increase in earning
(k) Return on Investment	Earning Before Interest & Tax	Total Assets	0.15	0	-14.78%	Due to increase in earning

(8) Compliance with approved Scheme(s) of Arrangements Effect of such Scheme of Arrangements have been accounted for in the books of account of the Company

Not Applicable

(9) Undisclosed Income

Not Applicable

(10) Corporate Social Responsibility (CSR)

Not Applicable

(11) Details of Crypto Currency or Virtual Currency

Not Applicable

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note. 29 Disclosures under Accounting Standards
(I) Details of related parties:

Description of relationship	Nature of Relationship	Names of related parties
Key Management Personnel (KMP)	Director	Kapil Garg
Key Management Personnel (KMP)	Director	Shalini Garg
Relative of Key Management Personnel	Relative of Director	Prem Lata Garg
Enterprises owned or significantly influenced by Key Management personnel or their relatives	Director or Relative are Directores	Shellz Overseas Private Limited
Enterprises owned or significantly influenced by Key Management personnel or their relatives	Director or Relative are Directores	Skyway Polymers Private Limited
Enterprises owned or significantly influenced by Key Management personnel or their relatives	Director or Relative are Directores	Winola India Private Limited
Enterprises owned or significantly influenced by Key Management personnel or their relatives	Director or Relative are Directores	Euroville Private Limited
Enterprises owned or significantly influenced by Key Management personnel or their relatives	Director or Relative are Directores	Dolphin Product Private Limited

(II) Details of related party transactions and balances outstanding:

(Amount in Million ₹)

Particulars	Nature of Relationship	31 st March 2025	31 st March 2024
Transactions during the year			
Remuneration Paid			
Kapil Garg	Director	0.30	0.30
Purchase			
Winola India Private Limited	Director or Relative are Directores	12.69	0.46
Shellz Overseas Private Limited	Director or Relative are Directores	-	1.81
Skyway Polymers Private Limited	Director or Relative are Directores	46.47	61.68
Euroville Private Limited	Director or Relative are Directores	-	-
Sale			
Winola India Private Limited	Director or Relative are Directores	6.50	10.04
Shellz Overseas Private Limited	Director or Relative are Directores	41.11	67.62
Skyway Polymers Private Limited	Director or Relative are Directores	50.18	46.60
Euroville Private Limited	Director or Relative are Directores	0.01	-
Interest Paid			
Shellz Overseas Private Limited	Director or Relative are Directores	1.24	1.15
Skyway Polymers Private Limited	Director or Relative are Directores	0.15	0.27
Kapil Garg	Director	-	4.27
Balances outstanding at the end of the year			
Loan			
Kapil Garg	Director	46.35	76.37
Shalini Garg	Director	23.55	-
Skyway Polymers Private Limited	Director or Relative are Directores	0.911 (DR)	7.003 (DR)
Winola India Private Limited	Director or Relative are Directores	3.903 (CR)	0.005 (CR)
Shellz Overseas Private Limited	Director or Relative are Directores	3.403 (CR)	8.925 (CR)
Euroville Private Limited	Director or Relative are Directores	1.643 (CR)	-

NOTES TO FINANCIAL STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2025
Note No. 30 Contingent Liabilities and Assets

(Amount in Million ₹)

Particulars	As at 31 st March 2025	As at 31 st March 2024
Claims against the company not acknowledged as debts	112.58	15.29
Guarantees	10.65	10.07
Disputed Statutory Demand	3.31	10.72
Total	126.55	36.08

As per our report attached on even date.

 For **RS&V and Company**
 Chartered Accountants
 FRN. 022058N

For and on behalf of Board of Directors

Abhinaya Verma
 Partner
 M. No. 511290
 UDIN: 25511290BMKOTN5514

Shalini Garg
 Non-Executive Director
 DIN: 00006159

Kapil Garg
 Managing Director
 DIN: 00006050

 Place : New Delhi
 Date : 7th September, 2025

Sumit Kumar
 Company Secretary

Sangeeta Thakur
 Chief Financial Officer

Notice

Notice is hereby given that 13th Annual General Meeting of the Members of Shellz India Limited will be held on Monday, the 29th Day of September, 2025 at 10:00 A.M. at Registered Office of the Company at 99, Main Chowk, Samaipur Delhi-110042 to transact the following business:

Ordinary Business:

Item No. 1: Adoption of accounts

Consideration and adoption of the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2025 and the Reports of the Board of Directors and Auditors thereon:

To consider, and if thought fit, to pass the following Resolution as an **"Ordinary Resolution"**:

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2025 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted."

Item No. 2: Re-Appointment of Mrs. Shalini Garg, Non-Executive Director liable to retire by rotation.

To consider and, if thought fit, to pass the following Resolution as an **"Ordinary Resolution"**:

"RESOLVED THAT Mrs. Shalini Garg having DIN:00006159, who retires by rotation and being eligible for re-appointment, offers herself for re-appointment."

Special Business:

Item No. 3: Adoption of Articles of Association of the Company:

To consider, and if thought fit, to pass the following Resolution as an **"Special Resolution"**:

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013, and other applicable provisions read with the rules and regulations made there under including any amendment, re-enactment or statutory modification thereof, approval of the members of the Company be and is hereby accorded to adopt the new set of Articles of Association (as circulated along with notice of this meeting), in substitution for, and to the exclusion, of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things, including delegate such authority, as may be considered necessary, proper or expedient in order to give effect to the above resolution.

RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company, be and are hereby

severally authorised to issue/ provide certified true copies of these resolutions."

Item No. 4: To raise capital through an Initial Public Offering:

To consider, and if thought fit, to pass the following Resolution as an **"Special Resolution"**:

"RESOLVED THAT, pursuant to the provisions of Sections 23, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, and the rules and regulations made thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) (**"Companies Act"**), and in accordance with and subject to the provisions of the Securities Contracts (Regulation) Act, 1956, and the rules made thereunder, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**the "SEBI ICDR Regulations"**), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**"SEBI LODR Regulations"**), the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations made thereunder, as amended and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by Government of India (**"GoI"**), Securities Exchange Board of India (**"SEBI"**) or Reserve Bank of India (**"RBI"**), and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or reenactment thereof for the time being in force) (collectively, the **"Applicable Laws"**), and in accordance with the provisions of the Memorandum of Association and the Articles of Association of the Company and the uniform listing agreements to be entered into between the Company and the respective stock exchange where the Equity Shares are proposed to be listed (**"the Stock Exchange"**), and subject to any approvals from the GoI, the Registrar of Companies, Delhi & Haryana (**"RoC"**), SEBI, and all other appropriate statutory authorities and departments (the **"Regulatory Authorities"**), and such other approvals, consents, waivers, permissions and sanctions, the consent, approval, authority, consent of the members is hereby accorded, that the Board be and is hereby granted to create, issue, issue and allot equity shares of face value of ₹10/- each of the Company (the **"Equity Shares"**) up to an aggregate of ₹50 Crores pursuant to a fresh issue (the **"Fresh Issue"**), at a price to be determined in consultation with the book running lead manager appointed in respect of the Issue (**"BRLM"**), by the book building process in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Law, at such premium or discount per Equity Share as permitted under Applicable Laws and as may be fixed and determined by the Company in consultation with the BRLM in accordance with the SEBI ICDR Regulations, out of the

authorized share capital of the Company to any category of person or persons as permitted under Applicable Laws, who may or may not be the shareholder(s) of the Company as the Board may, decide, including anchor investors and qualified institutional buyers, Hindu Undivided Families, foreign portfolio investors, venture capital funds, alternative investment funds, non-resident Indians, state industrial development corporations, insurance companies, provident funds, pension funds, National Investment Fund, insurance funds set up by army, navy, or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India, trusts/ societies registered under the Societies Registration Act, 1860, development financial institutions, systemically important non-banking financial companies, Indian mutual funds, members of group companies, Indian public, bodies corporate, companies (private or public) or other entities (whether incorporated or not), authorities, and to such other persons including high net worth individuals, retail individual bidders or other entities, in one or more combinations thereof and/or any other category of investors as may be permitted to invest under Applicable Laws (collectively referred to as the **"Investors"**) by way of the Issue in consultation with the BRLM and/or underwriters and/or other advisors or such persons appointed for the Issue and on such terms and conditions as may be finalized by the Board in consultation with the BRLM through an issue document, prospectus and/or an Offering memorandum, as required, and in such manner as the Board may in its discretion, deem fit, including in consultation with BRLM, underwriters and/or other advisors as may be appointed for the Issue on such terms as may be deemed appropriate by the Board, and that the Board in consultation with the BRLM may finalise all matters incidental thereto as it may in its absolute discretion thinks fit. Further, in consultation with the stock exchange an over subscription, to the extent of 10% of the Issue may be made for the purpose of making allotment in minimum lots, while finalizing the basis of allotment."

"RESOLVED FURTHER THAT the Equity Shares issued pursuant to the Issue shall be listed at SME Platform of BSE (BSE SME)."

"RESOLVED FURTHER THAT all monies received out of the Issue shall be transferred to a separate bank account referred to in Section 40(3) of the Companies Act, 2013, and application monies received pursuant to the Issue shall be refunded within such time, as specified by SEBI and in accordance with applicable law, or the Company shall pay interest on failure thereof, as per applicable law."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions a, the Board and any other committee thereof, in consultation with the BRLM, be and is hereby authorized to determine the terms of the Issue, listing on BSE SME as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and to negotiate, finalize and execute such deeds, documents agreements and any amendment thereto, as it may, in its absolute discretion,

deem necessary, proper or desirable including arrangements with BRLM, underwriters, escrow agents, legal advisors, etc., to approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Issue and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the Issue, and such other activities as may be necessary in relation to the Issue and to accept and to give effect to such modifications, changes, variations, alterations, deletions and/or additions as regards the terms and conditions as it may, in its absolute discretion, deem fit and proper in the best interest of the Company and the Issue, without requiring any further approval of the members and that all or any of the powers conferred on the Company and the Board pursuant to these resolutions may be exercised by the Board or such Committee thereof as the Board may constitute in its behalf."

"RESOLVED FURTHER THAT subject to compliance with Applicable Laws such Equity Shares as are not subscribed may be disposed of by the Board in consultation with the BRLM to such persons and in such manner and on such terms as the Board in its absolute discretion thinks most beneficial to the Company including offering or placing them with banks/ financial institutions/investment institutions/mutual funds / bodies corporate/such other persons or otherwise."

"RESOLVED FURTHER THAT in connection with any of the foregoing resolutions, the members of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally or jointly authorized to execute and deliver any and all other documents, papers or instruments, issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be."

"RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any Director or Company Secretary, be forwarded to concerned authorities for necessary actions."

By order of the Board of Directors
For **Shellz India Limited**

Kapil Garg
Managing Director
DIN: 00006050

Place: Delhi
Date: 7th September, 2025

NOTES:

1. The Statement as required under Section 102 of the Companies Act, 2013 ("the Act") is annexed to the Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. Proxies in order to be effective must be duly filled, signed, and lodged at the registered office not less than 48 hours before the commencement of the Meeting.
4. Institutional /Corporate Shareholders are required to send a scanned copy (PDF/JPG format) of its certified true copy of Board or governing body Resolution/ Authorization/Power of Attorney etc., along with the specimen signature of the authorized representative who is authorized to attend the AGM on its behalf and to vote. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to cs@shellz.in.
5. Members who have not registered/updated their email addresses with the Company are requested to register/ update their e-mail addresses by writing to the Company along with their details and folio number at cs@shellz.in.
6. Members are requested to bring their duly filled attendance slip along with the copy of the annual report to the meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available for inspection.
8. All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all the working days between 9.30 A.M. and 6.00 P.M. up to and including the date of the AGM and at the AGM venue.
9. In the case of joint holders attending the meeting, the first in the order of names will be entitled to vote.
10. Members requested to notify the company immediately of any change in their address to the company at the registered office.
11. Members holding multiple folios in identical names or joint accounts in the same order of names are requested to consolidate their shareholders into one folio.
12. Route Map of venue of the meeting is enclosed.

Explanatory Statement
(Pursuant to Section 102(1) of the Companies Act, 2013)
Item No. 3: Adoption of Articles of Association of the Company:

The Company proposes to adopt a new set of Articles of Association ("AOA") in substitution of the existing AOA. The new AOA aligns with the provisions of the Companies Act, 2013 and Depositories Act, 1996. Since, the Company is preparing for listing its equity shares on SME platform of a recognized stock exchange in India, therefore to facilitate such potential listing, the AOA must be aligned with the corporate governance norms applicable to listed entities. The proposed AOA incorporates provisions required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It also includes enabling provisions to comply with norms issued by SEBI from time to time. The new AOA also provides for electronic maintenance and transfer of securities in accordance with depository system rules.

Furthermore, the New Articles incorporate best practices in corporate governance, ensuring that the Company is managed in a fair, transparent, and accountable manner.

The existing articles of association of the Company and the draft of proposed articles of association is available for inspection of the Members in the manner as set out in the notes to this notice.

None of the Directors and Key Managerial Personnel of the Company, including their respective relatives, are concerned or interested, financially or otherwise, in the proposed resolution.

The Board recommends the passing of the resolution set out at Item No. 3 for the approval of the members of the Company by a special resolution.

By order of the Board of Directors
For **Shellz India Limited**

Kapil Garg
Managing Director
DIN: 00006050

Place: Delhi
Date: 7th September, 2025

Item No. 4: To raise capital through an Initial Public Offering:

The Company intends to list its equity shares (Equity Shares) on Bombay Stock Exchange to enable shareholders to have a formal market place for dealing with the Company’s equity shares. For this purpose, it is intended to undertake an initial public offering of the Equity Shares of the Company (“Issue”). The Company intends to undertake the Issue and list the Equity Shares at an opportune time in consultation with the book running lead manager and other advisors in relation to the Issue and subject to applicable regulatory approvals.

In view of the above and in terms of Section 62(1)(c), and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, each as amended, the approval of the members of the Company is required through a special resolution.

The Company proposes to offer and allot equity shares of the Company of face value of ₹10/- (the “Equity Shares”) each up to an aggregate of ₹50 Crore, (the “Issue”) on such terms and at such price or prices and at such time as may be considered appropriate by the board of directors of the Company (“Board”) or a duly authorised committee thereof, in consultation with book running lead manager appointed for the Issue, to the various categories of permitted investors who may or may not be the shareholder(s) of the Company in the initial public offer by way of book building method under SEBI ICDR Regulations. The Equity Shares, if any, allotted vide the Issue shall in all respects rank pari passu with the existing equity shares of the Company.

The proceeds from the Fresh Issue will be utilized for the purposes that shall be disclosed in the daft red herring prospectus to be filed with BSE SME in connection with the Issue. The Board has the authority to modify the objects on the basis of the requirements of the Company, subject to applicable law. The Price at which the Equity Shares will be allotted through the Issue, as well as the price band within which bidders in the Issue will be able to put in bids for Equity Shares offered in the Issue shall be determined and finalised by the Company in accordance with the SEBI ICDR Regulations, on the basis of the book building process.

The Company will not make an offer of Equity Shares to any of the promoters, or members of the promoter group of the Company in the Issue.

None of the directors and key managerial personnel of the company and their relatives (as defined in the Companies Act, 2013) are concerned or interested in the proposed resolution.

No change in control of the Company or its management of its business is intended or expected pursuant to the Issue.

The Board recommends this resolution for your approval as a special resolution. Accordingly, approval of the members of the Company is sought to issue Equity

Shares under section 62(1)(c) and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, each, as amended.

By order of the Board of Directors
For **Shellz India Limited**

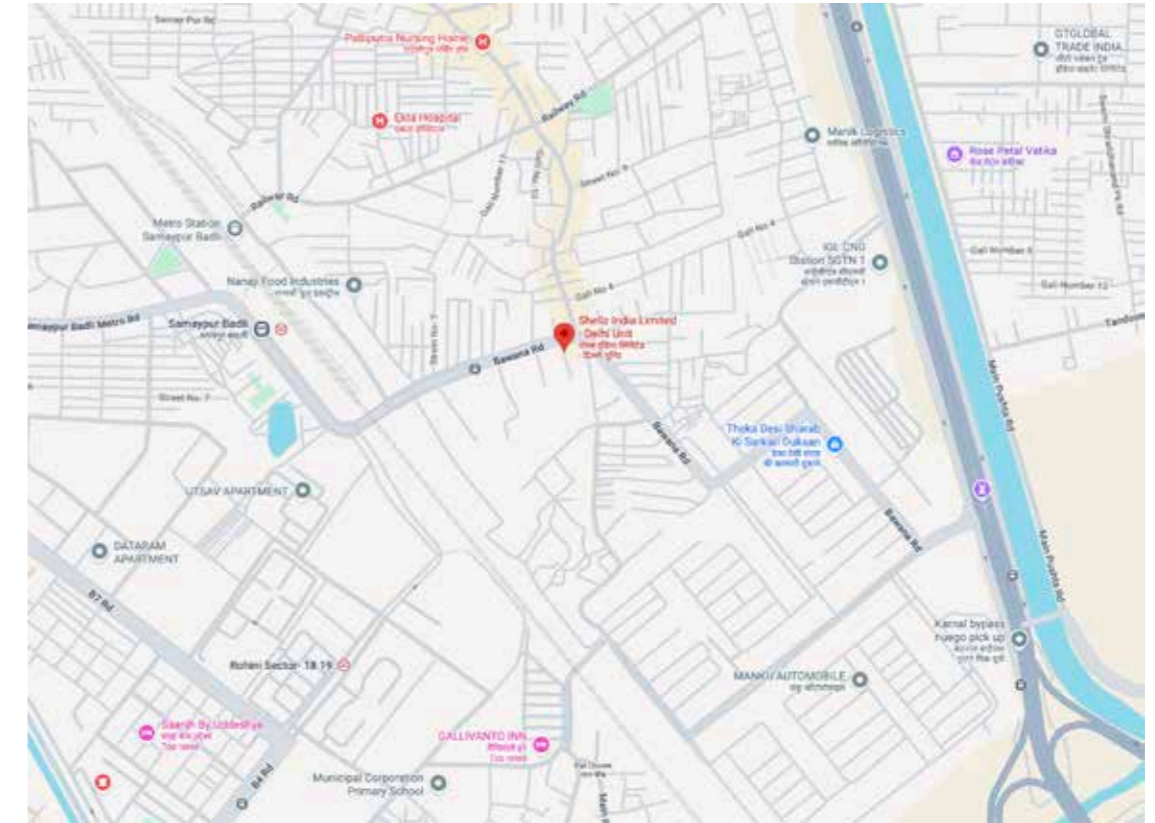
Kapil Garg
Managing Director
DIN: 00006050

Place: Delhi
Date: 7th September, 2025

Route Map to the Venue of the 13th Annual General Meeting

AGM Venue: 99, Main Chowk, Samaipur, Delhi – 110042

(Pursuant to Secretarial Standard-2)



Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U15490DL2012PLC235397

Name of the company: Shellz India Limited

Registered office: 99, Main Chowk, Samaipur, Delhi – 110042

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name :
 Address :
 E-mail Id :
 Signature :, or failing him

2. Name :
 Address :
 E-mail Id :
 Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 13th Annual general meeting of the company, to be held on the 29th day of September, 2025 at 10 A.M. at Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Matter of
1.	Adoption of accounts.
2.	Re-Appointment of Mrs. Shalini Garg, Non-Executive Director liable to retire by rotation.
3.	Adoption of New Articles of Association of the Company.
4.	To raise capital through an Initial Public Offering.

Signed this..... day of..... 2025

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



Shellz India Limited

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New Delhi 110042
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