

Plan1 Health India Private Limited

Regd. Office: 232B, 3rd Floor, Okhla Industrial Estate Phase III, New Delhi - 110 020,

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CIN: U33309DL2020PTC362337

Balance Sheet as at March 31, 2024

In ₹ lacs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
1 Non-current assets		-	-
(a) Property, plant and equipment		-	-
(b) Capital work-in-progress		-	-
(c) Right of Use Asset		-	-
(d) Investment Properties		-	-
(e) Intangible assets		-	-
(f) Intangible assets under development		-	-
(g) Financial Assets			
(i) Investment in subsidiaries/associates		-	-
(ii) Other Investments		-	-
(iii) Other financial assets		-	-
(h) Other non-current assets		-	-
Total non-current assets		-	-
2 Current assets			
(a) Inventories		-	-
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Cash and cash equivalents	2	0.24	0.25
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
(vi) Other financial assets		-	-
(c) Other current assets		-	-
Total current assets		0.24	0.25
TOTAL ASSETS		0.24	0.25

EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	3	1.00	1.00
(b) Other equity	4	(2.00)	(1.34)
Equity attributable to shareholders of the company		(1.00)	(0.34)
Total equity		(1.00)	(0.34)
LIABILITIES			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Lease Liabilities		-	-
(iii) Other financial liabilities		-	-
(b) Provisions		-	-
(c) Government Grants		-	-
(d) Deferred tax liabilities (Net)		-	-
Total non-current liabilities		-	-
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Lease Liabilities		-	-
(iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	5	1.24	0.59
(iv) Other financial liabilities			
(b) Other current liabilities		-	-
(c) Provisions		-	-
(d) Current tax liabilities (net)		-	-
Total current liabilities		1.24	0.59
TOTAL LIABILITIES		0.24	0.25
Material accounting policies	a-s		
The accompanying notes are integral part of the financial statements	1-11		

As per our report of even date annexed
For M C Bhandari & Co. (Reg No.303002E)
Chartered Accountants

For and on behalf of the Board of Directors

Ravindra Bhandari
Partner
Membership No. 097466

Himanshu Baid
Director
DIN : 00014008

Rishi Baid
Director
DIN : 00048585

Place : New Delhi
Date : 17th May 2024

Plan1 Health India Private Limited
CIN: U33309DL2020PTC362337
Statement of Profit and Loss for the year ended March 31, 2024

In ₹ lacs

Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue from operations		-	-
Other income		-	-
Total Revenue		-	-
EXPENSES			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefits expense		-	-
Research and development expenses		-	-
Finance cost		-	-
Depreciation and amortization expense		-	-
Other expense	6	0.66	0.30
Total Expenses		0.66	0.30
Profit/(Loss) before tax		(0.66)	(0.30)
Tax expenses:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Tax adjustment for earlier years (net)		-	-
Total tax expenses		-	-
Profit/(Loss) after tax		(0.66)	(0.30)
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Actuarial gains/(losses) of defined benefit plan			
Tax impacts on above			
Other comprehensive income for the year (net of tax)		-	-
Total comprehensive income (Comprising profit/(loss) after tax and other comprehensive income/(loss) for the year)		(0.66)	(0.30)
Earnings per equity share: (Face value ₹ 10 each) in rupees			
Basic	8	(6.62)	(2.95)
Diluted		(6.62)	(2.95)
Material accounting policies	a-5		
The accompanying notes are integral part of the financial statements	1-11		

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Plan1 Health India Private Limited
CIN: U33309DL2020PTC362337
Statement of Cash Flow for the Year Ended 31 March 2024

In ₹ lacs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax and exceptional items	(0.66)	(0.30)
Adjusted for:		
Operating profit before working capital changes	(0.66)	(0.30)
Movement in working capital		
Increase/ (decrease) in trade payables	0.65	0.30
Increase/ (decrease) in other financial liabilities	-	-
Increase/ (decrease) in other liabilities	-	-
Increase/ (decrease) in provisions	-	-
Cash generated from operations	(0.01)	-
Direct taxes paid (net of refunds)	-	-
Net cash from operating activities	(0.01)	-

B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets (including capital advances)	-	-
Purchase of Investments (net)	-	-
Proceeds from / (Investment in) Fixed Deposits (net)	-	-
Proceeds from sale of fixed assets	-	-
Dividend Income	-	-
Interest income	-	-
Net cash used for investing activities	-	-
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Share Allotments	-	-
Net cash from (used for) financing activities	-	-
Net increase in cash and cash equivalents (A+B+C)	(0.01)	-
Cash and cash equivalents at the beginning of the year	0.25	0.25
Cash and cash equivalents at the end of the year	0.24	0.25
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cheques, drafts on hand	0.24	0.25
Cash and cash equivalents at the end of the year	0.24	0.25

There are no liabilities arising from financial activities, hence disclosure as required by Ind AS 7 on reconciliation of liabilities arising from financing activities are not given.

Notes

This is the Cash Flow Statement referred to in our report of even date.

The above cash Flow statement should be read in conjunction with the accompanying notes

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Director
DIN : 00048585

Place : New Delhi
Date : 17th May 2024

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

A. Equity share capital

(In ₹)

Particulars	As at 31-Mar-24	As at 31-Mar-23
At the beginning of the year	1.00	1.00
Changes in equity share capital during the period	-	-
At the end of the year	1.00	1.00

B. Other equity

Particulars	Reserves and surplus			Total
	Securities Premium	General Reserve	Retained Earnings	
Balance as at 1 April 2022	-	-	(1.04)	(1.04)
Profit/(Loss) for the period			(0.30)	(0.30)
Balance as at 31 March 2023	-	-	(1.34)	(1.34)
Balance as at 1 April 2023			(1.34)	(1.34)
Profit/(Loss) for the period			(0.66)	(0.66)
Balance as at 31 March 2024			(2.00)	(2.00)

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Place : New Delhi
Date : 17th May 2024

Notes on Financial Statement

In ₹

2	CASH AND CASH EQUIVALENTS	As at March 31, 2024	As at March 31, 2023
	Balances with Banks		
	In current accounts	0.24	0.25
	In deposit accounts, with less than 3 months maturity period	-	-
	Cash on hand (including foreign currency notes)	-	-
	Cheque in hand	-	-
	Total	0.24	0.25

3	EQUITY SHARE CAPITAL	As at March 31, 2024	As at March 31, 2023
	Authorised share Capital 10000 Equity Shares of ₹ 10 each	1.00	1.00
	Issued, subscribed & paid up shares 10000 Equity Shares of ₹ 10 each fully paid up	1.00	1.00
	Total	1.00	1.00

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	In ₹	No. of Shares	In ₹
At the beginning of the year	10,000	1.00	10,000	1.00
Add: Issued during the year	-	-	-	-
Outstanding at the end of year	10,000	1.00	10,000	1.00

3.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 (₹ 10). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company has not issued any shares for consideration other than cash.

3.3 Details of shareholders' holding more than 5% shares in the company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Share of ₹ 10 each M/s Poly medicure Limited	9,990	99.90%	9,990	99.90%

3.4 Details of share held by holding company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Equity Share of ₹ 10 each M/s Poly medicure Limited	9,990	99.90%	9,990	99.90%

In ₹

4	OTHER EQUITY	As at March 31, 2024	As at March 31, 2023
	Surplus in statement of Profit and Loss		
	Balance at the beginning of the year	(1.34)	(1.04)
	Add: Additions during the year	(0.66)	(0.30)
	Total	(2.00)	(1.34)

In ₹

5	TRADE PAYABLES	As at March 31, 2024	As at March 31, 2023
	Total outstanding dues of micro enterprises and small enterprises:	-	-
	Total outstanding dues other than micro enterprises and small enterprises:	1.24	0.59
	Total	1.24	0.59

In ₹

6	OTHER EXPENSES	Year ended March 31, 2024	As at March 31, 2023
	Auditors' Remuneration	0.30	0.30
	Legal & Professional Fees	0.35	-
	Bank charges	0.01	-
	Total	0.66	0.30

In ₹

	Payment to Auditors	Year ended March 31, 2024	As at March 31, 2023
	Audit Fee	0.30	0.30
	Out of pocket expenses	-	-
	Total	0.30	0.30

7 **CONTINGENT LIABILITIES AND COMMITMENTS**

In ₹

a	Contingent liabilities not provided for:	Year ended March 31, 2024	Year ended 31 March 2023
		Nil	Nil
b	Obligations and commitments outstanding:	Year ended March 31, 2024	Year ended 31 March 2023
		Nil	Nil

8 **EARNINGS PER SHARE (EPS) OF ₹ 10/- EACH:**

Particulars	Year ended March 31, 2024	Year ended 31 March 2023
Net profit/(Loss) after tax available for equity share holders (₹ In lacs)	(0.66)	(0.30)
Number of shares considered as Basic weighted average shares outstanding during the year	10,000.00	10,000
EPS Basic	(6.62)	(2.95)
EPS Diluted	(6.62)	(2.95)

- 9 Other disclosures as per Indian accounting standards on Fair value measurement, Financial risk, Segment reporting etc. have not been given as there are no activities in the company and are not applicable. Since there are no applicable taxes, reconciliation of tax expenses as per books and as per Income Tax are not given
- 10 Events after the reporting date:
There are no events after reporting date requiring disclosure
- 11 Previous year figures have been regrouped or reclassified to confirm current year classification.

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Director
DIN : 00048585

Place : New Delhi
Date : 17th May 2024

PLAN1 HEALTH INDIA PRIVATE LIMITED

Notes to Financial Statements for the year ended March 31, 2024

CORPORATE AND GENERAL INFORMATION

Plan1 Health India (P) Limited ("The Company") is a private Ltd company incorporated under Companies Act 2013. The registered office of the company is situated at 232B, 3rd Floor ,Okhla Industrial Estate, Phase III, New Delhi, India.

The Company is subsidiary of Poly Medicure Ltd, a listed company with Bombay Stock Exchange and National Stock Exchange. The Company was incorporated on 25 February 2020 . The Financial Statement of the company for the year ended 31.03.2024 was approved and authorised for issue by Board of directors of the company in the meeting held in 17.05.2024.

STATEMENT OF COMPLIANCE

The financial statements are a general purpose financial statement which have been prepared in accordance with the Companies Act 2013, Indian Accounting Standards and complies with other requirements of the law.

BASIS OF PREPARATION

These financial statements have been prepared complying in all material respects as amended from time to time with the accounting standards notified under Section 133 of the Companies Act 2013, read with the Companies (Indian Accounting Standards) Rules 2015. The financial statements comply with IND AS notified by Ministry of Corporate Affairs ("MCA"). The Company follows Indian Accounting Standard (Ind As) being subsidiary company of Poly Medicure Ltd, to whom Ind AS is applicable.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

Classification of Assets and Liabilities into Current and Non- Current

The Company presents its assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when :

- a) it is expected to be settled in normal operating cycle;
- b) it is held primarily for the purpose of trading;
- c) it is due to be settled within twelve months after the reporting period; or
- d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle being a period within twelve months for the purpose of current and non-current classification of assets and liabilities.

MATERIAL ACCOUNTING POLICIES

a Basis of Measurement

The Financial Statements of the company are consistently prepared and presented under historical cost convention on an accrued basis in accordance with IND AS except for certain Financial Assets and Financial Liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees ('INR'), which is the Company's functional and presentation currency and all amounts are rounded to the nearest Lacs (except otherwise indicated).

b Property, plant and equipment

- (i) Property, plant and equipment situated in India are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be less accumulated depreciation and amortization. Freehold land is carried at cost of acquisition. Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.
- (ii) Depreciation
Depreciation on Property, plant and equipment is provided on Straight Line Method over their useful lives and in the manner specified in Schedule II of the Companies Act, 2013.
- (iii) Component Accounting
When significant parts of property, plant and equipment are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
- (iv) Stores and Spares which meets the definition of Property, plant and equipment and satisfying recognition criteria of Ind AS - 16 are capitalised as Property, plant and equipment and until that in capital work in progress.
- (v) Lease Hold Assets are amortised over the period of lease.
- (vi) Expenditure during construction/erection period is included under Capital Work-in-Progress and is allocated to the respective property plant and equipment on completion of construction/ erection.
- (vii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.
- (viii) The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (ix) Capital work in progress includes cost of Property, Plant and Equipment which are not ready for their intended use.

c Intangible assets:

- (i) Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible Assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets with finite useful lives are capitalized at cost and amortized on a straight-line basis. In respect of patents and trademarks, useful life has been estimated by the management as 10 years unless otherwise stated in the relevant documents and in respect of SAP softwares as 10 year and other software as 3 years.
- (ii) Software: Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. Intangible assets with indefinite useful lives (like goodwill, brands), if any, are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite life is made on prospective basis.

d Investment properties:

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in schedule II of the Companies Act 2013.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in profit or loss in the period of derecognised.

Though the company measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value are determined by using circle rates of the concerned registration authority.

e Financial instruments:

A financial instrument is any contract that at the same time gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized as soon as the company becomes a contracting party to the financial instrument. In cases where trade date and settlement date do not coincide, for non-derivative financial instruments the settlement date is used for initial recognition or derecognition, while for derivatives the trade date is used. Financial instruments stated as financial assets or financial liabilities are generally not offset; they are only offset when a legal right to set-off exists at that time and settlement on a net basis is intended.

f Financial assets:

Financial assets include Investments, trade receivables, cash and cash equivalents, derivative financial assets, loans and also the equity / debt instruments held. Initially all financial assets are recognised at amortised cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for those financial assets and their contractual cash flow characteristics. Subsequently, based on initial recognition/ classification, where assets are measured at fair value, gain and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

(i) Investment in equity shares:

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss for investments held for investment is recognized through Statement of profit and loss.

(ii) Investment in associates, joint venture and subsidiaries:

The Company's investment in subsidiaries and associates, joint venture are at carried at cost except where impairment loss recognised.

(iii) Trade receivables:

Trade receivables are recognised initially at fair value and subsequently measured at amortized cost less credit loss/impairment allowances/ provision for doubtful debts.

(iv) Loans & other financial assets:

Loans and other financial assets are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and other financial assets are measured at amortized cost using the effective interest method, less any impairment losses.

g Impairment of Financial assets:

In accordance with Ind AS 109, the company uses expected credit loss (ECL) model for evaluating, measurement and recognition of impairment loss.

h Financial liabilities:

(i) **Classification:**

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

(ii) **Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(iii) **Subsequent measurement:**

All financial liabilities are re-measured at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(iv) **Loans and borrowings:**

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

(v) **De-recognition of financial liabilities:**

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

(vi) **Derivative financial instruments:**

The Company uses derivative financial instruments such as forward currency contracts and options to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The gain or loss in the fair values is taken to Statement of Profit and Loss at the end of every period. Profit or loss on cancellations/renewals of forward contracts and options are recognized as income or expense during the period.

i Impairment of non-financial assets:

At each reporting date, the company assesses whether there is any indication that a non-financial asset may be impaired. If any such indication exists, the recoverable amount of the non-financial asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is determined:

- In the case of an individual asset, at the higher of the Fair Value less cost to sell and the value in use,
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of cash generating unit's fair value less cost to sell and the value in use.

Where it is not possible to estimate the recoverable amount of an individual non-financial asset, the company estimates the recoverable amount of the smallest cash generating unit to which the non-financial asset belongs. The recoverable amount is the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use. If the recoverable amount of a non-financial asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the non-financial asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognized immediately in the statement of Profit and Loss. Where an impairment loss subsequently reverses, the carrying amount of the non-financial asset or cash generating unit is increased to the revised estimate of its recoverable amount. However, this increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for that non-financial asset or cash generating unit in prior periods. A reversal of an impairment loss is recognized immediately in the statement of Profit and Loss.

j Foreign exchange transactions:

(i) Functional and presentation Currency:

The functional and reporting currency of company is INR.

(ii) Transaction and Balances:

Foreign exchange transactions are accounted for at the exchange rate prevailing on the date of transaction. All monetary foreign currency assets and liabilities are converted at the exchange rate prevailing at reporting date. All exchange gain or loss arising on translation of monetary items are dealt with in statement of profit and loss.

k Revenue recognition:

The company derives revenue from sale of manufactured goods and traded goods. In accordance with Ind AS 115, the company recognises revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the company expects to receive in exchange for their products or services. The company disaggregates the revenue based on nature of products/Geography.

• **Export incentive:**

Export incentives are accounted for on export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

• **Dividend income:**

Dividend income is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend.

• **Interest income:**

For all Financial instruments measured at amortised cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in statement of profit and loss.

• **Rental income:**

Rental income on investment properties are accounted for on accrual basis.

I Employees Benefits:

i) Short term employee Benefit:

All employees' benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

ii) Defined Contribution Plan:

Contributions to the Employees' Provident Fund and Employee's State Insurance are recognized as Defined Contribution Plan and charged as expenses in the year in which the employees render the services.

iii) Defined Benefit Plan:

The Leave Encashment (Unfunded) and Gratuity (Funded) are defined benefit plans. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not classified to the statement of profit and loss in subsequent periods. Past Service cost is recognised in the statement of profit and loss in the period of plan amendment. Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligations under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, gains and losses on curtailments and non-routine Settlements.
- Net interest income or expense.

iv) Long term Employees Benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date.

v) Termination benefits:

Termination benefits are recognised as an expense in the period in which they are incurred.

The Company shall recognise a liability and expense for termination benefits at the earlier of the following dates:

- (a) when the entity can no longer withdraw the offer of those benefits; and
- (b) when the entity recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

m Share based payments:

Equity settled share based payments to employees are measured at fair value of equity instrument at the grant date. The fair value determined at grant date is expensed on straight line basis over the vesting period based on the company's estimate of equity instrument that will eventually vest with corresponding increase in equity. At the end of each reporting period, the company revise its estimate of number of equity instruments expected to vest. The impact of revision of the original estimates, if any, is recognised in statement of profits and loss such that cumulative expense reflect the revised estimate with a corresponding adjustment to Share based Payments Reserve. The dilutive effect of outstanding option is reflected as additional dilution in computation of diluted earning per share.

n Borrowing costs:

(i) Borrowing costs that are specifically attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

(ii) For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

(iii) All other borrowing costs are recognised as expense in the period in which they are incurred.

o Taxes on income:

(i) Current Tax:

1. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income-Tax Act 1961 and based on the expected outcome of assessments / appeals.

2. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax:

1. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit as well as for unused tax losses or credits. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax assets and liabilities are also recognized on temporary differences arising from business combinations except to the extent they arise from goodwill that is not taken into account for tax purposes.

2. Deferred taxes are calculated at the enacted or substantially enacted tax rates that are expected to apply when the asset or liability is settled.

3. Deferred tax is charged or credited to the income statement, except when it relates to items credited or charged directly to other comprehensive income in equity, in which case the corresponding deferred tax is also recognised directly in equity.

p Provisions, Contingent liabilities, Contingent assets and Commitments:

(i) General:

The Company recognises provisions for liabilities and probable losses that have been incurred when it has a present legal or constructive obligation as a result of past events and it is probable that the Company will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a financing cost.

Contingent liability is disclosed in the case of:

- A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation:
- A present obligation arising from past events, when no reliable estimate is possible:
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognised but disclosed in financial statement when an inflow of economic benefits is probable.

Provisions, Contingent liabilities, Contingent assets and Commitments are reviewed at each balance sheet date.

(ii) Other Litigation claims:

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

(iii) Onerous contracts:

Provisions for onerous contracts are recorded in the statements of operations when it becomes known that the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received.

q Financial statement classification:

Certain line items on the balance sheet and in the statement of Profit and Loss have been combined. These items are disclosed separately in the Notes to the financial statements. Certain reclassifications have been made to the prior year presentation to conform to that of the current year. In general the company classifies assets and liabilities as current when they are expected to be realized or settled within twelve months after the balance sheet date.

r Fair value measurement:

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

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

- In the principal market for the asset or liability.

Or

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

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

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

A fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

s Significant Accounting Judgments, Estimates and Assumptions:

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

i Income taxes:

Management judgement is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in the estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the stand alone financial statements.

ii Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including book value, Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- iii Depreciation/Amortisation and useful life of Property, Plant and Equipment:
The Company has estimated the useful life of Property, Plant and Equipment (PPE) as specified in schedule II of Companies Act. 2013. However, the actual useful life for individual PPE could turn out to be different, there could be technology changes, breakdown, unexpected failure leading to impairment or complete discard. Alternatively, the equipment may continue to provide useful services well beyond the useful life assigned.
- iv Impairment of Financial & Non-Financial Assets:
The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The Company uses judgements in making these assumptions and selecting inputs for impairment calculations based on existing market conditions, past history, technology, economic developments as well as forward looking estimates at the end of each reporting period.
- v Provisions:
The company makes provision for leave encashment and gratuity based on report received from the independent actuary. These valuation reports uses complex valuation models using actuarial valuation. An actuarial valuation involves making various assumption that may differ from actual development in future.
- vi Contingencies:
Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies / claim / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

As per our report of even date annexed

For M C BHANDARI & Co. (Reg no.303002E)
Chartered Accountants

For and on behalf of the Board of Directors

Rabindra Bhandari
Partner
Membership No. 097466

Himanshu Baid
Director
DIN:00014008

Rishi Baid
Director
DIN:00048585

Place: New Delhi
Date : 17th May 2024