SHARP & TANNAN LLP
Chartered Accountants
Firm's Registration No. 127145W / W100218

INDEPENDENT AUDITOR'S REPORT

To the Members of Apar Transmission & Distribution Projects Private Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Apar Transmission & Distribution Projects Private Limited ('the Company'), which comprise the balance sheet as at March 31, 2023, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ('the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income , changes in equity, and its cash flows 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions 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.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the board's report including annexures thereto, 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 identified above 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 statement 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 responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal 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 the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other legal and regulatory requirements

1 As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the central government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A the statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 As required by section 143(3) of the Act, 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 (including other comprehensive income), statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

(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, we report that in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year; and

(h) With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note 24 to the financial statements;

ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – refer note 25 to the financial statements; and

iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company -- refer note 27 to the financial statements.

iv (a) Management has represented to us 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 -- refer note 26 (v) to the financial statements;

(b) 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 entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - refer note 26 (v) to the financial statements;

(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-clauses (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v The Company has not declared or paid dividend during the year - refer note 26 (ix) to the financial statements.

vi Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 regarding maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Sharp & Tannan LLP
Chartered Accountants
Firm's registration No. 127145W/W100218

Raghunath. P. Acharya
Partner
Membership no. 039920
UDIN: 23039920BGUPSU5474

Mumbai, May 01, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of right-of-use assets;

(B) The Company does not hold any intangible assets;

(b) The Company has a program of physical verification of all the items of right-of-use assets at reasonable intervals, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification;

(c) The Company does not hold any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company;

(d) The Company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable to the Company; and

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) According to the information and explanations given to us, the Company does not have inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable to the Company; and

(b) According to the information and explanations given to us, no working capital facility has been sanctioned from banks or financial institutions during the year. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties. Accordingly, paragraphs 3(iii)(a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to information and explanation given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the central government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the services rendered by the Company. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, and cess have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, and cess were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and on the basis of our examination of records of the Company, there were no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2023, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961).

(ix) In our opinion and according to the information and explanations given to us, the Company has not borrowed any funds from any lender. Accordingly, paragraphs 3(ix) (a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company.

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company; and

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central government; and

(c) According to the information and explanations given to us, no complaints were received as part of the whistle blower mechanism during the year. Accordingly, paragraph 3(xi)(c) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the records of the Company examined by us and the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) In our opinion and based on our examination, the Company is not required to have an internal audit system as per provisions of the Act. Accordingly, paragraphs 3(xiv) (a) and (b) are not applicable to the Company.

(xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company;

(c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) and (d) of the Order is not applicable to the Company; and

(d) According to the information and explanations given to us, the Group does not have any CIC.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash loss in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) There are no unspent amounts towards the corporate social responsibility as per provisions of section 135 of the Act. Accordingly, paragraphs 3(xx)(a) and (b) of the Order are not applicable to the Company.

(xxi) According to the information and explanations given to us, the Company is not required to prepare consolidated financial statements. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company.

For Sharp & Tannan LLP
Chartered Accountants
Firm's registration No. 127145W/W100218

Raghunath P. Acharya
Partner
Membership no. 039920
UDIN: 23039920BGUPSU5474

Mumbai, May 01, 2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) of our report of even date)

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Apar Transmission & Distribution Projects Private Limited ('the Company') as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the ICAI.

For Sharp & Tannan LLP
Chartered Accountants
Firm's registration No. 127145W/W100218

Raghunath P. Acharya
Partner
Membership no. 039920
UDIN: 23039920BGUPSU5474

Mumbai, May 01, 2023

APAR Transmission & Distribution Projects Private Limited

Balance sheet as at March 31, 2023 (Rs in Lakhs)

	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Right to Use Assets	2	0.52	3.54
Financial Assets			
Trade receivables		-	-
Other Tax Assets	3	747.59	67.89
Deferred Tax assets (net)		0.07	0.05
Total non current assets		**748.18**	**71.48**
Current Assets			
Financial Assets			
Trade receivables	4	5,465.49	1,656.61
Cash and cash equivalents	5	6.83	5.37
Short-term loans and advances	6	217.48	108.95
Other current assets	7	4,887.82	1,982.26
Other Tax Assets		-	
Total current assets		**10,577.62**	**3,753.19**
TOTAL ASSETS		**11,325.80**	**3,824.67**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	8	1.00	1.00
(b) Other equity			
Reserves & Surplus	9	3,968.92	1,225.87
Total equity		**3,969.92**	**1,226.87**
Lease Liabilities			0.46
Total non current liabilities		-	**0.46**
Current liabilities			
Lease Liabilities		0.46	3.28
Financial liabilities			
Trade and other payables	10		
a) Total Outstanding dues of micro enterprises		-	-
b) Total outstanding dues of creditors other than micro		6,196.36	2,478.54
Other current liabilities	11	232.04	46.56
Liabilities for current tax	12	927.02	68.96
Deferred Tax Liabilities		-	-
Total current liabilities		**7,355.88**	**2,597.34**
Total liabilities		**7,355.88**	**2,597.80**
Total Equity and Liabilities		**11,325.80**	**3,824.67**
		0.00	0.00

As per our report of even date attached
Sharp & Tannan LLP
Chartered Accountants
Firm's registration no. 127145W/W100218
by the hand of

Raghunath P. Acharya
Partner
Membership No. 039920
Mumbai
1st May 2023

For and on behalf of the Board of Directors

G S Bora
Director
DIN: 09842707
Silvassa
1st May 2023

Ahmedhussain G Vohra
Director
DIN : 08166808
Silvassa
1st May 2023

APAR Transmission & Distribution Projects Private Limited
Statement of profit and loss for the year ended March 31, 2023

(Rs in Lakhs)

	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue			
Revenue from Operations	13	15,613.64	7,035.09
Other income	14	5.09	1.37
Total Revenue		**15,618.73**	**7,036.46**
Expenses			
Stringing labour charges	15	10,091.40	4,798.92
Employee benefits expense	16	19.29	-
Finance costs		0.18	0.49
Depreciation and amortization expense		3.02	5.08
Other expenses	17	1,832.72	1,025.55
Total Expenses		**11,946.61**	**5,830.04**
Less : Transfer to capital assets		-	-
Net total expenses		**11,946.61**	**5,830.04**
Profit Before Exceptional Items and Tax		3,672.12	1,206.42
Exceptional Items		-	-
Profit/(loss) Before Tax		**3,672.12**	**1,206.42**
Tax expense:			
1. Current Tax		927.02	296.13
2. Deferred Tax		(0.02)	7.93
3. Taxes of earlier years		2.06	(0.14)
		929.06	**303.92**
Net Profit/(loss) for the year		**2,743.06**	**902.50**
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		**2,743.06**	**902.50**
Earnings per equity share Rs	18		
Basic		27,430.56	9,025.04
Diluted		27,430.56	9,025.04

As per our report of even date attached
Sharp & Tannan LLP
Chartered Accountants
Firm's registration no. 127145W/W100218
by the hand of

Raghunath P. Acharya
Partner
Membership No. 039920
Mumbai
1st May 2023

For and on behalf of the Board of Directors

G S Bora
Director
DIN: 09842707
Silvassa
1st May 2023

Ahmedhussain G Vohra
Director
DIN : 08166808
Silvassa
1st May 2023

APAR Transmission & Distribution Projects Private Limited

Statement of cash flows for the year ended

(Rs in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit before tax	3,672.12	1,206.42
Adjustments for	-	-
Depreciation on non current assets	3.02	5.08
Amortisation of intangible assets		
(Gain)/loss on sale of property, plant and equipment		
Foreign currency translation reserve		
Finance costs	0.18	0.49
Finance income		
Dividend on investments and from subsidiaries		
Unrealised exchange loss/(gain)		
Items that will not be reclassified to Profit or Loss		
Profit on sale of investments	-	-
Movement in working capital		
(Increase)/ Decrease in trade and other receivables	(6,822.97)	(1,467.38)
(Increase)/ Decrease in inventories		
Increase/ (Decrease) in trade and other payables	3,717.82	444.16
(Decrease)/ Increase in other liabilities	183.26	32.45
Tax paid	(748.67)	(211.63)
Net cash generated by / (used in) operating activities	**4.75**	**9.59**
Cash flow from financing activities		
Payment of Lease Liabilities	(3.28)	(5.67)
Net cash (used in) / generated by financing activities	(3.28)	(5.67)
Net increase / (decrease) in cash and cash equivalents	1.48	3.93
Effect of exchanges rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	5.37	1.44
Cash and cash equivalents at the end of the year	**6.83**	**5.37**

Notes :

1) Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 Statement of Cash

2) Cash and cash equivalents included in the Statement of cashflows comprise the following:

(Rs in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents disclosed under current assets (refer note 5)	6.83	5.37
Total cash and cash equivalents	6.83	5.37

As per our report of even date attached

Sharp & Tannan LLP

Chartered Accountants

Firm's registration no. 127145W/W100218

by the hand of

Raghunath P. Acharya

Partner

Membership No. 039920

Mumbai

1st May 2023

For and on behalf of the Board of Directors

G S Bora

Director

DIN: 09842707

Silvassa

1st May 2023

Ahmedhussain G Vohra

Director

DIN : 08166808

Silvassa

1st May 2023

APAR Transmission & Distribution Projects Private Limited

Statement of changes in equity

(Rs in Lakhs)

(a) Equity share capital	**As at March 31, 2023**		**As at March 31, 2022**	
	No. of Shares	**₹**	**No. of Shares**	**₹**
Balance at the beginning of the reporting period	10,000	1.00	10,000	1.00
Changes due to prior period error	-	-	-	-
Restated balance at the begning of the reporting period	10,000	1	10,000	1
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	10,000	1.00	10,000	1.00

(b) Other equity

(Rs in Lakhs)

For the year ended	Retained earnings - Surplus	Total
Balance at April 1, 2021	323.37	323.37
Profit/ (loss) for the year	902.50	902.50
Balance at March 31, 2022	**1,225.87**	**1,225.87**
Profit/(Loss) for the year	2,743.05	2,743.05
Total comprehensive income for the year	**2,743.05**	**2,743.05**
Balance at March 31, 2023	**3,968.92**	**3,968.92**

As per our report of even date attached

Sharp & Tannan LLP

Chartered Accountants

Firm's registration no. 127145W/W100218

by the hand of

Raghunath P. Acharya

Partner

Membership No. 039920

Mumbai

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G S Bora

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1st May 2023

APAR Transmission & Distribution Projects Private Limited
Notes to the financial statement for the year ended March 31, 2023

Note 2: Right to Use Assets

(Rs in Lakhs)

	Gross block					Depreciation/Adjustments			Net block	
	As at 01-04-2022	Additions	Deductions	Adjustments	As at 31-03-2023	Upto 31-03-2022	For the year	Upto 31-03-2023	As at 31-03-2023	As at 31-03-2022
Righ to use Assets	22.29	-			22.29	18.75	3.02	**21.77**	0.52	**3.54**
Grand Total	**22.29**	**-**	**-**		**22.29**	**18.75**	**3.02**	**21.77**	**0.52**	**3.54**

	Gross block					Depreciation			Net block	
	As at 01-04-2021	Additions	Deductions	Adjustments	As at 31-03-2022	Upto 31-03-2021	For the year	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Righ to use Assets	22.39	-		(0.10)	22.29	13.67	5.08	**18.75**	3.54	**8.72**
Grand Total	**22.39**	**-**	**-**		**22.29**	**13.67**	**5.08**	**18.75**	**3.54**	**8.72**

(Rs in Lakhs)

Note 3: Other Tax Assets	**31 March 2023**	**31 March 2022**
Advance Tax	560.00	-
TDS receivable for the current year	187.59	67.89
	747.59	**67.89**

Note 4: Trade Receivable	**31 March 2023**	**31 March 2022**
Considered good, secured		
Considered good, unsecured (Refer note below)	5,465.49	1,656.61
Less: Loss allowance	-	-
	5,465.49	**1,656.61**

Note Due from Holding Company	**31 March 2023**	**31 March 2022**
Apar Industries Limited	2,843.46	1,605.19
	2,843.46	**1,605.19**

31 March 2023	**Outstanding for following periods from due date of payment**						
	Not Due	**Less than 6**	**6 months -**	**1 - 2 years**	**2 - 3 years**	**More than 3**	**Total**
i) Undisputed trade receivables - considered good	5,465.49	-	-	-	-	-	5,465.49
ii) Undisputed trade receivables - which have significant increase in						-	-
iii) Undisputed trade receivables - Credit Impaired						-	-
iv) Disputed trade receivables - considered good						-	-
v) Disputed trade receivables - which have significant increase in						-	-
vi) Disputed trade receivables - Credit Impaired						-	-
Total	5,465.49	-	-	-	-	-	5,465.49

31 March 2022	**Outstanding for following periods from due date of payment**						
	Not Due	**Less than 6**	**6 months -**	**1 - 2 years**	**2 - 3 years**	**More than 3**	**Total**
i) Undisputed trade receivables - considered good	1,656.61	-					1,656.61
ii) Undisputed trade receivables - which have significant increase in							-
iii) Undisputed trade receivables - Credit Impaired							-
iv) Disputed trade receivables - considered good							-
v) Disputed trade receivables - which have significant increase in							-
vi) Disputed trade receivables - Credit Impaired							-
Total	**1,656.61**	-	-	-	-	-	1,656.61

Note 5: Cash and cash equivalents	**31 March 2023**	**31 March 2022**
On current accounts	6.83	5.37
On deposits with original maturity of less than three months		
	6.83	**5.37**

Note 6: Short term loans & advances	**31 March 2023**	**31 March 2022**
Security deposits	1.84	1.01
Advance paid to vendors	215.50	107.94
Prepaid Expenses	0.14	-
Claims receivable/sundry receivable	0.00	-
	217.48	**108.95**

Note 7: Other current assets	**31 March 2023**	**31 March 2022**
Balances with statutory/government authorities	598.65	461.21
Prepayments and others	-	-
Contract Assets (Unbilled Revenue)	4,289.18	1,521.06
	4,887.83	**1,982.27**

Note 8: Equity share capital	**31 March 2023**	**31 March 2022**
Authorised :		
20,000 (Previous year 20000) Equity shares of ₹ 10 each	2.00	2.00
TOTAL	2.00	2.00
Issued :		
10,000 (Previous year 10,000) Equity shares of ₹ 10 each	1.00	1.00
TOTAL	1.00	1.00
Subscribed and Paid up :		
10,000 (Previous year 10,000) Equity shares of ₹ 10 each	1.00	1.00
	1.00	1.00

Reconciliation of number of shares outstanding at the beginning and end of the year :	**31 March 2023**	**31 March 2022**
Outstanding at the beginning of the year	10,000	10,000
Issued during the year	-	-
Outstanding at the end of the year	10,000	10,000

Terms/rights attached to equity shares

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

Reconciliation of number of shares outstanding at the beginning and end of the year under Employee Stock Option Plan:	**31 March 2023**	**31 March 2022**
Outstanding at the beginning of the year	10,000	10,000
Forfeited during the year	-	-
Issued during the year	-	-
Outstanding at the end of the year	10,000	10,000

Shareholders holding more than 5% shares in the company is set out below:	**31 March 2023**		**31 March 2022**	
	No of shares	**%**	**No of shares**	**%**
Apar Industries Limited	9,999	99.99%	9,999	99.99%

Shares Reserved for issue under options

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Note 9: Other Equity	**31 March 2023**	**31 March 2022**
Retained earnings - Surplus / (Deficit)	3,968.92	1,225.87
General reserve	-	-
Securities premium	-	-
	3,968.92	1,225.87
Retained earnings - Surplus / (Deficit)		
As per last balance sheet	1,225.87	323.37
Profit/(loss) during the year	2,743.06	902.50
Closing Balance	**3,968.92**	**1,225.87**

Note 10: Trade and other payables	**31 March 2023**	**31 March 2022**
Due to Micro, Small and Medium Enterprises	-	-
Due to other than micro and small and medium enterprises	6,196.36	2,478.54
Total	**6,196.36**	**2,478.54**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Trade payable ageing schedule

31 March 2023	**Outstanding for following periods from due date of payment**					
	Not Due	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
i) MSME						-
ii) Others	5,871.26	170.19	154.91	-	-	6,196.36
iii) Disputed dues - MSME						-
iii) Disputed dues - Others						-
Total	**5,871.26**	**170.19**	**154.91**	**-**	**-**	**6,196.36**

31 March 2022	**Outstanding for following periods from due date of payment**					
	Not Due	**Less than 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
i) MSME						-
ii) Others	2,367.56	53.80	57.18	-	-	2,478.54
iii) Disputed dues - MSME						-
iii) Disputed dues - Others						-
Total	2,367.56	53.80	57.18	-	-	2,478.54

Note 11: Other current liabilities	**31 March 2023**	**31 March 2022**
Statutory dues	223.42	47.99
Other payables - TDS	7.85	(1.43)
Tax on salary	0.43	
Recovery of provident fund and scheme contribution	0.22	
Recovery of professional Tax	0.12	
Advance from Customers	-	
	232.04	46.56

Note:-
Other payables includes security deposit and advance from customers.

Note 12: Liability for Current Tax	**31 March 2023**	**31 March 2022**
Provision for Tax for Current Year	927.02	68.96
Provision for Tax for Previous Years	-	-
Total	927.02	68.96

Note 13: Revenue from operations	**2022-23**	**2021-22**
Sale of services	15,613.64	7,035.09
Total	**15,613.64**	**7,035.09**

Note 14: Other Income	**2022-23**	**2021-22**
Interest income		
-Others	5.09	1.37
Total	**5.09**	**1.37**

Note 15: Stringing labour charges	**2022-23**	**2021-22**
Labour Charges - Stringing Work	10,091.40	4,798.92
	10,091.40	4,798.92

Note 16: Employee Related Expenses	**2022-23**	**2021-22**
Salaries, wages and bonus	18.33	-
Contribution to provident and other funds	0.97	-
	19.29	-

Note 17: Other expenses	**2022-23**	**2021-22**
Freight charges	5.01	34.99
Rates and taxes	0.07	0.05
Insurance	0.12	-
Service charges	4.05	3.60
Expenditure on CSR activities	11.50	2.00
Travelling and conveyance	163.88	87.05
Legal and professional fees	404.99	1.63
Auditor's remuneration (Refer note below)	3.00	2.40
Lease Rent	15.12	7.51
Labour Charges - Others	384.47	305.88
Bank charges and commission	0.01	-
Sundry balances written-off	25.07	0.00
Security charges	451.79	264.66
Miscellaneous expenses	27.60	35.73
Reimbursement of expenses to holding company	336.05	280.05
	1,832.72	**1,025.55**

Auditors' remuneration

Auditors remuneration as	**2022-23**	**2021-22**
Statutory audit fees	1.60	1.00
Limited review fees	0.90	0.90
Other services fees	0.50	0.50

(Rs in Lakhs)

Note 18 Earnings per share

A. Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

i. Profit attributable to ordinary shareholders (basic)

	March 31, 2023	March 31, 2022
Profit (loss) for the year, attributable to the owners of the Company	2,743.06	902.50
Profit (loss) for the year, attributable to the owners of the Company	2,743.06	902.50

ii. Weighted average number of ordinary shares (basic)

	March 31, 2023	March 31, 2022
Issued ordinary share capital	10,000	10,000
Weighted average number of shares at March 31	**10,000**	**10,000**

iii. Earning Per Share

	March 31, 2023	March 31, 2022
Earning per share (Rs)	27,430.56	9,025.04

B. Diluted earnings per share

There are no dilutive instruments as at 31/03/2023 and as at 31/03/2022, hence diluted earnings per share is the same as basic earnings per share.

Note 19: Related party relationships, transactions and balances

A. List of Related Parties

List of Directors and Relatives

Mr. A. G. Vohra (Director)
Mrs. Jebunissa Vohra (Wife)
Mr. Ashwin Hiralal Shah (Director up to January 6, 2023)
Mrs. Pratima Shah (Wife)
Mr. H. S. Dhanjal (Director up to November 4, 2022)
Mrs. Kawal jeet Kaur Dhanjal (Wife)
Mr. G.S. Bora
Mrs. Laxmi Bora (Wife)
Mr. K. K. Shetty
Mrs. Dhanusha Shetty (wife)

List of Holding Company and Fellow Subsidiaries

APAR Industries Limited (Holding Company)
Petroleum Specialities Pte. Ltd. Singapore (PSPL) – (Fellow Subsidiary)
Petroleum Specialities FZE, Sharjah (PSF) - Wholly Owned Subsidiary of PSPL
CEMA WIRES & CABLES INC., USA- (Fellow Subsidiary)
APAR Distribution & Logistics Private Limited- (Fellow Subsidiary)

Key Managerial Personnel of the holding Company

Mr. Kushal N Desai - Chairman & Managing Director
Mr. Chaitanya N Desai - Managing Director

Relatives of Key Managerial Personnel of the holding Company

Mrs. Noopur Kushal Desai
Mrs. Jinisha Chaitanya Desai

B. Related Party Transactions

(Rs in Lakhs)

Transactions	March 31, 2023	March 31, 2022
1. Sales of services	12,997.09	6,297.20
2. Reimbursement of expenses paid	331.73	284.14
3. Balance outstanding for sale of services	6,949.17	1,605.19
4. Balance payable for rent	3.24	9.79

APAR Transmission & Distribution Projects Private Limited

Notes to the financial statement for the year ended March 31, 2023

Note 20: Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

(Rs in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Statement of Profit and Loss:		
(a)	Profit and Loss section:		
	(i) Current tax :		
	Current tax expense for the year	927.02	296.13
	Tax expense in respect of earlier years	2.06	(0.14)
		929.08	**295.99**
	(ii) Deferred Tax:		
	Tax expense on origination and reversal of temporary differences	(0.02)	7.93
	Effect on deferred tax balances due to the change in income tax rate	-	-
		(0.02)	**7.93**
	Income tax expense reported in the statement of profit or loss[(i)+(ii)]	**929.06**	**303.92**
(b)	Other Comprehensive Income (OCI) Section:		
	(i) Items that will not be reclassified to profit or loss in subsequent years:		
	(A) Current tax expense/(income):		
	On re-measurement of the defined benefit plans	-	-
		-	-
	(B) Deferred tax expense/(income):		
	On re-measurement of the defined benefit plans	-	-
		-	-
	Income tax expenses reported in the other comprehensive income [i]	-	-
(c)	**Other directly reported in balance sheet:**		
	Current tax expense	-	-
	Deferred tax assets/(liabilities)	-	-
	Income tax expense reported directly in balance sheet	-	-

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate:

Sr. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a)	Profit before tax	3,672.12	1,206.42
(b)	Corporate tax rate as per Income tax Act, 1961	25.17%	25.17%
(c)	Tax on accounting profit (c)=(a)*(b)	924.18	303.66
	Tax on disallowance	2.89	
(d)	(i) Tax expense in respect of earlier years	2.06	(0.14)
	(ii) DTA reversal of brought forward loss	-	0.35
	(ii) Lease	(0.07)	0.05
	Total effect of tax adjustments [(i) to (vi)]	**4.88**	**0.26**
(e)	**Tax expense recognised during the year**	**929.06**	**303.92**

Th

(c) Major components of deferred tax liabilities and deferred tax assets:

Particulars	Deferred tax (liabilities)/ assets as at 01-04-2022	Charge/(credit) to Statement of Profit and Loss	Utilisation of MAT	Deferred tax (liabilities)/ assets as at 31-03-2023
Deferred tax liabilities:				
Leases	-	-	-	-
Tax loss				
Net deferred tax liabilities	-	-	-	-
Deferred tax assets:				
Leases	0.05	0.02	-	0.07
Tax Loss	-	-		-
Net Deferred tax assets	**0.05**	**0.02**	-	**0.07**
Net deferred tax (liability)/assets	**0.05**	**0.02**	-	**0.07**

Particulars	Deferred tax (liabilities)/ assets as at 01-04-2021	Charge/(credit) to Statement of Profit and Loss	Utilisation of MAT	Deferred tax (liabilities)/ assets as at 31-03-2022
Deferred tax liabilities:				
Leases			-	-
Tax Loss				
Net deferred tax liabilities	-	-	-	-
Deferred tax assets:				
Leases	0.03	0.02		0.05
Tax Loss	7.95	(7.95)	-	-
Net Deferred tax assets	**7.98**	**(7.93)**	-	**0.05**
Net deferred tax (liability)/assets	**7.98**	**(7.93)**	-	**0.05**

APAR Transmission & Distribution Projects Private Limited
Notes to the financial statement for the year ended March 31, 2023

Note 21 Financial instruments – Fair values and risk management Disclosure

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(Rs in Lakhs)

		Carrying amount				
March 31, 2023	Note No.	Fair value-hedging	FVTPL	FVTOCI	Amortized Cost	Total
Financial Assets						
Non current - Other	-				-	-
Trade receivables	4				5,465.49	5,465.49
Cash and cash equivalents	5				6.83	6.83
Short-term loans and advances	6				217.48	217.48
Total Financial Assets		-	-	-	**5,689.81**	**5,689.81**
Financial liabilities						
Trade and other payables	10				6,196.36	6,196.36
Total Financial Liabilities		-	-	-	6,196.36	**6,196.36**

		Carrying amount				
March 31, 2022	Note No.	Fair value-hedging	FVTPL	FVTOCI	Amortized Cost	Total
Financial Assets						
Non current - Other	-				-	-
Trade receivables	4				1,656.61	1,656.61
Cash and cash equivalents	5				5.37	5.37
Short-term loans and advances	6				108.95	108.95
Total Financial Assets		-	-	-	**1,770.92**	**1,770.92**
Financial liabilities						
Trade and other payables	10				2,478.54	2,478.54
Total Financial Liabilities		-	-	-	2,478.54	**2,478.54**

Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) amounting to₹ 4909.28 Lakhs and ₹ 1982.26 Lakhs as of March 31, 2023 and March 31, 2022, respectively, are not included.

Other liabilities that are not financial liabilities (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) amounting to₹ 1160.69 Lakhs and ₹ 115.53 Lakhs as of March 31, 2022 and March 31, 2021 respectively, are not included.

Note: The fair value for financial instruments such as trade receivables, cash and cash equivalents, trade payables etc. have not been disclosed because the carrying values approximate th fair value.

B. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Financial instruments – Fair values and risk management Credit Risk

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:
At March 31, the maximum exposure to credit risk for trade and other receivables age wise was as follows.

	March 31, 2023	March 31, 2022
Neither past due nor impaired	5,465.49	1,656.61
past due 1-90 days	-	-
past due 91 -180 days	-	-
past due 180 days	-	-
Total	5,465.49	1,656.61
Less: Provisions	-	-
Net Total	**5,465.49**	**1,656.61**

At March 31, the maximum exposure to credit risk for short term loans and advances age wise was as follows.

	March 31, 2022	March 31, 2021
Neither past due nor impaired	217	108.95
past due 1-90 days	-	-
past due 91 -180 days	-	-
past due 180 days	-	-
Total	217	108.95
Less: Provisions	-	-
Net Total	**217**	**108.95**

Cash and cash equivalents

The Company holds cash and cash equivalents of ₹ 6.83 lakhs as on 31 March 2023 (₹ 5.37 lakhs as on 31 March 2022). The cash and cash equivalents are held with the bank and financial institutions, with good credit ratings.

Financial instruments – Fair values and risk management Liquidity Risk

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity profile of financial assets

The following are the remaining contractual maturities of financial assets at the reporting date. The amounts are gross and undiscounted, and exclude the impact of netting agreements.

March 31, 2023	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non current - Other	-	-	-	-	-	-
Trade receivables	5,465.49	5,465.49	5,465.49			
Cash and cash equivalents	6.83	6.83	6.83			
Short-term loans and advances	217.48	217.48	217.48		-	-

March 31, 2022	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non current - Other	-	-			-	
Trade receivables	1,656.61	1,656.61	1,656.61			
Cash and cash equivalents	5.37	5.37	5.37			
Short-term loans and advances	108.95	108.95	108.95			

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

						Contractual cash flows
March 31, 2023	Carrying amount	Total	Not Due	1 year or less	1-2 years	2-5 years
Non-derivative financial liabilities						
Trade and other payables	6,196.36	6,196.36	3,717.82	2,478.54	-	-

						Contractual cash flows
March 31, 2022	Carrying amount	Total	Not Due	1 year or less	1-2 years	2-5 years
Non-derivative financial liabilities						
Trade and other payables	2,478.54	2,478.54	444.17	2,040.07	(5.70)	-

Financial instruments — Fair values and risk management market risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt.

The Company is exposed to market risk primarily related to interest rate risk. Thus, its exposure to market risk is a function of revenue generating and operating activities.

Note 22 IND AS 115 - Revenue from Contracts with Customers

i. Contract balances

	2022-23 Rs in Lakhs	2021-22 Rs in Lakhs
Contract assets		
Unbilled revenue		
As at April 1, 2022	1,521.06	472.36
Add: Addition during the year	3,842.72	1,521.06
	5,363.78	1,993.43
Less: Transferred to receivable	1,074.60	472.36
As at Mar 31, 2023	**4,289.18**	**1,521.06**

ii. Remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reportin period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less. Hence, the Company ha applied practical expedient as per para 121 of the Ind As 115 in regards to remaining performance obligations.

Note 23 Disclosure pursuant to Section 135 for Corporate Social Responsibility

	2022-23 Rs in Lakhs	2021-22 Rs in Lakhs
Details of corporate social responsibility expenditure		
Amount required to be spent by the Company during the year	11.37	3.16
Amount spent during the year	11.50	3.20
Amount unspent	Nil	Nil

Note 24 Segment Reporting

The Company has only one reportable primary segment - Provision of stringing / re-stringing etc. services for conductors and cables industries within India. The chief operational decision maker monitors the operating results of its primary segment for the purpose of making decisions about resource allocation and performance assessment.

Note 25 Contingent liabilities and Commitments

There was no contingent liabilities or capital commitments outstanding as on the reporting date.

Note 26: Foreseeable Losses

The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

Note 27: Additional disclosures

(i) The Company does not has any benami property, where any proceeding has been initiated or pending against the company for holding any benami property
(ii) The Company does not have any transactions with companies struck off.
(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Company has not traded or invested in crypto currency or virtual currency during the period/year.
(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorde in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiarie or
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
vii)The Company has no transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961.
viii)The Company has not borrowed any funds from banks or financial institutions during the reporting period
ix) The Company has not declared or paid any dividend during the year

Note 28: Amount to Investor Education and Protection Fund

There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

Note 29: Disclosure pursuant to Ind As 116 - Leases

(Rs in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Interest expenses on Lease liabilities	0.18	0.49
Expenses relating to Short term leases & low value assets	3.10	5.17
Total cash outflows of lease payments	3.28	5.67

The Company has applied paragraph 6 of IND AS 116; for accounting of Short term leases having lease period of less than 12 months & leases for which the underlying asset of of low value.

Lease payments associated with these leases are accounted either on straight line basis over the lease term or another systematic basis which is more representative of the lease payment pattern.

Note 30:

Particulars	March 31, 2023	March 31, 2022	Ratio Methodology	Variances	Remarks
Current Ratio	1.44	1.45	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	-0.49%	
Return on Equity ratio	0.69	0.74	$\frac{\text{Profit after tax}}{\text{Total equity}}$	-6%	
Trade receivable turnover ratio	2.19	4.25	$\frac{\text{Revenue from operations}}{\text{Average Trade receivables}}$	-48%	Due to increased turnover
Trade payable turnover ratio	1.37	2.35	$\frac{\text{Total purchases}}{\text{Average Trade payables}}$	-42%	Due to increased turnover
Net working capital turnover ratio	7.13	9.52	$\frac{\text{Revenue from operations}}{\text{Average Working Capital}}$	-25%	
Net profit margin	17.56	12.83	$\frac{\text{Profit after tax X 100}}{\text{Total Income}}$	37%	Due to increase in revenue on account of good amount of orders inflow
Return on Capital employed	0.92	0.98	$\frac{\text{Profit before interest and tax X 100}}{\text{Total equity + Long term borrowing}}$	-6%	

Note 31 : Figures for previous periods/year have been regrouped, wherever necessary.

As per our report of even date attached
Sharp & Tannan LLP
Chartered Accountants
Firm's registration no. 127145W/W100218
by the hand of

Raghunath P. Acharya
Partner
Membership No. 039920
Mumbai
1st May 2023

For and on behalf of the Board of Directors

G S Bora
Director
DIN: 09842707
Silvassa
1st May 2023

Ahmedhussain G Vohra
Director
DIN : 08166808
Silvassa
1st May 2023

APAR Transmission & Distribution Projects Private Limited

Note 1: Notes to the financial statement for the year ended March 31, 2023

1. General information:

APAR Transmission & Distribution Projects Private Limited ('the Company') is a private limited company incorporated on 26th August 2016 in India. It is a wholly owned subsidiary of Apar Industries Limited. The registered office of the Company is at 301, Panorama Complex, R. C. Dutt Road, Vadodara, Gujarat – 390 007. The Company principally engaged in the business of stringing / re-stringing etc. of Conductors and cables.

These financial statements are approved for issue by the Board of Directors on May 01, 2023.

2. Statement of Compliance:

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act (to the extent notified) read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in accounting policy hitherto in use.

3. Functional and presentation currency:

These financial statements are presented in Indian rupees (INR), which is the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise indicated.

4. Basis of preparation:

The financial statements have been prepared on an accrual basis following the historical cost convention, except for certain assets and liabilities that are measured at fair value at the end of each reporting period in accordance with Ind AS.

5. Key estimates and assumptions:

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the (i) balance sheet and (ii) statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- **Recognition of deferred tax assets**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

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

6. Measurement of fair values:

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

7. Significant accounting policies followed by the company:

A. Revenue Recognition:

i. Revenue from contract with customers:

The Company recognizes revenue from contracts with the customers based on five step model defined in Ind AS 115. The Company satisfies a performance obligation and recognizes revenue over time, if any of the conditions given in Ind AS 115 satisfies; else revenue is recognized at point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability.

Revenue is measured at the amount of consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenues are recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue & costs, if applicable, can be measured reliably.

a. Performance Obligation

The Company derives its revenue from providing stringing and re-stringing services in power transmission conductors industry and cables industry.

The Company is required to assess each of its contracts with customers to determine whether performance obligation are satisfied over time or at a point in time in order to determine the appropriate method for recognizing of revenue. The Company has assessed that based on the contracts entered into with the customers and the provisions of relevant laws and regulations, the Company recognizes the revenue over time only if it satisfies the criteria given in Ind AS 115. Where the criteria as per Ind AS 115 are not met, revenue is recognized at a point in time.

The Company satisfies its performance obligation when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer.

In cases where the Company determines that performance obligation is satisfied at a point in time, revenue is recognized when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer. The

Company considers that the customer has obtained the control of promised goods or services; when the goods have been dispatched/delivered to the destination as per terms of the contract or services has been provided and consumed by the customer as per agreed terms and the Company has unconditional right to consideration.

In cases where the Company determines that performance obligation is satisfied over time, then revenue is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction (Input Method). The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

1. The amount of revenue can be measured reliably;
2. It is probable that the economic benefits associated with the transaction will flow to the company;
3. The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Stage of completion is determined by the proportion of actual costs incurred to-date, to the estimated total costs of the transaction.

The Company considers that the use of the input method, which requires revenue recognition on the basis of the Company's efforts to the satisfaction of performance obligation, provides the best reference of revenue actually earned. In applying the input method, the Company estimates the efforts or inputs to the satisfaction of a performance obligation. In addition to the cost of meeting contractual obligation to the customers, these estimates mainly include for service contracts, the time elapsed.

b. Transaction Price

The Company is required to determine the transaction price in respect of each of its contracts with customers.

Contract with customers for sale of goods or services are either on a fixed price or on variable price basis.

For allocating the transaction price, the Company measured the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Company also assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

In determining the impact of variable consideration if any, the Company uses the "most likely amount" method as per Ind AS 115 whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

c. Contract Modification

Any changes in the scope or price of the contracts are accounted only when the same is approved. The accounting of modification calls for assessment of changes in the scope or prices. If the goods or services added are not of distinct nature then modification are accounted on a cumulative catch-up basis, while those that are distinct are accounted prospectively, either as a separate contract, if additional goods or services are priced at the standalone selling prices or as a termination of the existing contract and creation of new contract if not priced at the standalone selling price.

a) Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

b) Dividend income is recognised when the right to receive the payment is established.

B. Finance income and finance costs:

The Company's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at fair value through profit & loss (FVTPL)

Interest income or expense is recognised using the effective interest rate method.

Share issue expenses are written off against share premium account, if any, or amortized over a period of 5 years.

C. Income Tax:

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if the Company:

a. has a legally enforceable right to set off the recognised amounts; and

b. intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

a. the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
b. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

D. Financial assets:

Classification

The Company shall classify financial assets on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

Financial assets are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets are recognised initially at fair value. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. Financial liabilities

Classification

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

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial liabilities are measured at amortized cost or fair value through profit or loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

De-recognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Provisions and contingent liabilities

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

Contingent assets are neither recognised, nor disclosed.

E. Leases:

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

Company as a lessee:

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to;

1. Short-term leases of all assets that have a lease term of 12 months or less, and
2. Leases for which the underlying asset is of low value.

The lease payments associated with above 2 types of leases are recognized as an expense on a straight-line basis over the lease term.

F. Impairment of non-financial assets:

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

G. Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company cash management.

H. Earnings per share:

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equities shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equities shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

I. Segment Reporting:

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of nature of products / services.

The Accounting Policies adopted for segment reporting are in line with the Accounting Policies of the Company. Segment assets include all operating assets used by the business segments and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business. Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively. Income / Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income / expenses.

J. Employee benefits:

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plan:

- **Provident Fund Scheme**
  The Company makes specified monthly contributions towards employee provident fund directly to the Government under the Employees Provident Fund Act, 1952.

K. Cash flows:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flow. The cash flows from operating, investing and financing activities of the Company are segregated based on available information.

L. Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023. The Company does not expect these amendments to have significant impact on its financial statements.

SEKHAR & CO.
CHARTERED ACCOUNTANTS

PARTNERS :
K.C. Devdas, B.Com., F.C.A
C. Amarnath, B.Com, L.L.B., F.C.A., DISA (ICA)
Mrudulatha Devdas, B.Com., A.C.A

INDEPENDENT AUDITORS' REPORT

To the Members of,

Ampoil Apar Lubricants Private Limited

Report on the Financial Statements

Opinion

We have audited the Standalone financial statements of **M/s Ampoil Apar Lubricants Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the statement of Profit and Loss, and statement of Cash Flows for the year ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 principles generally accepted in India including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) amendment Rules 2018 as applicable, of the state of affairs of the Company as at March 31, 2023, and Profit & loss and its cash flows 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

SEKHAR & CO.
Chartered Accountants

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal 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 an 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.

SEKHAR & CO.
Chartered Accountants

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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Chartered Accountants
133/A, R.P. ROAD

Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure – A" a statement on matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the Directors as on March 31, 2023 taken on record by the Board of Directors of the Company, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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, there is no managerial remuneration paid or provided by the Company to its directors during the year.

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

i. The Company does not have any pending litigations which would impact its financial position.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The management has represented that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, 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;

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

Based on our audit procedures, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The Company has not declared dividend during the year.

For Sekhar& Co.,
Chartered Accountants
FRN: 003695-S

C.Amarnath

C.Amarnath
Partner
M.No.: 021427

Place: Secunderabad
Date: 10/04/2023
UDIN: 23021427BGPQUT5152

SEKHAR & CO.
CHARTERED ACCOUNTANTS

PARTNERS :
K.C. Devdas, B.Com., F.C.A
C. Amarnath, B.Com, L.L.B., F.C.A., DISA (ICA)
Mrudulatha Devdas, B.Com., A.C.A

Annexure A" to the Independent Auditors' Report

Referred to in Paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements for the year ended March 31, 2023:

i. a) The Company has no Property, Plant or Equipment as on 31/03/2023.

b) On account of the observation in a) above the need for physical verification does not arise.

c) There are no immovable properties held in the name of the Company.

ii. The Company does not hold any inventory as on 31/03/2023. As explained to us, the management has conducted the physical verification of inventory at reasonable intervals for the stocks received and issued during the course of the financial year.

iii. The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties.

iv. 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.

v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted from the public are not applicable.

vi. The Company is not engaged in production, processing or manufacturing activities. Therefore, the provision of maintenance of cost records specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 mentioned in clause (vi) of paragraph 3 of the Order is not applicable.

vii. According to information and explanations given to us and on the basis of our examination of the books of accounts and records, the Company has been generally regular in depositing undisputed statutory dues with appropriate authorities.

viii. Based on our audit procedures and according to the information and explanations given to us, there are no transactions which are not recorded in the accounts that have been disclosed or surrendered before the tax authorities as income during the year.

ix. Based on our audit procedures and according to the information and explanations given to us, the Company has not accepted loans or borrowings from financial institutions, banks and Government.

x. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Further, the Company has not made any private placement or preferential allotment of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company has been noticed or reported during the year. There have been no whistle-blower complaints.

xii. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

xiii. In our opinion, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us, the Company does not have Internal audit system considering its size and business activities.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons concerned with him.

xvi. In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the company and hence not commented upon.

xvii. The Company has incurred cash loss during the financial year. The cash loss incurred by the Company for the previous years are as under:

Year	Cash Loss (In Rs.)
2022-23	124958
2021-22	NIL
2020-21	215818

xviii. There has been no resignation of statutory auditor's during the year.

xix. Upon an evaluation of the ageing report, financial ratios and expected dates of realization of financial assets and payment of financial liabilities, we opine that the company is in a position to meet its liabilities that are existing as on the balance sheet date as and when they become due in the future.

xx. According to the information and explanations given to us, the Company has no obligation under Corporate Social Responsibility.

SEKHAR & CO
Chartered Accountants
133/4, R.P. ROAD, SEC'BAD

xxi. The financial statements which are the subject matter of audit represents standalone statements.. Since these are not consolidated financial statements the clause relating to comments on the presence of any qualifications or adverse remarks in the audit reports of other group companies does not arise.

For Sekhar& Co.,
Chartered Accountants
FRN: 003695-S

C.Amarnath

C.Amarnath
Partner
M.No.: 021427

Place: Secunderabad
Date: 10/04/2023
UDIN: 23021427BGPQUT5152

SEKHAR & CO.
CHARTERED ACCOUNTANTS

PARTNERS :
K.C. Devdas, B.Com., F.C.A
C. Amarnath, B.Com, L.L.B., F.C.A., DISA (ICA)
Mrudulatha Devdas, B.Com., A.C.A

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of M/s Ampoil Apar Lubricants Private Limited

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

We have audited the internal financial controls over financial reporting of **M/s Ampoil Apar Lubricants Private Limited,** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the

Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

SEKHAR & CO.
Chartered Accountants

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, 2023.

For Sekhar& Co.,
Chartered Accountants
FRN: 003695-S

C.Amarnath

C.Amarnath
Partner
M.No.: 021427

Place: Secunderabad
Date: 10/04/2023
UDIN: 23021427BGPQUT5152

AMPOIL APAR LUBRICANTS PRIVATE LIMITED

BALANCE SHEET AS AT 31st MARCH 2023

In Rs.

			Particulars	Note No.	Current Year 2022-23		Previous Year 2021-22
I			**EQUITY AND LIABILITIES**		In Rs	In Rs	In Rs
	1		**Shareholders' Funds**				
		a)	Share Capital	1	1,00,00,000.00		1,00,00,000.00
		b)	Reserves and Surplus	2	19,43,387.04		20,68,344.78
						1,19,43,387.04	1,20,68,344.78
	2		**Non-Current Liabilities**				
		a)	Long-Term Borrowings		-		-
		b)	Other Long-Term Liabilities	3	-		-
		c)	Long-Term Provisions	4	-		-
						-	-
	3		**Current Liabilities**				
		a)	Short-Term Borrowings	5	-		-
		b)	Trade Payables	6	2,05,079.08		23,56,174.40
		c)	Other Current Liabilities	7	-		10,16,327.00
		d)	Short-Term Provisions	8	20,000.00		7,20,000.00
						2,25,079.08	40,92,501.40
			TOTAL			**1,21,68,466.12**	**1,61,60,846.18**
II			**ASSETS**				
	1		**Non-Current Assets**				
		a)	Property, Plant and Equipment	9			
			i) Tangible Assets				
			ii) Intangible Assets				
			iii) Capital Work-in-progress		-		
					-		-
		b)	Non-Current Investments		-		-
		c)	Deferred Tax Assets (Net)	10	-		-
		d)	Long-Term Loans and Advances	11	-		-
		e)	Other Non-Current Assets	12	-		-
						-	-
	2		**Current Assets**				
		a)	Current Investments		-		-
		b)	Inventories	13	-		-
		c)	Trade Receivables	14			
			a) Trade Receivables considered good - Secured		1,68,168.16		44,71,667.66
			b) Trade Receivables considered good - Unsecured		-		-
			c) Trade Receivables that have an increase in				-
			Credit Risk that is Significant.		-		-
			d) Trade Receivables - Credit Impaired.		-		-
		d)	Cash and Cash Equivalents	15	1,11,64,351.00		1,02,11,428.80
		e)	Deposits, Short-Term Loans and Advances	16	2,84,723.10		2,84,717.00
		f)	Other Current Assets	17	5,51,223.86		11,93,032.72
						1,21,68,466.12	1,61,60,846.18
			TOTAL			**1,21,68,466.12**	**1,61,60,846.18**

SIGNIFICANT ACCOUNTING POLICIES AND
NOTES TO THE FINANCIAL STATEMENTS 1 to 28

The Notes referred to above form an integral part of the Financial Statements

As per our report of even date attached
For SEKHAR & CO.,
CHARTERED ACCOUNTANTS

C. Amarnath

CA C.AMARNATH
PARTNER

M.No. 021427
Secunderabad Dated :10-04-2023

RAJIV M SANGHVI DIRECTOR

Kokila M. Sanghvi

KOKILA M SANGHVI DIRECTOR

AMPOIL APAR LUBRICANTS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

In Rs.

	Particulars	Note No.	Current Year 2022-23	Previous Year 2021-22
I	Revenue from Operations	18	-	66,78,611.78
II	Other Income	19	46,684.00	8,59,271.00
III	**TOTAL REVENUE (I+II)**		46,684.00	75,37,882.78
IV	**EXPENSES:**			
	Purchases of Stock-in-Trade	20	-	44,40,520.00
	Changes in Inventories of Stock-in-Trade	21	-	-
	Employee Benefits Expense	22	-	-
	Finance Costs	23	-	-
	Depreciation and Amortisation Expense	24	-	-
	Other Expenses	25	1,71,641.74	1,13,200.05
	TOTAL EXPENSES		1,71,641.74	45,53,720.05
V	(Loss)/Profit Before Exceptional Items and Tax (III-IV)		(1,24,957.74)	29,84,162.73
VI	Exceptional Items		-	-
VII	Profit Before Tax (V+VI)		(1,24,957.74)	29,84,162.73
VIII	Tax Expense: - Current Tax - Deferred Tax	26	-	7,00,000.00
			-	7,00,000.00
IX	Profit After Tax (VII-VIII)		(1,24,957.74)	22,84,162.73
X	Earnings Per Equity Share Basic and Diluted		(12.50)	228.42

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS 1 to 27

The Notes referred to above form an integral part of the Financial Statements

As per our report of even date attached
For SEKHAR & CO.
CHARTERED ACCOUNTANTS

C Amarnath

CA C.AMARNATH
PARTNER

Secunderabad Dated :10-04-2023

RAJIV M.SANGHVI DIRECTOR

KOKILA M SANGHVI DIRECTOR

Kokila M. Sanghvi

AMPOIL APAR LUBRICANTS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2023

In Rs.

		For the Year ended 31.03.23		For the Year ended 31st March, 2022
A. Cash Flow from Operating Activities	Rs.	Rs.	Rs.	Rs.
Profit / (Loss) before Taxes		(124957.74)		2984162.73
Adjustments for:				
Depreciation / Amortisation on Fixed Assets	0.00	0.00		0.00
Operating Profit / (Loss) before Working Capital Changes		(124957.74)		2984162.73
Adjustments for:				
Trade & Other Receivables	4945302.26		(3274576.93)	
Inventories	0.00		0.00	
Trade Payables,Other Liabilities and Provisions	(3867422.32)	1077879.94	310704.00	(2963872.93)
Cash Generated from Operations		952922.20		20289.80
Direct Taxes Paid		0.00		(700000.00)
Net Cash from Operating activities		952922.20		(679710.20)
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	0.00			
Sale of Fixed Asset	0.00		0.00	
Net Cash used in Investing Activities		0.00		0.00
C. Cash Flow from Financing Activities				
Increase / (Decrease) in Working Capital Borrowings	0.00			
Proceeds from Long term Borrowings	0.00		0.00	
Share Capital	0.00		0.00	
Net Cash from Financing Activities		0.00		0.00
Net (Decrease) / Increase in Cash and Cash Equivalents		952922.20		(679710.20)
Cash and Cash Equivalents at the beginning of the year		10211428.80		10891139.00
Cash and Cash Equivalents at the end of the year		11164351.00		10211428.80

As per our report of even date attached
For SEKHAR & CO.,
Chartered Accountants

C. Amarnath

CA. C. AMARNATH
Partner
M.No:021427
Secunderabad Dated :10-04-2023

Kokila M. Sanghvi

RAJIV M SANGHVI
Director

KOKILA M SANGHVI
Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In Rs.

		Current Year 2022-23	Previous Year 2021-22
	NOTE NO. 1 **SHARE CAPITAL** Authorised: 10,00,000 - Equity Shares of 10 each	1,00,00,000.00	1,00,00,000.00
	Issued, Subscribed and fully paid-up 10,00,000 - Equity Shares of 10 each	1,00,00,000.00	1,00,00,000.00
	Shareholders holding more than 5% Shares in the Company. Name of the Shareholders :		

Shares held by promotores at the end		**31-03-2023**			**31-03-2022**	
S No	Promoter's Name	No. of Shares	**% of Total Sha**	**% Change during the Year**	No. of Shares	**% of Total Shares**
1	M/s PPS Motors Pvt Ltd CIN: U50404AP2010PTC071634	51000	51%	-	51000	51%
2	APAR INDUSTIRES LTD	40000	40%	-	40000	40%
3	Rajiv M Sanghvi	90000	9%	-	90000	9%

		Current Year 2022-23		Previous Year 2021-22
	NOTE NO. 2 **RESERVES AND SURPLUS**			
a	General Reserve Opening Balance			-
	Add: Transferred from Statement of Profit and Loss	-		
	Closing Balance		-	-
b	Surplus Opening Balance	20,68,344.78		(2,15,817.95)
	Add: Net Profit for the Current Year	(1,24,957.74)		22,84,162.73
	Less: Depreciation pursuant to enactment of Schedule II of Companies Act 2013	-		
	Less: Transferred to General Reserve	-		
	Less: Income Tax of Earlier Years			
	Closing Balance		19,43,387.04	20,68,344.78
			19,43,387.04	20,68,344.78

SEKHAR & CO

Chartered Accountants

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In Rs.

		Current Year 2022-23	Previous Year 2021-22
	NOTE NO. 3 **OTHER LONG TERM LIABILITIES**		
a	Trade Payables		
b	Others Payable towards Customer Balances, Capital Goods, Deposits, Claims etc.		
		-	-
	NOTE NO. 4 **LONG TERM PROVISIONS**		
	Provision for Employee Benefits - Gratuity	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In Rs.

		Current Year 2022-23		Previous Year 2021-22
	CURRENT LIABILITIES			
	NOTE NO. 5			
	SHORT TERM BORROWINGS			
	SECURED			
	Loans repayable on demand-from Banks ***& FI'S/NBFC's***			
	-			
			-	-
	UNSECURED			
	Fixed Deposits			
	- Related Parties - From Holding Company			
			-	-
			-	-

NOTE NO. 6
TRADE PAYABLES

Particulars	Outstanding for following periods from due date of payment Less than 1 year	 1-2 years	 2-3 years	 More than 3 years	Total		
(i) MSME							
(ii) Others		205079.08			2,05,079.08	2,05,079.08	23,56,174.40
(iii) Disputed dues-MSME							
(iv) Disputed dues-Others							
Ref- Annexure-1						2,05,079.08	23,56,174.40

	NOTE NO. 7			
	OTHER CURRENT LIABILITIES			
a	Current maturities of long-term debts			-
b	Interest accrued but not due on borrowings			-
c	Income received in advance against supply of vehicles and Trade Advance			
d	Other Payables			
	- Statutory Dues towards TDS, VAT, Service Tax etc.			
	- Payable towards Customer Balances, Deposits, Claims etc			
	- Due to Employees towards bonus,voluntary retirement scheme, incentive etc.	-		
	- <u>Due to Directors / Share holders</u>			
	1. Rajiv M Sanghvi	-		2,22,620.00
	2. M/s PPS Motors Private Limted	-		7,93,707.00
			-	10,16,327.00
			-	10,16,327.00
	NOTE NO. 8			
	SHORT TERM PROVISIONS			
a	Provision For Audit fee	20,000.00		20,000.00
	Others	-		-
b	Others			
	- Proposed Dividend	-		-
	- Tax on Proposed Dividend	-		-
c	Provision for Income Tax	-		7,00,000.00
			20,000.00	7,20,000.00

SEKHAR & CO. Chartered Accountants

NOTES FORMING PART OF THE
NOTE NO. 9

in Rs.

Fixed Assets	AT COST (UNLESS OTHERWISE STATED)				DEPRECIATION (INCLUDING AMORTISATION)				NET DEPRECIATED BLOCK	
	Gross Block As at 01.04.2022	Additions During the year	Deductions During the year	Gross Block As at 31.03.2023	Total upto 31.3.2022	Additions for the year	Deductions During the year	Total upto 31.03.2023	As at 31.03.2023	As at 31.3.2022
TANGIBLE ASSETS -										
A) LAND										
FREE HOLD LAND	-	-	-	-	-	-	-	-	-	-
LEASE HOLD LAND	-	-	-	-	-	-	-	-	-	-
B) BUILDINGS (AT BOOK VALUE)				-			-	-	-	
C) PLANT AND EQUIPMENT				-			-	-	-	
D) FURNITURE AND FIXTURES				-			-	-	-	
E) VEHICLES (AT BOOK VALUE)				-			-	-	-	
F) OFFICE EQUIPMENT (AT BOOK VALUE)				-			-	-	-	
G) ELECTRONIC DATA PROCESSING MACHINES				-			-	-	-	
H) ELECTRIC INSTALLATIONS				-			-	-	-	
TOTAL TANGIBLE CURRENT YEAR	-	-	-	-	-	-	-	-	-	-
TOTAL TANGIBLE PREVIOUS YEAR										
INTANGIBLE ASSETS -										
COMPUTER SOFTWARE			-	-			-	-	-	
TOTAL INTANGIBLE CURRENT YEAR	-	-	-	-	-	-	-	-	-	-
TOTAL INTANGIBLE PREVIOUS YEAR			-	-				-		-
CAPITAL WORK-IN-PROGRESS (AT COST)										

SEKHAR & CO.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In Rs.

		Current Year 2022-23		Previous Year 2021-22
	NOTE NO. 10			
	DEFERRED TAX ASSET			
	Deferred Tax Assets at the year end comprises of timing differences on account of :			
	Depreciation		-	-
	NOTE NO. 11			
	LONG TERM LOANS AND ADVANCES			
	(Unsecured-considered good, unless otherwise stated)			
a	Capital Advances			-
b	Security Deposits			
	- Considered Good			
	- Considered Doubtful			-
			-	-
c	Other Loans and Advances			
	Advance Payment to Suppliers/Principals (including claims receivable)			
	- Considered Good			
	- Considered Doubtful			-
			-	-
			-	-
	NOTE NO. 12			
	OTHER NON-CURRENT ASSETS			
	Trade Receivables - Unsecured			
	- Considered Good			
	- Considered Doubtful			-
			-	-

SEKHAR & CO.
Chartered Accountants

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In Rs.

	Current Year 2022-23		Previous Year 2021-22
NOTE NO. 13			
INVENTORIES			
(As certified by the Management)			
WORKSHOP MATERIAL			
STOCK-IN-TRADE			
- Spare parts, Accessories etc.			
- Vehicles, Trailers and Construction Equipment			
		-	-
(At lower of cost and net realisable value)		-	-
GOODS-IN-TRANSIT (At cost)			
- Spare parts, Accessories etc.			
- Vehicles and Trailers			-
		-	
LOOSE TOOLS			
(At net depreciated value)			
		-	-

NOTE NO. 14
TRADE RECEIVABLES

Particulars	Outstanding for following periods from due date					Total	Current Year 2022-23	Previous Year 2021-22
	Less than 6 months	6m to 1 year	1-2 years	2-3 years	More than 3 years			
(i) Undisputed Trade receivable-Considered good			168168			1,68,168.16		44,71,667.66
(ii) Undisputed Trade receivable-Considered Doubtful								
(iii) Disputed Trade receivable-Considered good								
(iv)Disputed Trade receivable-Considered Doubtful								
						1,68,168.16	1,68,168.16	44,71,667.66
Ref- Annexure-2							1,68,168.16	44,71,667.66

NOTE NO. 15
CASH AND CASH EQUIVALENTS

	Current Year 2022-23		Previous Year 2021-22
- Balances with banks	32,74,062.00		98,41,459.80
- Fixed Deposits (against BG)	3,90,289.00		3,69,969.00
- Fixed Deposits	75,00,000.00		
- Cash on Hand	-	1,11,64,351.00	
		1,11,64,351.00	1,02,11,428.80

SEKHAR & CO.
Chartered Accountants

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In Rs.

		Current Year 2022-2023		Previous Year 2021-2022
	NOTE NO. 16			
	DEPOSITS, SHORT TERM LOANS AND ADVANCES			
	(Unsecured-considered good,unless otherwise stated)			
a	Loans and Advances to:			
	- Related Party - 100% Subsidiary Company	-		-
	- Other Companies			-
			-	-
b	Deposits			
	Advance Payment to Suppliers/Principals (including claims receivable)			
	- Considered Good	2,84,723.10		2,84,717.00
	- Considered Doubtful			-
		2,84,723.10		2,84,717.00
	- Loans and Advances to Employees			-
	- Other Sundry Advances	-		-
	- Prepaid Expenses			-
		2,84,723.10	2,84,723.10	2,84,717.00
			2,84,723.10	2,84,717.00
	NOTE NO. 17			
	OTHER CURRENT ASSETS			
	GST Adjustable		2,82,631.64	1,74,618.56
	Interest Accrued on		23,424.00	-
	- Investments			
	- Others TDS receivable		51,820.22	76,729.16
	Pre- operative Expenses		1,93,348.00	2,41,685.00
	TDS Refund Due		-	-
	Advance - Income Tax Paid		-	7,00,000.00
			5,51,223.86	11,93,032.72

SEKHAR & CO.
Chartered Accountants

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

In Rs.

		Current Year 2022-23		Previous Year 2021-22
	NOTE NO. 18			
	REVENUE FROM OPERATIONS			
	SALE OF PRODUCTS	-	-	66,78,611.78
	SALE OF SERVICES			
	Commission Received			
	Workshop Income			
	Service Charges Received			-
			-	-
	OTHER OPERATING REVENUES			
	Sundry Receipts		-	-
			-	66,78,611.78
	NOTE NO. 19			
	OTHER INCOME			
	Interest Income on:			
	Interest Received on IT Refund	2,940.00		
	Interest Received on Fixed Deposits	43,744.00		17,615.00
			46,684.00	17,615.00
	Other Non-Operating Income			
	Discount Received	-		8,41,656.00
			-	8,41,656.00
			46,684.00	8,59,271.00

SEKHAR & CO. Chartered Accountants

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		Current Year 2022-23	Previous Year 2021-22
	NOTE NO. 20		
	PURCHASES OF STOCK- IN- TRADE		
	Purchase of Traded Goods	-	44,40,520.00
	NOTE NO. 21		
	CHANGES IN INVENTORIES OF STOCK- IN- TRADE		
	OPENING STOCK	-	-
	Less:		
	CLOSING STOCK	-	-
	Net Decrease/(Increase) In Inventories	-	-
	NOTE NO. 22		
	EMPLOYEE BENEFITS EXPENSE		
	Salaries and Wages		
	Contribution to Provident and Other Funds		
	Gratuities		
	Staff Welfare Expenses		
		-	-
	NOTE NO. 23		
	FINANCE COSTS		
	Interest Expense		
	Other Borrowing Costs		
		-	-
	NOTE NO. 24		
	DEPRECIATION AND AMORTISATION EXPENSE		
	On Fixed Assets		
	On Loose Tools		
		-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

		Current Year 2022-23	Previous Year 2021-22
	NOTE NO. 25		
	OTHER EXPENSES		
	Commission Paid	-	-
	Delivery, Transport and Handling Charges	-	-
	Workshop Expenses	-	-
	Packing and Forwarding Charges	-	-
	Repairs and Maintenance of :	-	-
	-Buildings	-	-
	-Machineries	-	-
	-Vehicles	-	-
	-Sundries	-	-
	Staff Uniform Expenses	-	-
	Rent Paid	-	-
	Rates and Taxes	1,940.00	-
	Power and Fuel	-	-
	Water Charges	-	-
	Insurance Charges	-	-
	Security Service Charges	-	-
	Licence and Tender Fees	-	-
	Legal and Professional Charges	41,500.00	7,200.00
	Audit fee	20,000.00	20,000.00
	Pre -Operative Expenses Writtten off (3/10th)	48,337.00	48,337.00
	Bank Charges	2,360.00	
	Travelling and Conveyance	21,214.75	-
	Postage, Telegram and Telephones	-	-
	Discount Paid	-	-
	Printing and Stationery	1,570.00	-
	Subscription, Books and Periodicals	7,766.00	-
	Advertisement and Publicity	-	-
	Interest paid to others	21,191.00	-
	Miscellaneous Expenses	4,358.09	24,979.05
	Tender Charges /Caution Money	1,404.90	12,684.00
		1,71,641.74	1,13,200.05

	Current Year 2022-2023		Previous Year 2021-2022
NOTE NO. 26 **Current Tax**			
Income Tax for the Year	0.00		7,00,000.00
		-	7,00,000.00

SEKHAR & CO.

AMPOIL APAR LUBRICANTS PRIVATE LIMITED
DEPRECIATION (INCOME TAX) ON FIXED ASSETS DURING AY 2023-24 (FY 2022-23)

(PAISE OMITTED) In Rs.

ASSET BLOCK	WDV AS ON 01-04-2022	ADD ASSETS ACQUIRED 01-04-2022 TO 04-10-2023	LESS ASSETS SOLD DURING THE YEAR 2022-23	TOTAL	ADD ASSETS ACQUIRED 05-10-2021 TO 31-03-2023	FULL AGAINST COLUMN 5	HALF AGAINST COLUMN 6	TOTAL DEPRECIATION	CLOSING WDV AS ON 31-03-2023 (5+6-9)
1	2	3	4	5	6	7	8	9	10
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
BLOCK - I (10%)									
1. BUILDING				0	0	0	0	0	0
2. (a) FURNITURE&FIXTURES (10%)				0		0	0	0	0
(b) ELECTRICAL FITTINGS, FANS ETC (10%)				0		0	0	0	0
(Acquired on or after 01.04.2002)									
TOTAL - I	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
BLOCK - I (15%)									
3. PLANT & MACHINERY (15%)				0		0	0	0	0
4. PLANT & MACHINERY (80%)				0		0	0	0	0
5. PLANT & MACHINERY (100%)				0		0	0	0	0
6. MOTOR CARS (15%)				0		0	0	0	0
(Acquired on or after 01.04.1990)									
TOTAL - II	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
BLOCK - III (60%)									
7. E.D.P EQUIPMENT (HARDWARE) (60%)			0	0		0	0	0	0
8. E.D.P EQUIPMENT (SOFTWARE) (60%)			0	0		0	0	0	0
TOTAL - III	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
TOTAL - (I+II+III)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
LOOSE TOOLS (15%)		0	0	0		0	0	0	0
GRAND TOTAL	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

SEKHAR & CO.
Chartered Accountants

AMPOIL APAR LUBRICANTS PRIVATE LIMITED
ANNEXURE - 1

TRADE PAYABLES	2022-23					2021-22				
Particulars	Outstanding for following periods from due date of payment				Total	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME										
(ii) Others		2,05,079.08			2,05,079.08	20,45,125.00	311049.40			23,56,174.40
(iii) Disputed dues-MSME										
(iv) Disputed dues-Others										
Total	-	**2,05,079.08**	-	-	**2,05,079.08**	**20,45,125.00**	**3,11,049.40**	-	-	**23,56,174.40**

AMPOIL APAR LUBRICANTS PRIVATE LIMTED
ANNEXURE - 2

TRADE RECEIVABLE	2022-23						2021-22					
Particulars	Outstanding for following periods from due date of payment					Total	Outstanding for following periods from due date of payment					Total
	Less than 1 year	6m to 1 year	1-2 years	2-3 years	More than 3 years		Less than 6 months	6m to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivable-Considered good												
(ii) Undisputed Trade receivable-Considered Doubtful			1,68,168.16			1,68,168.16	38,66,013.50	6,05,654.15				44,71,667.66
(iii) Disputed Trade receivable-Considered good												
(iv)Disputed Trade receivable-Considered Doubtful												
Total	-	-	**1,68,168.16**	-	-	**1,68,168.16**				-		**44,71,667.66**

AMPOIL APAR LUBRICANTS PRIVATE LIMITED

NOTE No 27

Significant Accounting Polices:

BASIS OF ACCOUNTING

The Accounts are prepared under historical cost convention on accrual basis.

USE OF ESTIMATES

The Presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between the actual and estimates are recognized in the period in which the results are known / materialized.

REVENUE RECOGNITION

In view of the uncertainties, income / credits on account of claims, recovery towards marketing/sales promotion expenses and other support services are deemed to accrue and accounted for in the year in which the claims for such income/credits are finalized and accepted. However, if such claims are finalized and accepted after the year-end but before the finalization of accounts, the income/credits are accounted for in the year under finalization.

SALES INCOME

Sales Income is exclusive of GST/Value Added Tax/Service Tax wherever charged and is net of Returns, Rebates, Difference in Rates and trade Discounts.

EMPLOYEE BENEFITS

A. Short-term employee benefits

Short-term employee benefits consisting of wages and salaries are not applicable during the year.

B. Post employment benefits

Benefits in the nature of contribution to provident fund, employee state insurance scheme etc., are not applicable during the year.

FIXED ASSETS

There are no Fixed Assets of the company for the year ending 31.03.2023

DEPRECIATION/AMORTISATION

Since there are no Fixed Assets of the company, Depreciation on Fixed Assets not applicable.

CAPITAL WORK-IN-PROGRESS

There are no pending costs incurred for Fixed Assets, the acquisition/construction/installation of which are not completed.

VALUATION OF INVENTORIES

There is no Stock-in-Trade as on date of closing of Financial Year.

FOREIGN CURRENCY TRANSACTIONS

There is no Foreign Currency Transactions during the financial year.

BORROWING COSTS

There is no Borrowing costs which are directly attributable to the acquisition/construction/installation of qualifying fixed assets are capitalized as part of the cost of the assets.

TAXATION

a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.

b) Deferred tax assets and liabilities are recognized for timing differences between the accounting and taxable income, based on the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets, subject to the consideration of prudence, are recognized only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realized. At each Balance Sheet date the carrying amount of deferred tax assets is reviewed to reassure its realization.

NOTE No 28

Notes on Financial Statements

OTHER DISCLOSURES

1. Previous year's figures have also been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

2. Expenses in foreign currency in respect of:

i) Value of imports calculated on C.I.F basis by the company:

		As at 31.03.2023 (Rs in Lakhs)	As at 31.03.2022 (Rs in Lakhs)
a. Capital Goods	:	NIL	NIL
b. Stock-In-Trade	:	NIL	NIL
ii) Travel	:	NIL	NIL

3. Contingent Liabilities in respect of :	As at 31.03.2023 (Rs in Lakhs)	As at 31.03.2022 (Rs. in Lakhs)
(a) Claims against the Company not acknowledged as debts in respect of Customer/Supplier claims	NIL	NIL
(b) Guarantees given by the Company's Bankers on behalf of the Company	NIL	NIL
4. Estimated amount of Contracts to be executed on Capital account and not provided for	NIL	NIL

5. Balances of Trade Payables and Trade Receivables are subject to individual confirmation.

6. Loan Funds

There are no Loan Funds to meet the working capital requirements.

7. Leases:

The company has not entered into any lease agreements.

8. Related Party Disclosures:

A: List of parties where control exists:

Repayments/Dues to Directors / Shareholders:

S.No.	Related Party	Director / Share holder	(Repayments) Current Year (In Rs.)	(Dues) Previous Year (In Rs.)
01.	Rajiv M. Sanghvi	Director & Share holder	2,22,620	2,22,620
02.	PPS Motors Pvt Ltd	Share holder	7,93,707	7,93,707

B: Other parties with whom transactions have taken place: NIL

[i] Key Management Personnel : NIL

[ii] Enterprises – Key Management Personnel having significant influence (Other Related Parties): NIL

9. INFORMATION IN RESPECT OF OPENING STOCK, PURCHASE, SALES AND CLOSING STOCK

PARTICULARS	Opening Stock		Purchase		Sales		Closing Stock	
	Quantity in Nos.	Value in Lakhs	Quantity in Nos./BRL	Value in Lakhs	Quantity in Nos/BRL.	Value in Lakhs	Quantity in Nos.	Value in Lakhs
A) Oils & Lubricants B) Coolant	-	-	-	-	-	-	-	-
Total Rupees	-	-	-	-	-	-	-	-

10. Dues to Micro, Small and Medium Enterprises outstanding for more than 45 days as at Balance Sheet date

2022-23	:	NIL
2021-22	:	NIL

As per our report of even date attached

For SEKHAR & CO
Chartered Accountants
C. Amarnath

CA C. AMARNATH
Partner
M.No.021427

RAJIV M SANGHVI
Director

Kokila M. Sanghv.

KOKILA M SANGHVI
Director

Hyderabad,
Dated : 10/04/2023

SHARP & TANNAN LLP
Chartered Accountants

Firm's Registration No. 127145W / W100218

INDEPENDENT AUDITOR'S REPORT

To the Members of Apar Distribution & Logistics Private Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Apar Distribution & Logistics Private Limited ('the Company'), which comprise the balance sheet as at 31 March 2023, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information ('the financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, the profit, total comprehensive income, changes in equity, and its cash flows 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions 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.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the board's report including annexures thereto, 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 identified above 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 standalone financial statement 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 responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal 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 the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on other legal and regulatory requirements

1 As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the central government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A the statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 As required by section 143(3) of the Act, 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 (including other comprehensive income), statement of changes in equity and the statement of cash flows dealt with by this report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;

   (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

(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, we report that in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year; and

(h) With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

  i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer note 32 to the financial statements;

  ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – refer note 33 to the financial statements; and

  iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – refer note 34 to the financial statements.

  iv. (a) Management has represented to us 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) 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 entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

  (c) Based on 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-clauses (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

  v. The Company has not declared or paid dividend during the year.

vi. Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023 and accordingly, reporting under rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Sharp & Tannan LLP
Chartered Accountants
Firm's registration no.127145W/W100218

R. P. Acharya
Partner
Membership no. 039920
UDIN: 23039920BGUPST8935

Mumbai, 29 April 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of right-of-use assets;

(B) The Company does not hold any intangible assets;

(b) The Company has a program of verification to cover all the items of right-of-use assets which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

(c) The Company does not hold any immovable properties. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company;

(d) The Company has not revalued its right of use assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable to the Company; and

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(ii) (a) According to the information and explanations given to us, the Company does not have inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, no working capital facility has been sanctioned from banks or financial institutions during the year. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties. Accordingly, paragraphs 3(iii)(a), (b), (c), (d), (e) and (f) of the Order are not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to information and explanation given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the central government has not prescribed the maintenance of cost records under section 148(1) of the Act for any of the services rendered by the Company. Accordingly, reporting under paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, and cess have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, and cess were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no disputed statutory dues referred to in sub-clause (a) above which have not been deposited as at 31 March 2023.

(viii) According to the information and explanations given to us, and on the basis of our examination of records of the Company, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961).

(ix) a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings on in payment of interest thereon to any lender. Accordingly, paragraph 3(ix) (a) 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 audit procedures, we report that the Company has not been declared willful defaulter by any bank or other lender; and

(c) The Company has not taken any term loan during the year. Accordingly, paragraphs 3(ix) (c), (d), (e) & (f) of the Order are not applicable to the Company

(x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central government; and

(c) According to the information and explanations given to us, no complaints were received as part of the whistle blower mechanism during the year. Accordingly, paragraph 3(xi)(c) of the Order is not applicable to the Company.

(xii) In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the records of the Company examined by us and the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion, and based on our examination, the Company does not have an internal audit system, and is not required to have an internal audit system as per provisions of the Companies Act 2013; and

(b) According to the information and explanations given to us, as per section 138 of the Act, the Company is not required to conduct an internal audit. Accordingly, paragraph 3(xiv)(b) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company;

(c) According to the information and explanations given to us, the Company is not a Core Investment Company ('CIC') as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) and (d) of the Order is not applicable to the Company; and

(d) According to the information and explanations given to us, the Group does not have any CIC.

(xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash loss in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable to the Company;

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due;

(xx) There are no unspent amounts towards the corporate social responsibility as per provisions of section 135 of the Act. Accordingly, paragraphs 3(xx)(a) and (b) of the Order are not applicable to the Company;

(xxi) According to the information and explanations given to us, the Company is not required to prepare consolidated financial statements. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company.

For Sharp & Tannan LLP
Chartered Accountants
Firm's registration no.127145W/W100218

R. P. Acharya
Partner
Membership no. 039920
UDIN: 23039920BGUPST8935

Mumbai, 29 April 2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) of our report of even date)

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Apar Distribution & Logistics Private Limited ('the Company') as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls 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 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the ICAI.

For Sharp & Tannan LLP
Chartered Accountants
Firm's registration no.127145W/W100218

R. P. Acharya
Partner
Membership no. 039920
UDIN: 23039920BGUPST8935

Mumbai, 29 April 2023

Apar Distribution & Logistics Private Limited

Balance sheet as at March 31, 2023

	Note	As at March 31, 2023 ₹	As at March 31, 2022 ₹
<u>ASSETS</u>			
<u>Non-Current assets</u>			
Right of use assets	2	7,38,58,739	9,78,65,968
Financial assets			
Other financial assets	3	56,69,117	56,19,117
Other tax assets	4	43,38,134	25,07,775
Deferred tax assets (net)		25,28,968	17,08,760
Total Non Current assets		**8,63,94,958**	**10,77,01,620**
<u>Current assets</u>			
Financial assets			
Trade receivables	5	1,14,40,754	1,12,58,912
Cash and cash equivalents	6	2,76,70,358	53,78,371
Other current assets	7	-	2,83,674
Total Current assets		**3,91,11,112**	**1,69,20,957**
TOTAL ASSETS		**12,55,06,070**	**12,46,22,577**
<u>EQUITY AND LIABILITIES</u>			
<u>Equity</u>			
(a) Equity share capital	8	1,00,00,000	1,00,00,000
(b) Other equity	9 & 9A	2,43,39,680	52,30,656
Total Equity		**3,43,39,680**	**1,52,30,656**
Non Current liabilities			
Financial liabilities			
Lease liabilities	29	5,80,71,430	8,15,31,911
Other financial liabilities		-	-
Provisions	10	13,61,170	12,80,849
Total Non Current liabilities		**5,94,32,600**	**8,28,12,760**
<u>Current liabilities</u>			
Financial liabilities			
Lease liabilities	29	2,43,85,171	2,17,65,341
Trade and other payables	11	18,82,312	13,11,645
Other financial liabilities	12	12,85,507	21,24,755
Other current liabilities	13	40,91,486	13,00,140
Short term provisions	14	89,314	77,280
Total Current liabilities		**3,17,33,790**	**2,65,79,161**
Total Liabilities		**9,11,66,390**	**10,93,91,921**
TOTAL EQUITY AND LIABILITIES		**12,55,06,070**	**12,46,22,577**

Significant Accounting Policies	1
Notes forming part of financial statements	1-36

As per our report of even date attached
SHARP & TANNAN LLP
Chartered Accountants
Firm's Registration
No. 127145W/W100218
by the hand of

Raghunath P. Acharya
Partner
Membership No. 039920
Mumbai
April 29, 2023

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman
DIN 00008084
Mumbai,
April 29, 2023

Chaitanya N. Desai
Director
DIN : 00008091

Apar Distribution & Logistics Private Limited

Statement of profit and loss for the year ended March 31, 2023

Particulars	Note	2022-2023 ₹	2021-2022 ₹
Revenue			
Revenue from operations	15	8,74,22,618	6,55,88,049
II. Other income	16	-	3,52,908
I. Total Revenue		**8,74,22,618**	**6,59,40,957**
II. Expenses			
Operating expenses	17	2,00,15,954	1,70,05,250
Employee benefits expense	18	1,03,19,967	97,73,798
Finance costs	19	55,40,794	58,22,740
Depreciation and amortization expense	2	2,40,15,744	2,22,95,706
Other expenses	20	22,87,851	17,98,003
Total Expenses		**6,21,80,310**	**5,66,95,497**
III. Profit Before Tax		**2,52,42,308**	**92,45,460**
IV. Tax expense:			
1. Current Tax	21	(69,17,137)	(35,70,883)
2. Deferred Tax	21	8,20,208	12,28,861
		(60,96,928)	(23,42,022)
V. Net Profit for the year (III + IV)		**1,91,45,380**	**69,03,438**
VI.Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Items that will not be reclassified to profit or loss		(36,356)	(60,096)
Income tax relating to items that will not be reclassified to profit or loss		-	15,125
Items that will be reclassified to profit or loss			
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
VII. Total Comprehensive Loss for the period (V + VI) **(Comprising Profit (Loss) and Other Comprehensive Income for the period)**		**1,91,09,024**	**68,58,467**
VIII. Earnings per equity share	22		
Basic		19.15	6.90
Diluted		19.15	6.90
Significant Accounting Policies	1		

As per our report of even date attached
SHARP & TANNAN LLP
Chartered Accountants
Firm's Registration
No. 127145W/W100218
by the hand of

Raghunath P. Acharya
Partner
Membership No. 039920
Mumbai
April 29, 2023

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman
DIN : 00008084
Mumbai,
April 29, 2023

Chaitanya N. Desai
Director
DIN : 00008091

Apar Distribution & Logistics Private Limited

Statement of cash flows for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023 ₹	For the year ended March 31, 2022 ₹
Cash flow from operating activities		
Profit before tax	2,52,42,308	92,45,460
Adjustments for		
Amortisation of Right of use assets	2,40,15,744	2,22,95,706
Finance costs	55,40,794	58,22,740
Movement in working capital		
(Increase)/ Decrease in trade and other receivables	51,833	(1,19,50,338)
Increase/ (Decrease) in trade and other payables	5,70,667	(1,93,583)
(Decrease)/ Increase in other liabilities	33,08,237	26,11,160
Tax (paid) / refund	(87,47,496)	(56,99,419)
Net cash generated by / (used in) operating activities	**4,99,82,087**	**2,21,31,726**
Cash flow from investing activities		
Net cash generated by / (used in) investing activities	-	-
Cash flow from financing activities		
Payment of Lease liabilities	(2,76,90,100)	(2,41,68,624)
Proceeds from allotment of shares	-	-
Net cash (used in) / generated by financing activities	**(2,76,90,100)**	**(2,41,68,624)**
Net increase / (decrease) in cash and cash equivalents	2,22,91,987	(20,36,898)
Cash and cash equivalents at the beginning of the year	53,78,371	74,15,269
Cash and cash equivalents at the end of the year	**2,76,70,358**	**53,78,371**

Notes :

1) Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 Statement of Cash Flows.

As per our report of even date attached
SHARP & TANNAN LLP
Chartered Accountants
Firm's Registration
No. 127145W/W100218
by the hand of

Raghunath P. Acharya
Partner
Membership No. 039920
Mumbai
April 29, 2023

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman
DIN : 00008084
Mumbai,
April 29, 2023

Chaitanya N. Desai
Director
DIN : 00008091

1. General information

The Company was incorporated as Wholly owned Subsidiary of Apar Industries Limited on 2nd March, 2020 to carry out the business of distribution and logistics services. Apar Industries Limited holds 100% of the Equity Share Capital of the Company i.e. 10,00,000 Equity Shares of Rs. 10/- each. The registered office of the company is situated at at Apar House, Building no 5, Corporate Park, Sion-Trombay Road, Chembur, Mumbai - 400071, Maharashtra.

These financial statements are approved for issue by Board of Directors on 29th April, 2023

Note: 1 – Significant Accounting Policies

2. Basis of accounting

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with Section 133 of the Companies Act, 2013 ("the 2013 Act"), and the relevant provisions of the 2013 Act (to the extent notified) read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in accounting policy hitherto in use.

3. Functional and presentation currency

These financial statements are presented in Indian rupees (INR), which is the Company's functional currency. All amounts have been rounded off to the nearest rupee, unless otherwise indicated.

4. Key estimates and assumptions

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the (i) balance sheet and (ii) statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of tangible assets**

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- **Recognition of deferred tax assets**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

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

- **Fair value of financial instruments**

Derivatives and investments in mutual funds are carried at fair value. Derivatives includes Foreign Currency Forward Contracts, Commodity futures contracts and Interest Rate Swaps. Fair value of Foreign Currency Forward Contracts and commodity future contracts are determined using the fair value reports provided by merchant bankers and LME brokers respectively. Fair value of Interest Rate Swaps are determined with respect to current market rate of interest.

5 Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.
The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

6 Significant accounting policies followed by the company

A. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of profit and loss.

B. Revenue Recognition

i. Revenue from contract with customers for sale of goods and provision of services

The Company recognizes revenue from contracts with the customers based on five step model defined in Ind AS 115. The Company satisfies a performance obligation and recognizes revenue over time, if any of the conditions given in Ind AS 115 satisfies; else revenue is recognized at point in time at which the performance obligation is satisfied.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenues are recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue & costs, if applicable, can be measured reliably.

a. Performance Obligation The Company derives its revenue from rendering services in Distribution and Logistics.The Company is required to assess each of its contracts with customers to determine whether performance obligation are satisfied over time or at a point in time in order to determine the appropriate method for recognizing of revenue. The Company has assessed that based on the contracts entered into with the customers and the provisions of relevant laws and regulations, the Company recognizes the revenue over time only if it satisfies the criteria given in Ind AS 115. Where the criteria as per Ind AS 115 are not met, revenue is recognized at a point in time.

The Company satisfies its performance obligation when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer.

In cases where the Company determines that performance obligation is satisfied at a point in time, revenue is recognized when the control over the goods is transferred to the customer or benefits of the services being provided is received and consumed by the customer. The Company considers that the customer has obtained the control of promised goods or services; when the goods have been dispatched/delivered to the destination as per terms of the contract or services has been provided and consumed by the customer as per agreed terms and the Company has unconditional right to consideration.

In cases where the Company determines that performance obligation is satisfied over time, then revenue is recognised when the outcome of a transaction can be estimated reliably by reference to the stage of completion of the transaction (Input Method). The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

1. The amount of revenue can be measured reliably;
2. It is probable that the economic benefits associated with the transaction will flow to the company;
3. The stage of completion of the transaction at the end of the reporting period can be measured reliably; and
4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Stage of completion is determined by the proportion of actual costs incurred to-date, to the estimated total costs of the transaction.

The Company considers that the use of the input method, which requires revenue recognition on the basis of the company's efforts to the satisfaction of performance obligation, provides the best reference of revenue actually earned. In applying the input method, the Company estimates the efforts or inputs to the satisfaction of a performance obligation. In addition to the cost of meeting contractual obligation to the customers, these estimates mainly include;

a. For service contracts, the time elapsed

b. Transaction Price

The Company is required to determine the transaction price in respect of each of its contracts with customers.

Contract with customers for sale of goods or services are either on a fixed price or on variable price basis.

For allocating the transaction price, the Company measured the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Company also assesses the impact of any variable consideration in the contract, due to discounts or penalties, the existence of any significant financing component and any non-cash consideration in the contract.

In determining the impact of variable consideration if any, the Company uses the "most likely amount" method as per Ind AS 115 whereby the transaction price is determined by reference to the single most likely amount in a range of possible consideration amounts.

c. Contract Modification

Any changes in the scope or price of the contracts are accounted only when the same is approved. The accounting of modification calls for assessment of changes in the scope or prices. If the goods or services added are not of distinct nature then modification are accounted on a cumulative catch up basis, while those that are distinct are accounted prospectively, either as a separate contract, if additional goods or services are priced at the standalone selling prices or as a termination of the existing contract and creation of new contract if not priced at the standalone selling price.

ii. Interest income is accrued on a time basis, by reference to the principal outstanding and effective interest rate applicable.

iii. Dividend income is recognised when the right to receive the payment is established.

C. Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably

ii. Defined contribution plans

· Provident Fund Scheme

The Company makes specified monthly contributions towards employee provident fund directly to the Government under the Employees Provident Fund Act, 1952.

· Superannuation Scheme

The Company makes specified contributions to the superannuation fund administered by the Company and the return on investments is adequate to cover the commitments under the scheme. The Company's contribution paid/payable under the scheme is recognised as expense in the statement of profit and loss during the period in which the employee renders the related service.

iii. Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

· Gratuity Fund

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the Projected Unit Credit Method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Re-measurement of the net defined benefit/liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, if any (excluding interest), are recognised immediately in OCI. Net interest expense/(income) on the net defined liability/(assets) is computed by applying the discount rate, used to measure the net defined liability/(asset), to the net defined liability/(asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

Long-term Compensated Absences are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

D. Finance income and finance costs

The Company's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL
- exchange differences arising from monetary assets and liabilities

Interest income or expense is recognised using the effective interest rate method.

Share issue expenses are written off in the year in which it is incurred.

E. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if the Company:

a) has a legally enforceable right to set off the recognised amounts; and
b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

F. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is provided, pro rata to the period of use, based on useful lives specified in Schedule II to the Companies Act, 2013 except in the case where the estimated useful life based on management experience and technical evaluation differs.

Depreciation is charged on the Straight Line or the Written Down Value based on the method consistently followed by the Company.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Capital expenditure in respect of which ownership does not vest with the Company is amortized over a period of five years. Leasehold land is amortised over the period of lease.

G. Intangible Assets

Intangible assets which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.

H. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

I. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, Commodity future Contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

J. Financial assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. Financial liabilities

Classification

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

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Provisions and contingent liabilities

Provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

K. Leases

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

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the Company's incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the

carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.
The Company has elected not to apply the requirements of Ind AS 116 Leases to;

1. Short-term leases of all assets that have a lease term of 12 months or less, and
2. Leases for which the underlying asset is of low value.

The lease payments associated with above 2 types of leases are recognized as an expense on a straight-line basis over the lease term.

L. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.
The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.
When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

M. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company cash management.

N. Earnings per share

Basic Earnings per share is calculated by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

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CHARTERED ACCOUNTANTS

Apar Distribution & Logistics Private Limited

Statement of changes in equity

(a) Equity share capital	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	₹	No. of Shares	₹
Balance at the beginning of the reporting period Balance	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Changes in Equity Share Capital due to prior period errors				
Restated balance at the beginning of the current reporting period	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	10,00,000	1,00,00,000	10,00,000	1,00,00,000

₹

	As at March 31, 2023			As at March 31, 2022		
(b) Other equity	Retained earnings - Surplus	Other items of OCI	Total	Retained earnings - Surplus	Other items of OCI	Total
Opening Balance	52,75,627	(44,971)	52,30,656	(16,27,811)	-	(16,27,811)
Profit for the year	1,91,45,380	-	1,91,45,380	69,03,438	-	69,03,438
Other comprehensive income for the year	-	(36,356)	(36,356)	-	(44,971)	(44,971)
Total comprehensive loss for the year	1,91,45,380	(36,356)	1,91,09,024	69,03,438	(44,971)	68,58,467
Transactions with the owners of the Company	-	-	-	-	-	-
Closing Balance	2,44,21,007	(81,327)	2,43,39,680	52,75,627	(44,971)	52,30,656

As per our report of even date attached
SHARP & TANNAN LLP
Chartered Accountants
Firm's Registration
No. 127145W/W100218
by the hand of

Raghunath P. Acharya
Partner
Membership No. 039920
Mumbai
April 29, 2023

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman
DIN : 00008084
Mumbai,
April 29, 2023

Chaitanya N. Desai
Director
DIN : 00008091

Apar Distribution & Logistics Private Limited

Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 2: Right of Use Assets

Amount in ₹

	Gross block				Depreciation				Net block	
	As at 01-04-2022	Additions	Deductions	As at 31-03-2023	Upto 31-03-2022	For the year	Adjustments	Upto 31-03-2023	As at 31-03-2023	As at 31-03-2022
Righ of use Assets	12,32,95,988	3,13,225	(3,87,367)	12,32,21,846	2,54,30,020	2,40,15,744	(82,657)	4,93,63,107	**7,38,58,739**	**9,78,65,968**
Grand Total	12,32,95,988	3,13,225	(3,87,367)	12,32,21,846	2,54,30,020	2,40,15,744	(82,657)	4,93,63,107	7,38,58,739	9,78,65,968

	Gross block				Depreciation				Net block	
	As at 01-04-2021	Additions	Deductions	As at 31-03-2022	Upto 31-03-2021	For the year	Adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Righ of use Assets	6,26,86,286	6,06,09,702		12,32,95,988	31,34,314	2,22,95,706		2,54,30,020	9,78,65,968	5,95,51,972
Grand Total	6,26,86,286	6,06,09,702	-	12,32,95,988	31,34,314	2,22,95,706	-	2,54,30,020	9,78,65,968	5,95,51,972

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Note 3 Other Finacial Assets - Non Current	31 March 2023	31 March 2022 ₹
Unsecured, considered good		
Security deposits	56,69,117	56,19,117
	56,69,117	**56,19,117**

Note 4 Other Tax Assets	31 March 2023 ₹	31 March 2022 ₹
Advance Income tax (net of Provision)	43,38,134	25,07,775
	43,38,134	**25,07,775**

Note 5 Trade Receivable	31 March 2023 ₹	31 March 2022 ₹
Un-Secured		
Considered good (refer notes below)	1,14,40,754	1,12,58,912
	1,14,40,754	**1,12,58,912**

Note I - Overdue amount Rs. Nil for current year (Rs. Nil for previous year)

Note II - Due from holding company	31 March 2023 ₹	31 March 2022 ₹
Due from Holding Company - Apar Industries Limited	96,72,858	1,12,58,912
Due from other parties - Minda corp	17,67,896	-

As at March 31, 2023	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) Undisputed trade receivables - considered good	1,14,40,754	-	-	-	-	1,14,40,754
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade receivables - Credit Impaired	-	-	-	-	-	-
iv) Disputed trade receivables - considered good	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	-	-	-	-
Total	1,14,40,754	-	-	-	-	1,14,40,754

As at March 31, 2022	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) Undisputed trade receivables - considered good	1,12,58,912	-	-	-	-	1,12,58,912
ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade receivables - Credit Impaired	-	-	-	-	-	-
iv) Disputed trade receivables - considered good	-	-	-	-	-	-
v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade receivables - Credit Impaired	-	-	-	-	-	-
Total	1,12,58,912	-	-	-	-	1,12,58,912

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Apar Distribution & Logistics Private Limited

Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 6 Cash and cash equivalents	31 March 2023 ₹	31 March 2022 ₹
On current accounts	2,76,70,358	53,78,371
Cash on hand	-	-
Cheques on hand	-	-
	2,76,70,358	53,78,371

Note 7 - Other Current Assets	31 March 2023 ₹	31 March 2022 ₹
Balances with statutory/government authorities	-	2,83,674
	-	2,83,674

	Note 8 Equity share capital	31 March 2023	31 March 2022
a	Authorised :		
	10,00,000 Equity shares of ₹ 10 each (previous year 10,00,000 Equity shares of ₹ 10 each)	1,00,00,000	1,00,00,000
	TOTAL	1,00,00,000	1,00,00,000
b	Issued :		
	10,00,000 Equity shares of ₹ 10 each (previous year 10,00,000 Equity shares of ₹ 10 each)	1,00,00,000	1,00,00,000
	TOTAL	1,00,00,000	1,00,00,000
c	Subscribed and Paid up :		
	10,00,000 Equity shares of ₹ 10 each (previous year 10,00,000 Equity shares of ₹ 10 each)	1,00,00,000	1,00,00,000
		1,00,00,000	1,00,00,000

d	Reconciliation of number of shares outstanding at the beginning and end of the year :	31 March 2023	31 March 2022
	Outstanding at the beginning of the year	10,00,000	10,00,000
	Issued during the year	-	-
	Outstanding at the end of the year	10,00,000	10,00,000

e Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

f	**Shareholders holding more than 5% shares in the company is set out below:**	31 March 2023		31 March 2022	
		No of shares	%	No of shares	%
	Apar Industries Limited	9,99,999	100%	9,99,999	100%

g Shares Reserved for issue under options

There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

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Note 9 Other Equity	31 March 2023 ₹	31 March 2022 ₹
Retained earnings - Surplus / (Deficit)		
As per Last Balance Sheet	52,75,627	(16,27,811)
Increase/(Decrease) during the year	1,91,45,380	69,03,438
Closing Balance	**2,44,21,007**	**52,75,627**

Note 9A Other Reserve	31 March 2023 ₹	31 March 2022 ₹
Other items of Other comprehensive income	(81,327)	(44,971)
	(81,327)	**(44,971)**

	31 March 2023 ₹	31 March 2022 ₹
OCI		
As per Last Balance Sheet	-	-
Increase/(Decrease) during the year	(81,327)	(44,971)
Closing Balance	**(81,327)**	**(44,971)**

Nature and purpose of reserves

i. **General reserve**

General reserve forms part of the retained earnings and is permitted to be distributed to shareholders as part of dividend.

Note 10 Long term provisions	31 March 2023 ₹	31 March 2022 ₹
Provision for leave benefits (Refer Note 23)	7,27,583	5,93,595
Provision for gratuity- In respect of other employees (Refer Note 23)	6,33,587	6,87,254
	13,61,170	12,80,849

Note 11 Trade and other payables	31 March 2023 ₹	31 March 2022 ₹
Due to Micro, Small and Medium Enterprises	-	-
Due to other than micro and small and medium enterprises (refer notes below)	18,82,312	13,11,645
Total	18,82,312	13,11,645

Note I - Overdue amount Rs. Nil for current year (Rs. Nil for previous year)

Note II - There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

As at March 31, 2023	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
ii) Others	18,82,312	-	-	-	18,82,312
iii) Disputed dues - MSME	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-
Total	18,82,312	-	-	-	18,82,312

As at March 31, 2022	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i) MSME	-	-	-	-	-
ii) Others	13,11,645	-	-	-	13,11,645
iii) Disputed dues - MSME	-	-	-	-	-
iii) Disputed dues - Others	-	-	-	-	-
Total	13,11,645	-	-	-	13,11,645

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Note 12 Other financial liabilities	31 March 2023 ₹	31 March 2022 ₹
Short term advances (refer note below)	12,85,507	21,24,755
Total	**12,85,507**	**21,24,755**

Note - Payable to Holding Company	31 March 2023 ₹	31 March 2022 ₹
Short term advance from Apar Industries Limited	12,85,507	21,24,755

Note 13 Other current liabilities	31 March 2023 ₹	31 March 2022 ₹
Statutory dues towards government	28,39,955	4,30,678
Provision for other expenses	12,51,531	8,69,462
Total	**40,91,486**	**13,00,140**

Note 14 Provisions - current	31 March 2023 ₹	31 March 2022 ₹
Provision for leave benefits (Refer Note 23)	73,532	59,304
Provision for Gratuity (Refer Note 23)	15,782	17,976
Total	**89,314**	**77,280**

Note 15 Revenue from Operations	FY2023 ₹	FY2022 ₹
Service Charges recovered	8,74,22,618	6,55,88,049
Total	**8,74,22,618**	**6,55,88,049**

Disclosure under IND AS 115

		FY2023 ₹	FY2022 ₹
i.	Revenue from contracts with customers		
	Revenue recognised at point in time	8,74,22,618	6,55,88,049
	Total revenue from contracts with customers	8,74,22,618	6,55,88,049

		FY2023 ₹	FY2022 ₹
ii.	**Sales by performance obligation**		
	Upon providing of services	8,74,22,618	6,55,88,049
		8,74,22,618	6,55,88,049

		FY2023 ₹	FY2022 ₹
iii	**Contract balances**		
	Unbilled revenue		
	Opening Balance as at April 1	1,12,58,912	2,18,954
	Add: Addition during the year	1,14,40,753	1,12,58,912
		2,26,99,665	1,14,77,866
	Less: Trasferred to receivable	1,12,58,912	2,18,954
	Closing balance	**1,14,40,753**	**1,12,58,912**

iv Remaining performance obligations

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are having performance obligations, which are a part of the contracts that has an original expected duration of one year or less.Hence, the company has applied practical expedient as per para 121 of the Ind As 115 in regards to remaining performance obligations.

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Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 16 Other Income	FY2023 ₹	FY2022 ₹
Excess Provision for expenses written back	-	3,52,908
Total	-	**3,52,908**

Note 17 Operatinge expenses	FY2023 ₹	FY2022 ₹
Loading & unloading charges	1,51,56,357	1,36,37,244
Electricity and water charges	19,04,507	12,73,618
Other operating charges	29,55,090	20,94,388
Total	2,00,15,954	1,70,05,250

Note 18 **Employee benefit expenses**	FY2023 ₹	FY2022 ₹
Salaries, wages and bonus	91,55,863	86,15,784
Contribution to provident and other funds	7,78,214	4,17,388
Gratuity Expenses	2,18,609	6,45,134
Workmen and staff welfare expenses	1,67,281	95,492
Total	**1,03,19,967**	**97,73,798**

Note 19 Finance costs	FY2023 ₹	FY2022 ₹
Interest on lease contracts	55,40,794	58,22,740
Total	55,40,794	58,22,740

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Apar Distribution & Logistics Private Limited

Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 20 Other expenses	FY2023 ₹	FY2022 ₹
Bank charges	1,10,810	10,793
Publicity and advertisement	-	1,76,680
Rates and taxes	62,900	17,075
Conveyance	1,21,551	23,967
Brokerage	8,500	1,80,000
Printing and stationery	3,16,601	2,55,367
Books, periodicals and subscription	-	7,036
Vehicle running expenses	52,853	67,765
Security charges	12,36,605	8,98,621
Miscellaneous administrative expenses	1,21,531	32,699
Legal and professional fees	81,500	(47,000)
Auditor Remuneration	1,75,000	1,75,000
	22,87,851	17,98,003

Auditors' remuneration details	FY2023 ₹	FY2022 ₹
Auditor remuneration for		
Audit	1,00,000	1,00,000
Limited review	75,000	75,000
Reimbursement of expenses	-	-
	1,75,000	1,75,000

Details of corporate social responsibility expenditure*	FY2023 ₹	FY2022 ₹
i) Amount required to be spent by the Company during the year	-	-
ii) Amount spent during the year (in cash)	-	-
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (i) above (refer note below)	-	-
iii) Details of contribution made to related parties	-	-
iv) Provision made for corporate social responsibility expenditure	-	-
v) Shortfall at the end of the year	-	-
vi) Total previous year shortfall	-	-
vii) Reason for shortfall	-	-
viii) Nature of CSR activities	-	-

* The Company is not falling under the eligibility criteria given for spending of corporate social responsibility expenditure as given under the Companies Act, 2013

Note 21 Tax expense	FY2023 ₹	FY2022 ₹
Current tax	(69,17,137)	(35,70,883)
Deferred tax	8,20,208	12,28,861
Total	(60,96,928)	(23,42,022)

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Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 22 Earnings per share

A. Basic earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average

i. Profit attributable to ordinary shareholders (basic)	March 31, 2023 ₹	March 31, 2022 ₹
Profit (loss) for the year, attributable to the owners of the Company	1,91,45,380	69,03,438
Income/(Expense) recognized in Securities premium/other reserves		
Profit (loss) for the year, attributable to ordinary shareholders	**1,91,45,380**	**69,03,438**

ii. Weighted average number of ordinary shares (basic)	March 31, 2023	March 31, 2022
Issued ordinary shares - Issued in FY 2020	10,00,000	10,00,000
Issued ordinary shares - Issued on Feb 22, 2021	-	
Weighted average number of shares at March 31	**10,00,000**	**10,00,000**

Basic EPS (₹)	19.15	6.90
Face value per Share (₹)	10.00	10.00

B. Diluted earnings per share

There are no dilutive instruments as at 31/03/2023 and 31/03/2022, hence diluted earnings per share is same as basic earnings per share.

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Notes To The Financial Statement as at and for the Year Ended March 31, 2023
Note 23 Employee benefits

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Company recognised ₹ 218609 (previous year ₹ 654135) for other retirement benefit contributions in the Statement of Profit and Loss.

The Company recognised ₹ 778214(previous year ₹ 417388) for provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

The Employees' Gratuity Fund Scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit seperately to build up the final obligation.

The obligation for leave encashment is recognised in the same manner as gratuity. The Company provides for leave encashment liabiltiy as per the acturial valuation carried out as at March 31, 2023. The Company has recognised ₹ 801115 (previous year ₹ 652900) for leave encashment liability in the Statement of Profit and Loss.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2023. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Movement in net defined benefit (asset) liability

₹

Particulars	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
Table showing change in benefit obligation		
Defined benefit obligation at beginning of the year	7,05,230	-
a) Included in statement of profit and loss		
Current service cost	1,66,775	78,277
Interest cost	51,834	38,811
Liability Transferred In/ Acquisitions	-	5,28,046
	2,18,609	6,45,134

Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 23 Employee benefits

b) Included in OCI		
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions		-
Financial assumptions	(14,323)	-
Experience adjustment	50,679	60,096
	36,356	60,096
c) Other		
Benefits paid	(3,10,826)	-
Defined Benefit obligation at end of the year	6,49,369	7,05,230

		₹
Table showing change in Fair Value of Plan Assets	March 31, 2023	March 31, 2022
	Gratuity	Gratuity
Fair value of plan assets at beginning of the year	-	-
Interest income	-	-
Return on plan assets, excluding interest income	-	-
Employer Contribution	-	-
Benefit paid	-	-
Fair value of plan assets at year end	-	-
Actual return on plan assets	-	-
Expected contribution for next year	-	-

Defined benefit obligations

i) Actuarial assumptions

In arriving at the valuation for gratuity & leave benefit following assumptions were used:

Particulars	March 31, 2023	March 31, 2022
	Indian Assured Lives Mortality	Indian Assured Lives Mortality
Mortality Table (LIC)	2012-14 (Urban)	2012-14 (Urban)
Retirement Age	60	60
Employee Turnover rate	2.00%	2.00%
Discount Rate	7.50%	7.35%
Expected rate of return on plan assets (per annum)	NA	NA
Rate of escalation in salary (per annum)	5.80%	5.80%

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APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED

Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 23 Employee benefits

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	March 31, 2023		March 31, 2022	₹
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(85,636)	1,03,928	(85,342.00)	1,01,860.00
Future salary growth (1% movement)	1,04,680	(87,634)	1,02,433.00	(87,240.00)
Employee Turnover (1% movement)	13,184	(15,736)	13,717.00	(15,710.00)

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

		₹
Net asset / (liability) recognised in the balance sheet as at	March 31, 2023 Gratuity	March 31, 2022 Gratuity
Fair value of plan assets	-	-
Present value of obligation	6,49,369.00	7,05,230.00
Amount recognised in balance sheet	6,49,369.00	7,05,230.00

		₹
Expense recognised during the year	March 31, 2023 Gratuity	March 31, 2022 Gratuity
Included in statement of profit and Loss		
Current service cost	1,66,775	78,277
Interest cost	51,834	38,811
Net actuarial (gain) / loss		
Return on plan assets,excluding acturial gain or loss	-	-
Included in OCI		
Re-measurement or Actuarial (gain) / loss arising from:		
Demographic assumptions	-	-
Financial assumptions	(14,323)	-
Experience adjustment	36,356	60,096
Return on plan assets, excluding interest income	-	-
Net Cost	**2,40,642**	**1,77,184**

Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 23 Employee benefits

		₹
Maturity analysis of the benefit payments: from the fund	March 31, 2023 Gratuity	March 31, 2022 Gratuity
Projected benefits payable in future years from the date of reporting		
1st following year	15,782	17,976
2nd following year	16,465	20,017
3rd following year	17,189	20,907
4th following year	18,211	21,851
5th following year	21,978	23,090
From 6 to 10 years	1,25,602	1,32,604
From 11 years and above	21,44,074	19,68,201

		₹
Category of Plan Assets	March 31, 2023	March 31, 2022
Insurance Funds	-	-
Mutual Funds	-	-
Cash And Cash Equivalents	-	-
Fair value of plan assets	-	-

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Apar Distribution & Logistics Private Limited
Notes To The Financial Statement as at and for the Year Ended March 31, 2023
Note 24 Financial instruments – Fair values and risk management Disclosure

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹

		Carrying amount					Fair value			
March 31, 2023	**Note No.**	**Fair value-hedging instruments**	**FVTPL**	**FVTOCI**	**Amortized Cost**	**Total**	**Level 1 - Quoted price in active markets**	**Level 2 - Significant observable inputs**	**Level 3 - Significant unobservable inputs**	**Total**
Financial assets										
Trade Receivables										-
- Current	5				1,14,40,754	1,14,40,754				
Cash and Cash Equivalents	6				2,76,70,358	2,76,70,358				-
Other financial assets										
- Non-current	3				56,69,117	56,69,117				-
Total financial assets		-	-	-	4,47,80,229	4,47,80,229	-	-	-	-
						-				
Financial liabilities										
Lease liabilies						-				
- Non-current	29				5,80,71,430	5,80,71,430				
- Current	29				2,43,85,171	2,43,85,171				
Other financial liabilities										
- Non-current	0				-	-				-
- Current	12				12,85,507	12,85,507				-
Trade Payables	11				18,82,312	18,82,312				-
Total financial liabilities		-	-	-	8,56,24,420	8,56,24,420	-	-	-	-

₹

	Notes	Carrying amount					Fair value			
March 31, 2022		**Fair value-hedging instruments**	**FVTPL**	**FVTOCI**	**Amortized Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets										
Trade Receivables						-				-
- Current	5				1,12,58,912	1,12,58,912				
Cash and Cash Equivalents	6				53,78,371	53,78,371				-
Other financial assets										
- Non-current	3				56,19,117	56,19,117				-
- Current						-				-
Total financial assets		-	-	-	2,22,56,400	2,22,56,400	-	-	-	-
Financial liabilities										
Leases										
- Non-current	29				8,15,31,911	8,15,31,911				
- Current	29				2,17,65,341	2,17,65,341				
Other financial liabilities										
- Non-current	0				-	-				
- Current	12				21,24,755	21,24,755				
Trade Payables	11				13,11,645	13,11,645				
Total financial liabilities		-	-	-	10,67,33,652	10,67,33,652	-	-	-	-

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Notes To The Financial Statement as at and for the Year Ended March 31, 2023
Note 24 Financial instruments – Fair values and risk management Disclosure
B. Measurement of fair values

Valuation techniques and significant observable inputs

The fair value for financial instruments such as trade receivables, cash and cash equivalents, trade payables etc have not been disclosed because the carrrying values approximate the fair value.

Refer note 1.5 for different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED

Apar Distribution & Logistics Private Limited

Notes To The Financial Statement as at and for the Year Ended March 31, 2023

Note 25 Financial instruments – Fair values and risk management Liquidity Risk

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

				Contractual cash flows		₹ crore
March 31, 2023	Carrying amount	Total	1 year or less	1-2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Trade and other payables	18,82,312	18,82,312	18,82,312	-	-	-
Other financial liabilities	12,85,507	12,85,507	12,85,507	-	-	-
Lease liabiliies	8,24,56,601	8,24,56,601	2,43,85,171	2,73,27,003	3,07,44,428	

				Contractual cash flows		₹ crore
March 31, 2022	Carrying amount	Total	1 year or less	1-2 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Trade and other payables	13,11,645	13,11,645	13,11,645	-	-	-
Other financial liabilities	21,24,755	21,24,755	21,24,755	-	-	-
Lease liabiliies	10,32,97,252	10,32,97,252	2,17,65,341	2,44,37,214	5,70,94,697	

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity.

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Note 26 Related party relationships, transactions and balances

A. List of Related Parties

a). Holding Company - Apar Industries Limited

B. Related Party Transactions

Sr No.	Transactions	March 31, 2023 ₹	March 31, 2022 ₹
1	Sale of services	8,59,24,402	6,55,88,049
2	Purchase of services	-	-
3	Reimbursement of Expenses	-	36,21,891
4	Subscription to issue of Equity shares	-	-
5	Balance outstanding as on		
	a) Receivable from holding company for supply of services	96,72,858	1,12,58,912
	b) Payable to holding company for supply of services	-	-
	c) Short term advances payable	12,85,507	21,24,755

Note 27 Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) Major components of tax expense/(income):

Particulars	March 31, 2023 ₹	March 31, 2022 ₹
Statement of Profit and Loss:		
a. Profit and Loss section:		
(i) Current tax :		
Current tax expense for the year	(69,17,137)	(35,70,883)
(ii) Deferred Tax:		
Tax expense on origination and reversal of temporary differences	8,20,208	12,28,861
Income tax expense reported in the statement of profit or loss	(60,96,929)	(23,42,022)
b. Other Comprehensive Income (OCI) Section:		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit liability (asset)	-	15,125
Income tax expenses reported in the other comprehensive income [i]	-	15,125

(b) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate:

Particulars	March 31, 2023 ₹	March 31, 2022 ₹
Profit before tax (a)	2,52,42,308	92,45,460
Corporate tax rate as per Income tax Act, 1961 (b)	25.168%	25.168%
Tax on accounting profit (c)=(a)*(b)	(63,52,984)	(23,26,897)
Add: Items disallowed under Tax laws (d)		
Share capital expenses		(15,125)
Lease related expenses	-	-
Employee benefits provision	-	-
Others	2,56,056	-
Tax income recognised during the year (e) = (c) + (d)	(60,96,928)	(23,42,022)

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Note 28 Deferred Tax Assets / (Liabilities)

Movement in deferred tax balances

Particulars	Net balance April 1, 2022 ₹	Recognised in profit or loss ₹	Recognised in OCI ₹	Net ₹	Deferred tax Asset / (Liability) ₹
Lease Expenses	17,08,760	7,96,965	-	25,05,725	25,05,725
Taxable Loss	-	-	-	-	-
Employee benefit provisions	-	-	23,244	23,244	23,244
Net tax assets (liabilities)	17,08,760	7,96,965	23,244	25,28,969	25,28,969

Particulars	Net balance April 1, 2022 ₹	Recognised in profit or loss ₹	Recognised in OCI ₹	Net ₹	Deferred tax Asset / (Liability) ₹
Lease Expenses	3,72,855	9,94,091	-	13,66,946	13,66,946
Taxable Loss	91,919	(91,919)	-	-	-
Employee benefit provisions		3,26,689	15,125	3,41,814	3,41,814
Net tax assets (liabilities)	4,64,774	12,28,860	15,124	17,08,759	17,08,760

Note 29 Disclosure pursuant to Ind As 116 - Leases

Particulars	March 31, 2023 ₹	March 31, 2022 ₹
Interest expenses on Lease liabilities	55,40,794	58,22,740
Expenses relating to Short term leases & low value assets leases	-	-
Lease Liability Non current	5,80,71,430	8,15,31,911
Lease Liability Current	2,43,85,171	2,17,65,341
Total cash outflows of lease payments	2,76,90,100	2,41,68,624

The Company has applied paragraph 6 of IND AS 116; for accounting of Short term leases having lease period of less than 12 months & leases for which the underlying asset if of low value.

Lease payments associated with these leases are accounted either on straight line basis over the lease term or another systematic basis which is more representative of the lease payment pattern.

Note 30 Segment Reporting

The company has only one reportable primary segment - provision of logistic and distribution related services.

The chief operational decision maker monitors the operating results of its primary segment for the purpose of making decisions about resource allocation and performance assessment.

Note 31 Contingent liabilities and Commitments

There was no contingent liabilties or capital commitments outstanding as on the reporting date.

Note 32 Foreseeable Losses

The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

Note 33 Amount to Investor Education and Protection Fund

There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

Note 34 Additional disclosure

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the period/year.

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

vii)The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

viii)The Company has not borrowed any funds from Banks or financial institutions during the reporting period

SHARP & TANNAN LLP
MUMBAI
CHARTERED ACCOUNTANTS

Note 35 Ratios

Particulars	March 31, 2023	March 31, 2022	Variances%	Remarks	Ratio Methodology
Current Ratio	1.23	0.64	93.6%	NA	Current Assets Current Liabilities
Debt - Equity Ratio	NA	NA	-	NA	Long Term borrowing + short term borrowing Total equity
Debt service coverage ratio	NA	NA	-	NA	Interest on borrowings Long term borrowing + short term borrowing
Return on Equity ratio	77%	58%	32.1%		Profit after tax Total average equity
Inventory Turnover ratio	NA	NA	-	NA	Cost of material consumed + changes in inventories + purchase of stock in trade Average Inventory
Trade receivable turnover ratio	1.32	70.68	-98.1%	The company has received customers dues in shorter credit period. Further the Company has started to generate revenue by stabilising its operation during reporting period.	Revenue from operations Average Trade receivables
Trade payable turnover ratio	NA	NA	-	NA	Total purchases Average Trade payables
Net capital turnover ratio	(76.66)	(9.00)	751.7%	The operations of the company was stabilised during the FY2022.	Revenue from operations Average Working Capital
Net profit margin	22%	10%	109.2%	The operations of the company was stabilised during the FY2022.	Profit after tax X 100 Total Income
Return on Capital employed	124%	1.08	15.2%	The operations of the company was stabilised during the FY2022.	Profit before interest and tax X 100 Total equity + Long Term Borrowings
Return on investment	NA	NA	-	NA	

Note 36

Figures for previous periods / year have been regrouped, wherever necessary.

As per our report of even date attached
SHARP & TANNAN LLP
Chartered Accountants
Firm's Registration
No. 127145W/W100218
by the hand of

Raghunath P. Acharya
Partner
Membership No. 039920
Mumbai
April 29, 2023

For and on behalf of the Board of Directors

Kushal N. Desai
Chairman
DIN : 00008084
Mumbai,
April 29, 2022

Chaitanya N. Desai
Director
DIN : 00008091

PETROLEUM SPECIALITIES FZE
HAMRIYAH, SHARJAH –
UNITED ARAB EMIRATES.
Financial Statements and Independent
Auditors Report
for the year ended March 31, 2023

APAR
Tomorrow's solutions today
PETROLEUM SPECIALITIES FZE

NOTICE

NOTICE is hereby given that the **9th Annual General Meeting (AGM)** of the Shareholders of **Petroleum Specialities FZE** will be held on **Tuesday, May 23, 2023 at 4.00 P.M.** at the Registered Office of the Company at Plot No. 1C-02D1, Hamriyah Free Zone, Sharjah, United Arab Emirates to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements comprising Statement of Financial Position (Balance Sheet) as at March 31, 2023, Statement of Comprehensive Income (Profit & Loss Account) for the financial year ended on that date together with Reports of Directors and Auditors thereon.

2. To appoint Statutory Auditors of the Company and to fix their remuneration.

Registered Office:
Plot No. 1C-02D1,
Hamriyah Free Zone,
Sharjah,
United Arab Emirates

By Order of the Board

Kushal N. Desai
(Chairman)

Place : Sharjah, UAE
Date : April 22, 2023

PETROLEUM SPECIALITIES FZE

SHARJAH, UAE

FINANCIAL STATEMENTS AS ON MARCH 31, 2023

INDEX

Directors' Report

The Directors submit their report together with the audited financial statements of Petroleum Specialties FZE ("the Establishment") for the year ended March 31, 2023.

Principal activities

The principal activities of the Establishment are unchanged since the previous year and consist of manufacturing and marketing of petroleum-based specialty products, all kinds of oils, lubricants and chemicals.

Financial results

The results of the Establishment for the year ended March 31, 2023 are set out in the accompanying financial statements.

Directors

The Board of Directors comprised of:

Rishabh Kushal Desai
Kushal Narendra Desai
Sai Sudhakar Gajjala

Auditors

The financial statements for the year ended March 31, 2023 have been audited by CNK Hussain Alsayegh Chartered Accountants, Dubai, United Arab Emirates, who is appointed in the Annual General Meeting.

These financial statements were approved by the Board and signed on April 22, 2023.

P.O.Box: 42180
Hamriyah Free Zone
Sharjah - U.A.E.

Rishabh Kushal Desai

Kushal Narendra Desai

Independent Auditor's Report
To the shareholders of PETROLEUM SPECIALITIES FZE, HAMRIYAH - SHARJAH

Report on the audit of financial statements

Opinion

We have audited the accompanying financial statements of Petroleum Specialties FZE ("the Company"), which comprise the statement of financial position as at **March 31, 2023**, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements and a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Petroleum Specialties FZE, Dubai as at **March 31, 2023** and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the other ethical requirements that are relevant to our audit of the company's financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements, in accordance with International Financial Reporting Standards and in compliance with the applicable provisions of the Company's Memorandum and Articles of Association and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report
To the shareholders of PETROLEUM SPECIALITIES FZE, HAMRIYAH - SHARJAH

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

Independent Auditor's Report
To the shareholders of PETROLEUM SPECIALITIES FZE, HAMRIYAH - SHARJAH

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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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.

Independent Auditor's Report
To the shareholders of PETROLEUM SPECIALITIES FZE, HAMRIYAH - SHARJAH

Report on other legal and regulatory requirements

Further, we report that:

- We have obtained all the information we considered necessary for the purpose of audit.
- The financial statements have been prepared and comply, in all material respects, with the International Financial Reporting Standards (IFRS);
- The Company has maintained proper books of accounts.
- Note 13 reflects material related party transactions and the terms under which they are conducted.
- Based on the information that has been made available to us nothing has come to our attention which causes us to believe that the Company has contravened, during the financial year ended March 31, 2023, any of the applicable provisions of its Memorandum and Articles of Association which would materially affect its activities or its financial position as at March 31, 2023.
- No social contributions were made during the year.

For and on behalf of
CNK HUSSAIN ALSAYEGH
Chartered Accountants

P.O. Box: 454442
DUBAI - U.A.E.

Akshay Thomas Sam
Registration No.: 1313
APRIL 22, 2023
Dubai, UAE

PETROLEUM SPECIALITIES FZE
SHARJAH, UAE

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2023
(Amount in United States Dollars)

ASSETS	Note	2022-23	2021-22
Non-Current Assets			
Property, plant and equipment	4	13,374,388	13,202,771
Right of use assets	3.16	4,870,277	5,161,040
Advance for capital assets	5	211,670	855,818
Capital work-in-progress	6	-	175,989
Total Non-Current Assets		**18,456,335**	**19,395,618**
Current assets			
Inventories	7	13,982,184	19,734,136
Deposits, prepayment and advances	8	604,979	777,713
Trade and Other Receivables	9	25,324,725	22,988,116
Due from related party	13	303,477	403,596
Cash & cash equivalents	10	9,763,465	929,303
Total current assets		**49,978,830**	**44,832,864**
TOTAL ASSETS		**68,435,165**	**64,228,482**
EQUITY AND LIABILITIES			
EQUITY			
Share capital		12,329,700	12,329,700
Statutory Reserve		262,970	187,778
Retained earnings		942,321	265,595
Total Equity		**13,534,991**	**12,783,073**
Non-Current Liabilities			
Lease liability	11	5,317,640	5,514,629
End of service benefits	12	270,153	195,817
Due to related parties	13	1,369,476	1,300,629
Total Non-Current Liabilities		**6,957,269**	**7,011,075**
Current Liabilities			
Lease liability	11	196,989	140,905
Due to related parties	13	1,884,213	11,433,461
Bank Overdraft	14	-	317,740
Trade and Other Payables	15	45,861,703	32,542,228
Total Current Liabilities		**47,942,905**	**44,434,334**
Total Liabilities		**54,900,174**	**51,445,409**
TOTAL EQUITY AND LIABILITIES		**68,435,165**	**64,228,482**

The accompanying notes form an integral part of the financial statements.
The independent auditors' report is set out on page 2-5.

CNK HUSSAIN ALSAYEGH CHARTERED ACCOUNTANTS
P.O.Box : 454442
DUBAI - U.A.E.

FOR
PETROLEUM SPECIALITIES FZE

RISHABH KUSHAL DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH, UAE

P.O.Box: 42180
Hamriyah Free Zone
Sharjah - U.A.E.

KUSHAL NARENDRA DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH, UAE

PETROLEUM SPECIALITIES FZE
SHARJAH, UAE

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED MARCH 31, 2023

(Amount in United States Dollars)

	Note	2022-23	2021-22
Revenue	16	149,580,578	109,261,771
Cost of Sales	18	(128,562,518)	(88,642,591)
Gross Profit		**21,018,060**	**20,619,180**
Other income	17	-	366
Depreciation on Property, Plant and Equipments	4	(44,156)	(43,030)
Selling and Distribution Expenses	19	(15,025,201)	(14,452,147)
General and Administrative Expenses	20	(2,757,965)	(3,205,148)
Net Operating Profit for the year		**3,190,738**	**2,919,221**
Finance cost	21	(2,438,820)	(1,041,440)
Profit/(Loss) for the year		**751,918**	**1,877,781**
Other comprehensive income/(loss) to be reclassified to income statement in subsequent periods			
Increase/(Decrease) in hedging reserve		-	-
Total Comprehensive Income for the year		**751,918**	**1,877,781**

The accompanying notes form an integral part of the financial statements.
The independent auditors' report is set out on page 2-5.

FOR
PETROLEUM SPECIALITIES FZE

RISHABH KUSHAL DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH , UAE

P.O.Box: 42100
Hamriyah Free Zone
Sharjah - U.A.E.

KUSHAL NARENDRA DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH , UAE

CNK HUSSAIN ALSAYEGH CHARTERED ACCOUNTANTS
P.O.Box : 454442
DUBAI - U.A.E.

PETROLEUM SPECIALITIES FZE
SHARJAH, UAE

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023
(Amount in United States Dollars)

	2022-23	2021-22
Cash flows from operating activities		
Net profit for the year	**751,918**	**1,877,781**
Adjustments for:		
Provision for employees' end of service benefits	83,228	59,991
Provision for doubtful accounts	-	36,731
Finance Cost	2,438,820	1,041,440
Interest on lease liability	151,218	154,039
Depreciation on property, plant and equipment	971,177	892,541
Depreciation on right of use assets	290,763	290,763
Gratuity paid	(8,892)	(6,336)
Operating profit before working capital changes	**4,678,232**	**4,346,950**
(Increase)/ Decrease in inventories	5,751,952	(8,204,380)
(Increase)/ Decrease in trade and other receivables	(2,336,609)	(12,499,183)
(Increase)/ Decrease in deposits, prepayments and advances	172,734	(204,988)
(Increase)/ Decrease in due from related party	100,119	(358,961)
Increase/ (Decrease) in due to related party	(9,480,401)	8,426,169
Increase/ (Decrease) in trade and other payables	13,319,475	10,566,891
Net cash generated from operating activities	**12,205,502**	**2,072,498**
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,142,794)	(572,667)
Disposal of property, plant and equipment	-	3,909
Advance for capital assets	644,148	(683,752)
Additions to work-in-progress	175,989	(175,989)
Net cash from investing activities	**(322,657)**	**(1,428,499)**
Cash flows from financing activities		
Finance costs paid	(2,438,820)	(1,041,440)
Principle element of lease payments	(292,123)	(261,803)
Change in Bank Overdraft	(317,740)	317,740
Net cash used in financing activities	**(3,048,683)**	**(985,503)**
Net increase in cash and cash equivalents	**8,834,162**	**(341,504)**
Cash and cash equivalents at beginning of the year	929,303	1,270,807
Cash and cash equivalents at end of the year	**9,763,465**	**929,303**

The accompanying notes form an integral part of the financial statements.
The independent auditors' report is set out on page 2-5.

P.O.Box : 454442
DUBAI - U.A.E.
CMK HUSSAIN ALSAYEGH CHARTERED ACCOUNTANTS

FOR
PETROLEUM SPECIALITIES FZE

P.O.Box: 42180
Hamriyah Free Zone
Sharjah - U.A.E.
PETROLEUM SPECIALITIES FZE

RISHABH KUSHAL DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH, UAE

KUSHAL NARENDRA DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH, UAE

PETROLEUM SPECIALITIES FZE
SHARJAH, UAE

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023
(Amount in United States Dollars)

Particulars	Share Capital	Statutory Reserves	Accumulated Losses	Total
Balance as at April 01, 2021	**12,329,700**		**(1,424,408)**	**10,905,292**
Additions during the year	-	187,778	-	**187,778**
Net Profit /(Loss) for the year	-	-	1,877,781	**1,877,781**
Transfers during the year	-	-	(187,778)	**(187,778)**
Other Comprehensive Income for the year	-	-	-	-
Balance as at March 31, 2022	**12,329,700**	**187,778**	**265,595**	**12,783,073**
Balance as at April 01, 2022	**12,329,700**	**187,778**	**265,595**	**12,783,073**
Additions during the year	-	75,192	-	**75,192**
Net Profit /(Loss) for the year	-	-	751,918	**751,918**
Transfers during the year	-	-	(75,192)	**(75,192)**
Other Comprehensive Income for the year	-	-	-	-
Balance as at March 31, 2023	**12,329,700**	**262,970**	**942,321**	**13,534,991**

The accompanying notes form an integral part of the financial statements.
The independent auditors' report is set out on page 2-5.

FOR
PETROLEUM SPECIALITIES FZE

P.O.Box: 42180
Hamriyah Free Zone
Sharjah - U.A.E.
PETROLEUM SPECIALITIES FZE

RISHABH KUSHAL DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH, UAE

KUSHAL NARENDRA DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH, UAE

P.O.Box : 454442
DUBAI - U.A.E.
CMK HUSSAIN ALSAYEGH CHARTERED ACCOUNTANTS

1 STATUS AND ACTIVITIES

Petroleum Specialities FZE, (hereinafter referred to "the Company") is registered with the Hamriyah Free Zone Authority, Sharjah, United Arab Emirates as a Free Zone company established under the Hamriyah Free Zone Rules and Regulations. The activity of the company is manufacturing and marketing of petroleum based speciality products, all kinds of oils, lubricants and chemicals as per the industrial license no. 13226 issued on November 18, 2014. The Company also has a commercial license 15475 issued on January 15, 2017. The company's registered office is at Plot No. 1C-02D1, Hamriyah Free Zone, Sharjah, United Arab Emirates.

The Company is registered for VAT with Federal tax authority vide TRN 100024623900003

The financial statements are presented in United States Dollars (USD) which is the functional and presentational currency of the Company.

The share capital of the company is USD 12,329,700/- (AED 45,250,000/3.67) (Twelve Million Three Twenty Nine Thousands Seven Hundred Dollars) divided into 45,250 shares of USD 272.4795/- (AED 1,000/3.67).

#	Shareholders	Nationality	% in capital	No. of Shares	Capital Amount (Amount in AED)
1	M/s Petroleum Specialities Pte Limited	Singapore	100%	45,250	45,250,000
	Total		**100%**	**45,250**	**45,250,000**

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ('IFRSs')

New standards, amendments and interpretations effective from January 1, 2022

The following new and revised IFRSs are issued and effective from January 1, 2022. The application of these new and revised IFRSs does not have any material impact in prior years but may affect the accounting in current and for future transactions or arrangements.

In the current year, the Company has also applied following amendments to IFRS issued by the International Accounting Standards Board ("IASB') that are mandatorily effective for an accounting period that beings on or after 1 January 2022. The application of these amendments to IFRS has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for the company's future transactions or arrangements.

Amendments to IAS 16- Property, Plant and Equipment ***(Effective from Annual reporting periods beginning on or after 1 January 2022)***

Property, Plant and Equipment — Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Amendments to IAS 37-Provisions, Contingent Liabilities and Contingent Assets ***(Effective from Annual reporting periods beginning on or after 1 January 2022)***

Onerous Contracts — Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Annual Improvements to IFRS Standards 2018–2020 makes amendments to the following standards:

New standards and significant amendments to standards applicable to the Company

IFRS-1 Subsidiary as a first-time adopter. The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs.

IFRS-9- Financial Instruments-

Fees in the '10 per cent' test for derecognition of financial liabilities. The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16 Leases

Lease incentives. The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.

IAS 41- Agriculture

Taxation in fair value measurements. The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in IFRS 13.

Management anticipates that these IFRS and amendments will be adopted in the financial statements in the initial period when they become mandatorily effective. The impact of these standards and amendments are currently being assessed by the management.

New standards, amendments and interpretations not yet effective from January 1, 2022

Classification of Liabilities as Current or Non-Current

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to IFRS 16- Lease (*Effective from Annual reporting periods beginning on or after 1 January 2024)*

Lease Liability in a Sale and Leaseback

A seller-lessee shall apply Lease Liability in a Sale and Leaseback retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application.

Management anticipates that these IFRS and amendments will be adopted in the financial statements in the initial period when they become mandatorily effective. The impact of these standards and amendments are currently being assessed by the management.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statement have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB)and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that are relevant to the operations of the company.

3.2 ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention. The accounting policies have been consistently applied by the Company during the period under review.

3.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis and declining balance basis over the estimated useful lives of the assets as follows:

Asset Class	Depreciation (Years)
Buildings	30-60 Years
Plant and machinery	10-20 Years
Motor vehicles	08 Years
Furniture, fixtures and office equipment	05-10 Years

3.3 PROPERTY, PLANT AND EQUIPMENT (Contd...)

The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.
Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognized in the statement of comprehensive income as the expense is incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

3.4 IMPAIRMENT OF TANGIBLE ASSETS

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.5 INVENTORY

Inventories are valued at the lower of cost and net realizable value after taking an allowance for any slow moving or obsolete items. Cost comprises of the invoiced cost, freight and other expenses incurred in bringing the inventories to their present condition and location. Cost is determined on the weighted average cost basis and comprises direct invoice costs and related expenses. Net realizable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

3.6 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit or loss.

3.6 FINANCIAL INSTRUMENTS (Contd....)

Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

(i) Debt instruments designated at amortized cost

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

Amortized cost and effective interest rate method

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognized in profit or loss and is included in the "finance income - interest income" line item.

3.6 FINANCIAL INSTRUMENTS (Contd…)

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item in profit or loss.

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortized cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss.

Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on investments in trade and other receivables as well as on financial guarantee contracts, if any. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime ECL for trade and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on The Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

3.6 FINANCIAL INSTRUMENTS (Contd…)

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred.

ECL are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD). The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. EAD represents the expected exposure in the event of a default. The Company derives the EAD from the current exposure to the financial instruments and potential changes to the current amounts allowed under the contract including amortization. The EAD of a financial asset is its gross carrying amount. The LGD represents expected loss conditional on default, its expected value when realized and the time value of money.

The Company expects to apply the simplified approach to recognize lifetime expected credit losses for its trade receivables as permitted by IFRS 9. Accordingly, trade receivables which are not credit impaired and which do not have significant financing component is categorized under stage 2 and lifetime ECL is recognized.

Objective evidence that debt instrument is impaired includes whether any payment of principal or profit is overdue by more than 90 days or there are any known difficulties in the cash flows including the sustainability of the counterparty's business plan, credit rating downgrades, breach of original terms of the contract, its ability to improve performance once a financial difficulty has arisen, deterioration in the value of collateral etc. The Company assesses whether objective evidence of impairment exists on an individual basis for each individually significant asset and collectively for others not deemed individually significant.

Loss allowances for ECL are presented as a deduction from the gross carrying amount of the financial assets for amortized cost assets.

3.7 REVENUE RECOGNITION

The Company recognizes revenue mainly from manufacturing and marketing of petroleum based specialty products, all kinds of oils, lubricants and chemicals. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, customer returns and other taxes. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from sale of goods

The Company recognizes revenue from contracts with customers based on a five step model as set out in IFRS 15:

Step 1: Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

3.8 ACCOUNT RECEIVABLES

Receivables are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts.

The management undertakes a periodic review of the amount recoverable from Accounts & other receivables and determines recoverability based on various factors such as ageing of receivables, payment history, collateral available & other knowledge about the receivables. Provisions for bad and doubtful debts represent estimates of ultimate unrealizable debts. The estimates are judgmental and are based on case based evaluation by the management.

3.9 ACCOUNT & OTHER PAYABLE

Accounts & other payables are stated at nominal amounts payable for goods or services rendered.

3.10 PROVISIONS

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured

3.11 EMPLOYEE'S END OF SERVICE BENEFITS

The Company provides end-of-service benefits to its employees. The entitlement of these benefits is based upon the employees' final basic salary and length of service, subject to the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment.

3.12 FOREIGN CURRENCY

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates. For the purpose of the financial statements, the results and financial position of the Company are expressed in United States Dollars ('USD'), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each statement of financial position date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in the profit and loss for the year. Exchange differences arising on the retranslation of non- monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognized directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognized directly in equity.

3.13 CASH AND CASH EQUIVALENTS

For the purpose of statement of cashflow, cash and cash equivalents include cash on hand, bank current accounts and fixed deposits with banks (if any).

3.14 CRITICAL ACCOUNTING JUDGEMENTS & KEY SOURCES OF ESTIMATION UNCERTAINITY

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates & assumptions that affect the application of accounting policies & the carrying amounts of assets, liabilities, income & expenses. The estimates & associated assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the circumstances.

Estimates & underlying assumptions are reviewed on a going concern basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods if the revision affects both current & future periods.

3.15 VALUE ADDED TAX

Expenses and assets are recognized net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and/or
- When receivables and payables, amounts are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of duties and taxes as part of accounts and other payables and receivables in statement of financial position.

3.16 IFRS 16 LEASES

The Company as lessee

IFRS 16 eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. Under the new standard, a lessee recognized a right-of-use asset, representing its right to use the underlying asset, and a lease obligation, representing its obligation to make lease payments. Lease expense will be replaced by depreciation on the right-of-use asset and interest expense on the lease obligation.

Right-of-use assets will be accounted for under IAS 16, Property, Plant and Equipment, and will be initially recorded at cost, which includes the initial measurement of the lease obligation and other costs, less lease incentives. Lease obligations will initially be measured at the present value of future lease payments and will be subsequently be measured at amortized cost using the effective interest rate method.

The Company adopts the standard in the annual accounting periods beginning 1 April 2019 for its lease on a land located at Ajman Industrial Area, Ajman, United Arab Emirates. The Company applies IFRS 16 using the cumulative catch-up approach where the additional right-of-use assets and lease liabilities will be recorded from that date forward and will not require restatement of prior years' comparative information.

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements during the year:

	Right-of-use asset (USD)	**Lease liability (USD)**
As at April 1, 2022	**5,161,040**	**5,655,534**
Additions	-	-
Depreciation Expense	(290,763)	-
Interest Expense	-	151,218
Payments	-	(292,123)
As at March 31, 2023	**4,870,277**	**5,514,629**

3.17 STATUTORY RESERVES

In accordance with Article 15 Clause C of the Memorandum of Association of the Company, a minimum of 10% of the net profit of the Company is to be allocated every year to a non-distributable reserve. Such allocation may cease when the statutory reserve equals 50% of the paid up share capital.

4 PROPERTY, PLANT AND EQUIPMENT

	Buildings	Plant and machinery	Motor vehicles	Furniture, fixtures and equipment	Total
Cost					
At April 01, 2021	4,417,914	12,633,379	145,269	190,567	17,387,129
Additions during the year	-	565,703	-	6,964	572,667
Disposals during the year	-	-	-	(3,909)	(3,909)
At March 31, 2022	4,417,914	13,199,082	145,269	193,622	17,955,887
At April 01, 2022	4,417,914	13,199,082	145,269	193,622	17,955,887
Additions during the year	-	1,093,682	40,163	8,949	1,142,794
Disposals during the year	-	-	-	-	-
At March 31, 2023	4,417,914	14,292,764	185,432	202,571	19,098,681
Depreciation					
At April 01, 2021	534,791	3,067,805	109,629	148,350	3,860,575
Charge for the year	127,136	743,469	11,130	14,520	896,255
On disposals	-	-	-	(3,714)	(3,714)
At March 31, 2022	661,927	3,811,274	120,759	159,156	4,753,116
At April 01, 2022	661,927	3,811,274	120,759	159,156	4,753,116
Charge for the year	127,136	817,053	14,940	12,048	971,177
On disposals	-	-	-	-	-
At March 31, 2023	789,063	4,628,327	135,699	171,204	5,724,293
Net book value					
At March 31, 2022	3,755,987	9,387,808	24,510	34,466	13,202,771
At March 31, 2023	3,628,851	9,664,437	49,733	31,367	13,374,388

5 ADVANCE FOR CAPITAL ASSETS	2022-23	2021-22
Advance to suppliers and contractors	211,670	855,818
Closing Balance	**211,670**	**855,818**

6 CAPITAL WORK-IN-PROGRESS	2022-23	2021-22
Opening balance	175,989	-
Additions	875,657	175,989
Transferred to plant and machinery	(1,051,646)	-
CWIP written off during the year	-	-
Closing Balance	-	175,989

During the year USD 1,051,646/- is been capitalised to property plant equipments as per maintenance & enginnering managers report.

7 INVENTORIES	2022-23	2021-22
Raw materials at premises	8,246,121	6,955,552
Raw materials Goods in transit	4,655,621	9,844,835
Work In Progress	-	3,824
Consumables	277,401	125,910
Finished goods	803,041	2,804,015
Closing Balance	**13,982,184**	**19,734,136**

8 DEPOSITS, PREPAYMENT AND ADVANCES	2022-23	2021-22
Deposits	199,730	241,055
Prepayments	380,486	514,667
Staff Advances	24,763	21,991
Closing Balance	**604,979**	**777,713**

9 TRADE AND OTHER RECEIVABLES	2022-23	2021-22
Trade receivables	24,471,475	22,415,238
Less: Allowance for doubtful trade receivables	(169,123)	(169,123)
Net trade receivables	**24,302,352**	**22,246,115**
Other receivables	182,282	140,595
Duties and Taxes	840,091	601,406
Closing Balance	**25,324,725**	**22,988,116**

	2022-23	2021-22
Debtors ageing is given as under:		
Debts between 0 - 180 days	23,820,141	22,148,433
Debts between 181 - 365 days	651,334	262,352
Debts due more than a year	-	4,453
	24,471,475	**22,415,238**

Movement in provision for doubtful trade receivables is as under:	2022-23	2021-22
Balance at the beginning of the year	**169,123**	**132,392**
Additional Provision made during year	-	36,731
Reversal of provision	-	-
Balance at the end of the year	**169,123**	**169,123**

9 TRADE AND OTHER RECEIVABLES (Contd...)

Management assessed the expected credit losses as prescribed by the requirements of IFRS 9 against accounts and other receivables. Company has applied the simplified approach to measuring the expected credit losses which uses lifetime expected loss allowance for all accounts and other receivables.

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.
Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

10 CASH & CASH EQUIVALENTS

	2022-23	2021-22
Cash on hand	5,058	3,014
Current accounts with banks	9,758,407	926,289
Closing Balance	**9,763,465**	**929,303**

11 LEASE LIABILITY

	2022-23	2021-22
Movement in the lease liabilities during the year is as follows:		
As at April 01,	5,655,534	5,763,298
Impact of Implementation of IFRS 16	-	-
Add: Addition during the year	-	-
Add: Implicit Interest	151,218	154,039
Less: Repayment during the year	(292,123)	(261,803)
Net carrying value as at March 31	**5,514,629**	**5,655,534**
Of the above:		
Current portion of lease liability	196,989	140,905
Non-current portion of lease liability	5,317,640	5,514,629
Total	**5,514,629**	**5,655,534**
Maturity analysis of lease liability is as under:		
up to 1 year	196,989	140,905
1 year to 5 years	1,257,274	1,183,703
5 years and above	4,060,366	4,330,926

12 END OF SERVICE BENEFITS

	2021-22	2021-22
Opening balance	195,817	142,162
Provision during the year	83,228	59,991
Less: Amount paid during the year	(8,892)	(6,336)
Closing balance	**270,153**	**195,817**

13 RELATED PARTIES TRANSACTIONS

Related parties include key management personnel, fellow subsidiaries, associates, joint ventures, directors and entities which are controlled directly or indirectly by the company or its directors or over which they exercise significant management influence. Transactions and account balances between the company and its related parties are described below:

During the year, the Company entered into the following transactions with related parties:

	2022-23	2021-22
Funds transferred from related parties	17,118,760	4,873,441
Purchased/Services Received from related parties	7,997,431	13,157,291
Sales Commission & Expenses through related parties	98,073	216,643

13 RELATED PARTIES TRANSACTIONS (Contd....)

Compensation of key managerial personnel

Compensation of key managerial personnel Compensation of key managerial personnel represents the compensation paid or payable to key management for employee services and is included in the employee costs. The key management includes directors and other members of senior management. The compensation of key management for the period is shown below:

	2022-23	2021-22
Salary	67,468	75,620
End of service benefits	6,968	6,323
Total	74,436	81,943

DUE TO RELATED PARTIES	2022-23	2021-22
Entities under common management/control		
M/s. Apar Industries Limited, India	1,884,213	9,712,746
M/s. Petroleum Speciality Pte. Limited**	1,369,476	1,300,629
M/s. Apar Investment INC	-	1,720,715
Closing Balance	**3,253,689**	**12,734,090**
Current Portion	1,884,213	11,433,461
Non Current Portion	1,369,476	1,300,629

** During the year 2021-22, M/s. Petroleum Speciality Pte. Limited and the company have entered into a loan agreement effective February 28, 2022, wherein the company can receive a loan of USD 1.5 million in the nature of working capital, of which the company has received an amount of USD 1.3 million as part of the loan agreement. The interest accrued thereon is @ 6 months SOFR plus 100 basis point per annum payable half yearly. The above loan is repayable on 15th April, 2025 or as mutually agreed..

DUE FROM RELATED PARTY	2022-23	2021-22
Entities under common management/control		
M/s. Apar Industries Limited, India	265,979	380,717
M/s. Apar Investments Pte Limited*	26,041	22,879
M/s. Apar Investment INC	11,457	-
Closing Balance	**303,477**	**403,596**

* As on March 31, 2023, an amount of USD 26,041/- is receivable from M/s Apar Investments Pte Limited on account of expenses of Mr. Rajesh Jogani. The management has regrouped the previous year balance which was classified under other receivables in the previous year.

The Director of the Company Mr.Sanjay Moreshwar Abhyankar expired on Tuesday, i.e. September 13, 2022.

14 BANK OVERDRAFT

	2022-23	2021-22
Bank Overdraft balance	-	317,740
Closing Balance	-	**317,740**

15 TRADE AND OTHER PAYABLES

	2022-23	2021-22
Trade payables	34,023,638	14,423,085
Bills Payables (Acceptances)	4,593,032	14,083,460
Advance from customers	4,401,841	2,790,199
Accruals and provisions	2,695,702	1,202,413
Other payables	147,490	43,071
Closing balance	**45,861,703**	**32,542,228**

PETROLEUM SPECIALITIES FZE
SHARJAH, UAE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023
(Amount in United States Dollars)

16 REVENUE	2022-23	2021-22
Export Sales	109,037,124	80,800,647
Local Sales	33,037,445	22,004,913
Other Direct Income	7,506,009	6,456,211
Total	**149,580,578**	**109,261,771**
Sales as per geographical location		
Middle East Countries	86,878,465	59,159,636
Asia	7,142,235	5,460,010
Africa	33,116,187	26,859,138
Australia	5,714,922	2,836,680
America	4,251,607	6,459,174
Europe	4,834,794	1,970,922
Others	136,359	60,000
Total	**142,074,569**	**102,805,560**

17 OTHER INCOME	2022-23	2021-22
Other Income	-	366
Total	**-**	**366**

18 COST OF SALES	2022-23	2021-22
Opening stock	19,734,136	11,529,756
Purchase	120,548,754	94,704,282
Depreciation on property, plant and equipment	926,810	853,225
Depreciation on right-of-use assets	290,763	290,763
Interest on lease liability	151,218	154,039
Other direct costs	893,021	844,662
Closing stock	(13,982,184)	(19,734,136)
Total	**128,562,518**	**88,642,591**

19 SELLING AND DISTRIBUTION EXPENSES	2022-23	2021-22
Freight	8,208,231	8,796,082
Packaging	4,005,410	3,832,240
Storage	1,038,834	1,030,243
Commission	1,772,726	793,582
Total	**15,025,201**	**14,452,147**

20 GENERAL AND ADMINISTRATIVE EXPENSES	2022-23	2021-22
Salaries and other related benefits	1,525,625	1,349,750
Staff and labor accommodation	168,752	172,153
Legal, professional and municipal and visa charges	64,968	67,559
Insurance	346,593	280,939
Ergon Alliance – Share of Profit	94,157	765,595
Communication	61,344	54,818
Travelling and conveyance	238,881	238,794
Provision for doubtful debt	-	36,731
Foreign exchange loss	65,633	41,132
Other general and administrative expenses	192,012	197,677
Total	**2,757,965**	**3,205,148**

CWK HUSSAIN ALSAYEGH CHARTERED ACCOUNTANTS
P.O.Box : 454442
DUBAI - U.A.E.

23 FINANCIAL INSTRUMENTS (Contd....)

Important Ratio analysis	**2021-22**	**2021-22**
Current ratio	1.04	1.01
Financial instruments by category	**2,021**	**2,021**
Financial assets		
Trade and Other Receivables	24,302,352	22,246,115
Deposits	199,730	241,055
Cash & cash equivalents	9,763,465	929,303
Due from related party	303,477	403,596
Financial liabilities		
Bank borrowings	-	317,740
Trade and other payables	45,861,703	32,542,228
Due to related party	1,884,213	11,433,461

24 COMPARATIVE FIGURES

Comparative figures for the previous year have been regrouped and reclassified, wherever necessary to confirm the current year presentation.

The accompanying notes form an integral part of the financial statements.
The independent auditors' report is set out on page 2-5.
FOR
PETROLEUM SPECIALITIES FZE

RISHABH KUSHAL DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH , UAE

P.O.Box: 42180
Hamriyah Free Zone
Sharjah - U.A.E.

KUSHAL NARENDRA DESAI
DIRECTOR
DATE: APRIL 22, 2023
PLACE: SHARJAH , UAE

P.O.Box : 454442
DUBAI - U.A.E.
CMK HUSSAIN ALSAYEGH CHARTERED ACCOUNTANTS

Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814
Balance Sheet as at 31st March 2023
(Currency: Indian Rupees in Millions)

	Particulars	Note No.	As at 31st March, 2023
A.	**ASSETS**		
I	**Non-current assets**		
	(a) Property, plant and equipment	2(a)	6.28
	(b) Capital work-in-progress	2(b)	318.71
	(c) Income tax assets (net)		0.38
	(d) Deferred tax assets (net)	3	0.05
	(e) Other non-current assets	4	68.98
			394.40
II	**Current assets**		
	(a) Financial assets		
	(i) Cash and cash equivalents	5	0.11
	(ii) Other balances with banks	6	0.94
	(iii) Other financial assets	7	0.01
	(b) Other current assets	8	0.37
			1.43
	Total		**395.83**
B.	**EQUITY AND LIABILITIES**		
I	**Equity**		
	(a) Equity share capital	9	1.00
	(b) Other equity	10	144.74
			145.74
II	**Non-Current liabilities**		
	(a) Financial liabilities		
	(i) Long-term borrowings	11	237.03
			237.03
II	**Current liabilities**		
	(a) Financial liabilities		
	(i) Short-term borrowings	12	8.69
	(ii) Trade payables	13	
	(a) Total outstanding dues of micro and small enterprises		0.03
	(b) Total outstanding dues of creditors other than micro and small enterprises		0.02
	(iii) Other current financial liabilities	14	4.16
	(b) Other current liabilities	15	0.16
			13.06
	Total		**395.83**

The accompanying notes are an integral part of these financial statements. (Refer Note 1 to 28)

In terms of our report attached of even date
For Dipesh Ruparelia & Co.
Chartered Accountants
Firm Registration No.: 152808W

Ruparelia

Dipesh Kirit Ruparelia
Proprietor
Membership No. 190806
Place: Mumbai
Date: 04th May, 2023
UDIN: 23190806BGVUNE8944

For and on behalf of the Board of
Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814

Pramod Deore
Director
DIN: 08599306
Place: Mumbai
Date: 04th May, 2023

Viren Shah
Director
DIN: 09588566
Place: Mumbai
Date: 04th May, 2023

Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814

Statement of Profit and Loss for the period 29th April, 2022 to 31st March, 2023

(Currency: Indian Rupees in Millions)

	Particulars	Note No.	For the period 29th April, 2022 to 31st March, 2023
A.	**Income:**		
(a)	Revenue from operations		-
	Total income		**-**
B.	**Expenses:**		
(a)	Other expenses	16	0.27
	Total expenses		**0.27**
C.	**Earnings before interest, tax, depreciation and amortisation (EBITDA) (A - B)**		**(0.27)**
D.	Finance costs	17	-
E.	Depreciation and amortisation expense		-
F.	**Loss before tax (C - D - E)**		**(0.27)**
G.	**Tax expense:**		
	Current tax		-
	Deferred tax credit		(0.05)
	Total tax expense / (credit)		**(0.05)**
H.	**Loss after tax (F - G)**		**(0.22)**
I	**Total comprehensive income for the period**		**(0.22)**
	Earnings per equity share - basic and diluted (Face value of Rs. 10/-)	18	(2.64)

The accompanying notes are an integral part of these financial statements. (Refer Note 1 to 28)

In terms of our report attached of even date
For Dipesh Ruparelia & Co.
Chartered Accountants
Firm Registration No.: 152808W

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Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814
Statement of Cash flow for the period 29th April, 2022 to 31st March, 2023
(Currency: Indian Rupees in Millions)

	For the period 29th April, 2022 to 31st March, 2023
A. Cash flows from operating activities	
Loss before tax	**(0.27)**
Finance cost	-
Operating profit before working capital changes	**(0.27)**
Changes in working capital	
Adjustments for (increase) / decrease in operating assets:	
Inventories	
Other assets	(0.08)
Adjustments for increase / (decrease) in operating liabilities:	
Trade payables	0.05
Other current liabilities	0.16
Cash generated from operations	**(0.14)**
Income taxes paid	(0.38)
Net cash used in from operating activities (A)	**(0.52)**
B. Cash flows from investing activities	
Capital expenditure on property, plant and equipment	(389.81)
Deposit in Escrow account	(0.94)
Net cash used in investing activities (B)	**(390.75)**
C. Cash flows from financing activities	
Proceeds from long term borrowings	246.20
Proceeds from short term borrowings (net)	3.47
Proceeds from issue of equity shares	145.96
Interest paid	2.17
Other borrowing costs paid	(6.42)
Net cash generated from financing activities (C)	**391.38**
Net increase in cash and cash equivalents (A+B+C)	0.11
Cash and cash equivalents at the beginning of period	-
Cash and cash equivalents at the end of period	**0.11**

The accompanying notes are an integral part of these financial statements. (Refer Note 1 to 28)

In terms of our report attached of even date

For Dipesh Ruparelia & Co.
Chartered Accountants
Firm Registration No.: 152808W

Ruparelia

Dipesh Kirit Ruparelia
Proprietor
Membership No. 190806
Place: Mumbai
Date: 04th May, 2023
UDIN: 23190806BGVUNE8944

For and on behalf of the Board of
Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814

Pramod Deore
Director
DIN: 08599306
Place: Mumbai
Date: 04th May, 2023

Viren Shah
Director
DIN: 09588566
Place: Mumbai
Date: 04th May, 2023

Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814
Statement of Changes in Equity for the period 29th April, 2022 to 31st March, 2023
(Currency: Indian Rupees in Millions)

A. Share capital

Particulars	**Equity share capital**
Balance as at 29th April, 2022	-
Issue of Shares during the period ended 31 March 2023	1.00
Balance as at 31 March 2023	**1.00**

B. Other Equity

	Reserves and surplus		
	Securities premium	**Retained earnings**	**Total other equity**
Balance as at 29th April, 2022	**-**	**-**	**-**
Premium on issue of Shares during the period ended March 31, 2023	144.96	-	144.96
Profit/(Loss) for the period ended 31 March 2023	-	(0.22)	(0.22)
Balance as at 31 March 2023	**144.96**	**(0.22)**	**144.74**

The accompanying notes are an integral part of these financial statements. (Refer Note 1 to 28)

In terms of our report attached of even date
For Dipesh Ruparelia & Co.
Chartered Accountants
Firm Registration No.: 152808W

Dipesh Kirit Ruparelia
Proprietor
Membership No. 190806
Place: Mumbai
Date: 04th May, 2023
UDIN: 23190806BGVUNE8944

For and on behalf of the Board of
Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814

Pramod Deore
Director
DIN: 08599306
Place: Mumbai
Date: 04th May, 2023

Viren Shah
Director
DIN: 09588566
Place: Mumbai
Date: 04th May, 2023

Note 1.1

GENERAL INFORMATION

Clean Max Rudra Private Limited (herein after referred to as " the Company") incorporated on 29th April 2022 will be earning its revenue from generation and sale of power.

The Company is a private limited company incorporated and domiciled in India. The address of its registered office is 13 A, Floor -13, Plot-400, The Peregrine Apartment, Kismat Cinema, Prabhadevi, Mumbai 400025, Maharashtra, India.

The Financial Statements for the year ended 31 March, 2023 were approved by the Board of Directors an authorised for issue on 04th May, 2023.

Note 1.2
SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The Financial Statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Basis of preparation and presentation

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:
- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is net off trade discounts, rebates and other similar allowances. Revenue excludes indirect taxes which are collected on behalf of Government.

Revenue from sale of power:

Revenue from sale of power is recognised when the units of electricity is delivered at the price agreed with the customer in the power purchase agreement which conincides with the tranfer of control and the Company has a present right to receive the payment.

Interest income

Interest income is recognised using the effective interest method.

(d) Foreign currency

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.These financial statements are presented in Indian rupees.

Transactions and balances

Transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the exchange rates prevailing on the date of the transaction. Gains or losses realized upon settlement of foreign currency transactions are recognised in the statement of profit and loss for the period in which the transaction is settled.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are re-translated at the exchange rates prevailing at that date and resultant gains / losses are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies are not restated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

(e) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

Deferred taxes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

Current and deferred tax for the reporting period

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the taxes are also recognised in other comprehensive income or directly in equity respectively.

(f) Provisions, contingent liability and contingent asset

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote. A contingent asset is disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

(g) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Except for trade receivables, financial assets and financial liabilities are initially measured at fair value. Trade receivables are measured at the transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in the statement the profit and loss.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Amortised cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:
- financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial asset

The Company assesses expected credit losses associated with its assets carried at amortised cost based on Company's past history of recovery, creditworthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109 – Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

Derecognition of financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Derecoginition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments (three months or less from the date of acquisition) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction including any cost attributable in bringing the asset to its working condition for its intended use, net of subsidy (if any) less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent expenditure are capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the entity. All repairs and maintenance are charged to the statement of profit and loss during the financial year in which they are incurred.

Effective interest costs on the borrowings which is utilised for qualifying assets pertaining to the period upto the date of capitalisation is added to the cost of the assets.

Depreciation on property, plant and equipment has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect Solar Power Plant where the life is considered as 25 years taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, manufacturers warranties and maintenance support, etc.

Freehold land is not depreciated.
Any gain or loss arising on derecognition / disposal of an asset is included in statement of profit or loss.

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

(j) Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Non financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment.

(k) Earnings per share

Basic earnings per equity share has been computed by dividing the net profit or loss for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period.
Diluted earnings per equity share is computed by dividing the net profit or loss for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares outstanding during the reporting period as adjusted to the effects of all dilutive potential equity shares, except where results are anti-dilutive.

(l) Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management to make estimates and assumptions that affect the application of accounting policies and the reported balances of assets and liabilities including disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of revenue and expenses during the period presented.
Contingent liability is recorded when it is probable that a liability may be incurred, and the amount can be reasonably estimated.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

(m) Critical accounting judgement, estimates and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions, that effect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

(a) Useful lives of property plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

(b) Impairment of non-financial assets:

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

(c) Taxation

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been detailed in Note (e) above.

Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814
Notes to the financial statements for the period 29th April, 2022 to 31st March, 2023
(Currency: Indian Rupees in Millions)

Note 2

(a) Property, Plant and Equipment

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 29th April, 2022	Addition	Deduction	As at 31st March, 2023	As at 29th April, 2022	Depreciation for the period	Deduction	As at 31st March, 2023	As at 31st March, 2023
Freehold Land	-	6.28	-	**6.28**	-	-	-	-	**6.28**
Total	**-**	**6.28**	**-**	**6.28**	**-**	**-**	**-**	**-**	**6.28**

Footnotes:

(i) For details of pledged assets refer note 11

(ii) The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(b) Capital work in progress

	As at 31 March, 2023
Capital work in progress	318.71
	318.71

The ageing details of capital work in progress is as under:

	As at 31 March, 2023				
Amount in CWIP for a period of	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in Progress	318.71	-	-	-	**318.71**
Projects Temporarily Suspended	-	-	-	-	-

Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814
Notes to the financial statements for the period 29th April, 2022 to 31st March, 2023
(Currency: Indian Rupees in Millions)

Note 3

Deferred tax asset	**As at 31 March 2023**
Deferred tax asset (net)	0.05
	0.05

Note 4

Other non-current assets (unsecured, considered good)	**As at 31st March, 2023**
Capital advance	68.98
	68.98

Note 5

Cash and cash equivalents	**As at 31st March, 2023**
Balances with banks	
Current accounts	0.11
	0.11

The Company has not traded or invested in Crypto currency or Virtual Currency during the period.

Note 6

Other balances with banks	**As at 31st March, 2023**
Balances with banks	
Escrow accounts(IDFC Bank)	0.94
	0.94

The balance in escrow account has restriction on usage.

Note 7

Other financial assets	**As at 31st March, 2023**
Security deposits	0.01
	0.01

Note 8

Other current assets (unsecured, considered good)	**As at 31st March, 2023**
Advances to supplier	-
Prepaid expenses	0.30
Balance with government authorities	0.07
	0.37

Note 9
Equity Share capital

	As at 31st March, 2023
Authorised:	
3,00,000 equity shares of Rs. 10/- each	3.00
	3.00
Issued, subscribed and fully paid-up shares:	
Equity shares of Rs. 10/- each	
99,790 equity shares of Rs. 10/- each	1.00
	1.00

Footnotes:

9 (a) Details of rights, preferences and restrictions attached to the equity shareholders:

The Company has only one class of equity shares having at par value of Rs. 10/- per share. Members of the Company holding equity share capital therein have a right to vote, on every resolution placed before the Company and right to receive dividend. The voting rights on a poll is in proportion to the share of the paid-up equity capital of the Company held by the shareholders. The Company declares dividends in Indian rupees. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

	For the period 29th April, 2022 to 31st March, 2023	
9 (b) Reconciliation of equity shares at the beginning and at the end of the period:	**No.**	**Amount**
Equity shares outstanding at the beginning of the period	-	-
Equity shares issued during the period - fresh issue	99,790	1.00
Equity shares outstanding at the end of the period	**99,790**	**1.00**

	As at 31st March, 2023	
9 (c) Details of shareholders holding more than 5% shares in the Company:	**No.**	**% of holding**
Name of the shareholders:		
Cleanmax Enviro Energy Solutions Private Limited	73,844	74%
Apar Industries Ltd	25,946	26%
	99,790	100%

	As at 31st March, 2023		
9 (d) Details of shareholding of promoters	**No.**	**% of holding**	**% Change in Holding**
Name of the promoters:			
Cleanmax Enviro Energy Solutions Private Limited	73,844	74.00%	26%

Note 10
Other equity

Security premium	**For the period 29th April, 2022 to 31st March, 2023**
Opening balance	-
Add: Premium on shares issued during the period - fresh issue	144.96
Closing Balance	**144.96**

Retained earnings	**For the period 29th April, 2022 to 31st March, 2023**
Opening balance	-
Loss for the period	(0.22)
Closing Balance	**(0.22)**
Total	**144.74**

Nature and Purpose of Reserves:

10(a) Securities premium is used to record the premium on issue of shares. The reserve shall be utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

10(b) Retained earnings represent the amount of accumulated earnings of the Company.

Note 11

Long-term borrowings (at amortised cost)	**As at 31st March, 2023**
Secured	
Term loan from others (refer footnote 11(a) to 11(i))	163.88
Less: Current maturities of term loan	(5.22)
	158.66
Unsecured	
Loan from Related Party (refer footnote 11(j))	
Clean Max Enviro Energy Solutions Private Limited	78.37
	78.37
	237.03

Footnote 11

(a) Details of term loan:	**Loan 1**
(i) Outstanding balance as at period end (including current maturities of long term borrowings)	170.00
(ii) Rate of interest	L&T Finance Infrastructure finance PLR minus Spread
(iii) Terms of repayment of term loan outstanding as at period end	Repayable in 74 structured Instalments payable quarterly from September 30, 2023 to December 31, 2041

(b) Security for Loan 1
(i) A first Pari passu charge by way of mortgage on all immovable assets (freehold/leasehold) of the Borrower, both present and future;
(ii) Assignment of rights under the Common Infrastructure Agreement;
(iii) First pari passu charge on all the movables of the Borrower, including but not limited to book debts, operating cash flows, receivables, commissions, insurance proceeds of performance warranty, revenues of whatsoever nature and wherever arising, movable machinery, machinery spares, tools, equipment(s) and accessories, both present and future;

(iv) First pari passu charge or assignment by way of security interest of all present and future rights, title, interest, benefit, claims and demand whatsoever of the Borrower in (i) the Project Documents (including the power purchase agreements entered in relation to the Projects) (duly acknowledged and consented to, by the relevant counter-parties to such Project Documents all as amended, varied or supplemented from time to time) along with a power of attorney in favour of the Security Trustee/Lenders' Agent; (ii) in the clearances relating to the Projects, (iii) in any letter of credit, guarantee, performance bond or any other instruments provided by any counter party for the Projects/ in favour of the Borrower and in (iv) all insurance proceeds relating to the Projects;

(v) Assignment by way of security interest of PPA as a part of project document;
(vi) First pari-passu charge on intangibles, goodwill, uncalled capital, present and future, of the Borrowers;
(vii) Pledge/charge on investments, if any, of the Borrower(s);
(viii) First pari passu charge on all reserves and permitted investments and the bank accounts of the Borrowers including but not limited to Trust and Retention Account (TRA)/Designated Account and Debt Service Reserve Account (DSRA)

(ix) First pari passu charge on all rights, titles, interests, benefits, claims and demand in Project Documents (including without limitation the power purchase agreement, clearances, insurance contracts, proceeds under the insurance contracts, relating to the Projects, both present and future;

(x) First pari passu charge on all accounts under the Trust and Retention Account agreement and any other bank accounts of the Project except permitted accounts (if any), including a charge on all the monies, receivables from the Projects and cash deposited therein;

(xi) Assignment of by way of security interest of unsecured loan/ financial assisstance/ funds infused by the promoter(s) in the borrower along with power of attorney;

(xii) Pledge of 74% of the issued, paid up and voting equity share capital/ preference share capital and 100% of structured instruments (OCD/ CCD/ NCD/ CRPS) of the borrower. The pledge of equity shares shall be reduced to 51% upon achievement of project stabilization date;

(xiii) Charge over the surplus accounts of each of the other borrowers;
(xiv) Assignment by way of security interest over the Government Approvals / consent/ approvals / licenses and contracts (present and future) of the Common Infrastructure Provider;

(xv) Assignment by way of security interest over the consent/approvals/licenses and contracts in relation to the Common Infrastructure facility to the extent permitted under applicable law.

11 (c) The Company has not made any delay in Registration of Charges under the Companies Act, 2013.
11 (d) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

11 (e) (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

11 (f) In relation to the specific purposes term loans and borrowings as disclosed under Long Term borrowings, the Company has used the funds for the purposes for which they were taken.

11 (g) The Company is not a wilful defaulter under guidelines on wilful defaulters issued by the Reserve Bank of India.

11 (h) The loan balance is net of unamortised borrowing cost of - 6.12

11 (i) The loan balance includes EIR impact of - 2.17

11 (j) The company has no borrowings from banks or financial institutions where it has been obtained on the basis of security of current assets.

Note 12

Short-term borrowings (at amortised cost)	**As at 31st March, 2023**
Secured	
Current maturities of term loan	5.22
Unsecured	
Loan from Related Party [refer footnote 12]	
Clean Max Enviro Energy Solutions Private Limited	3.47
	8.69

Footnote 12:
Short-term borrowings constitutes unsecured loan from Clean Max Enviro Energy Solutions Pvt Ltd (CMES) which has no repayment schedule and no interest is payable on the same.

Note 13

Trade payables (Due on account of goods purchased and services received)	**As at 31st March, 2023**
a) Total outstanding dues of micro and small enterprises [refer foot note 13]	0.03
b) Total outstanding dues of creditors other than micro and small enterprises	0.02
	0.05

Footnote:
13 (a): Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(i) The amount due to Micro and Small Enterprises as defined in the “The Micro, Small and Medium Enterprises Development Act, 2006” has been determined to the extent such parties have been identified on the basis of information collected by the Management.

(ii)The Disclosure relating Micro and Small Enterprises is as under:

	As at 31st March, 2023
(i) The principal amount remaining unpaid to any supplier as at the end of the accounting period	0.03
(ii) Interest on above	-
(iii) The amount of interest paid along with the principal payment made to the supplier beyond the appointed date during the period	-
(iv) Amount of interest due and payable on delayed payments	-
(v) Amount of further interest remaining due and payable for the earlier years	-
(vi) Amount of Interest payable on last years interest outstanding	-
(vii) Total outstanding dues of Micro and Small Enterprises	
- Principal	0.03
- Interest	-

Note 14

Other current financial liabilities	**As at 31st March, 2023**
Payables on purchase of property, plant and equipment	4.16
	4.16

Note 15

Other current liabilities	**As at 31st March, 2023**
Statutory obligations	0.16
	0.16

Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814
Notes to the financial statements for the period 29th April, 2022 to 31st March, 2023
(Currency: Indian Rupees in Millions)

Note 16
Other expenses

	For the period 29th April, 2022 to 31st March, 2023
Rent	0.03
Legal and professional fees	0.14
Rates and Taxes	-
Payments to auditor	-
- Statutory audit	0.01
Filing and stamp duty charges	0.09
Miscellaneous expenses	-
	0.27

Note 17

Earnings per share (EPS)

Basic and diluted

	For the period 29th April, 2022 to 31st March, 2023
Loss after tax	(0.22)
Weighted average Number of equity shares	83,340
Earnings per share	(2.64)

Note 18: Financial Instruments

18.1 Capital management

The Company's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Company.
The capital structure of the Company consist of equity share capital and other equity. The Company also has obtained borrowings which are secured against the assets owned by the Company and unsecured borrowings from Parent Company.

The management reviews the capital structure on a quarterly basis. As part of this review, the management considers risks associated with the Company that could result in erosion of its total equity.

18.2 Categories of financial instruments

All the financial assets and financial liabilities of the Company are recognised at amortised costs. The Company considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair value.

18.3 Financial risk management

The Company's activities expose it to a variety of financial risk notably credit risk and liquidity risk.
The Company's focus is to ensure liquidity which is sufficient to meet Company's operational requirements. The Company monitors and manages key financial risks so as to minimize potential adverse effects on its financial performance. The policies for managing each of these risks are summarised below:

18.3.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.
Bank balances are held with reputed and creditworthy banking institutions.

18.3.2 Market risk

Market risk is the risk that the expected cash flows or fair value of a financial instrument could change owing to changes in market prices. Market risks are primarily composed of foreign exchange risk and price risk. There is no significant risk to the Company on this account.

18.3.3 Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Company does not have any foreign exchange transactions during the year and also there is no unhedged foreign currency exposures outstanding as at the reporting date.

18.3.4 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in net assets value (NAV) of the financial instruments held.
There is no price risk applicable to the Company as it does not hold any investments in other companies.

18.3.5 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company believes that the working capital is sufficient to meet its current requirements.

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment and realisation periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay and realise.

Particulars	Less than 1 year	More than 1 year	Total
As at 31 March, 2023			
Borrowings	8.69	240.98	249.67
Trade payables	0.05	-	0.05
Other current financial liabilities	4.16	-	4.16
	12.90	**240.98**	**253.88**

18.3.6 Interest rate risk

The company is exposed to interest rate risk because company borrows funds at prevailing interest rates.

Note 19 : Income taxes

19.1 The income tax expense for the period can be reconciled to the accounting profit as follows:

Particulars	For the period 29th April, 2022 to 31st March, 2023
Profit before tax	(0.27)
Enacted income tax rate in India	17.16%
Income tax expense calculated at 17.16%	(0.05)
Others	-
Income tax expense recognised in Statement of Profit and Loss	**(0.05)**

Note 19.2

The tax rate used for the period April to March 2023 is at 17.16%. The reconciliations above is the corporate tax rate of payable by corporate entities in India on taxable profits under the Indian tax law.

Note 19.3 Deferred taxes

The following table provides the details of movment of deferred tax assets and liabilities:

For the year ended 31st March, 2023

Item of deferred tax asset/(liability)	Opening Balance	(Charge)/Credit in P&L	Closing Balance
Deferred tax liabilities	-	-	-
Deferred tax assets:			
Unabsorbed depreciation and Carried forward losses	-	0.05	0.05
Deferred tax assets/(liabilities) (net)	**-**	**0.05**	**0.05**

Note 20 : Related Party disclosure

(a) Name of the Related Party and Description of relationship

Parent company	Clean Max Enviro Energy Solutions Private Limited
Shareholder	Apar Industries Ltd
Key Management Personnel	Mr. Viren Shah (Director) Mr. Pramod M.Deore (Director)

(b) Transactions with related parties during the period

Particulars	For the period 29th April, 2022 to 31st March, 2023
Cleanmax Enviro Energy Solutions Private Limited	
Proceeds from issuance of equity shares	108.00
Short term borrowings taken during the year	149.56
Short term borrowings repaid during the year	146.09
Long term borrowings taken during the year	76.20
Purchases of property, plant and equipment/CWIP	274.70
Interest expense (capitalised to CWIP)	2.17
Capital advances	382.16
Purchases against capital advances	313.33
Apar Industries Ltd	
Proceeds from issuance of equity shares	37.95

The above transactions are exclusive of GST.

(c) Outstanding balances

Particulars	As at 31st March, 2023
Cleanmax Enviro Energy Solutions Private Limited	
Long term borrowings	78.37
Short term borrowings	3.47
Capital advances	68.98

Note 21 - Key Ratios

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	**As at 31st March, 2023**
Current Assets	1.43
Current Liabilities	13.06
Ratio	0.11

b) Debt Equity ratio = Total debt divided by Total equity where total debt refers to sum of current & non current borrowings

Particulars	**As at 31st March, 2023**
Total debt	245.72
Total equity	145.74
Ratio	1.69

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

Particulars	**As at 31st March, 2023**
EBITDA	(0.27)
Total interest and principal repayments	(2.17)
Ratio	0.12

d) Return on Equity Ratio / Return on investment Ratio = Net profit/(loss) after tax attributable to owners of the Company divided by Average Equity attributable to owners of the Company

Particulars	**For the period 29th April, 2022 to 31st March, 2023**
Net profit/(loss) after tax attributable to owners of the Company	(0.22)
Average Equity attributable to owners of the Company	145.74
Ratio	-

f) Trade Receivables turnover ratio = Sales divided by average trade receivables

The above ratio is not applicable as there is no turnover.

g) Trade payables turnover ratio = purchases divided by average trade payables

The above ratio is not applicable as there are no purchases.

h) Net Working Capital Turnover Ratio = Sales divided by average Working capital whereas net working capital= current assets - current liabilities

Particulars	For the period 29th April, 2022 to 31st March, 2023
Sales	-
Current Assets (A)	1.43
Current Liabilities (B)	13.06
Net Working Capital (A-B)	(11.63)
Average Working Capital	(11.63)
Ratio	-

i) Net profit ratio = Net profit/(loss) after tax divided by Net Sales

Particulars	For the period 29th April, 2022 to 31st March, 2023
Net Profit after tax	(0.22)
Net Sales	-
Ratio	-

j) Return on Capital employed =Earnings before interest and taxes(EBIT) divided by Capital Employed

Particulars	For the period 29th April, 2022 to 31st March, 2023
Net profit after tax(A)	(0.22)
Finance Costs (B)	-
Total Tax Expense (C)	(0.05)
EBIT (D) = (A)+(B)+(C)	(0.27)
Total equity (E)	145.74
Total debt (F)	245.72
Capital Employed (I)=(E)+(F)	391.46
Ratio (D)/(I)	-

k) Return on Investment = Income from investment divided by the closing balance of the investment

The above ratio is not applicable as the Company has no other investments other than current operations

Footnote:
The above Non-GAAP measures presented may not be comparable to similarly titled measures reported by other companies. Further, it should be noted that these are not a measure of operating performance or liquidity defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies.

Note 22 - Trade Payable

Trade Payable Ageing Schedule

Particulars	Not due	Less than 1 year	1 - 2 Years	2-3 Years	> 3 Years	Total
As at 31st March, 2023						
(i) Undisputed Dues - Micro, small and medium enterprise (MSME)	0.01	0.02	-	-	-	**0.03**
(ii) Undisputed Dues - Others	-	0.02	-	-	-	**0.02**
(iii) Disputed dues - Micro, small and medium enterprise (MSME)	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**0.01**	**0.04**	**-**	**-**	**-**	**0.05**

The above figures are considered from the date of transaction

Note 23

There are no contingent liabilities as at the 31 March 2023.

Note 24

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker ("CODM") of the Company. The CODM who is responsible for allocating resources and assessing performance of the operating segments has been identified as the Board of Directors of the Company.

The Company operates only in one business segment i.e. "Sale of Solar Power" which is reviewed by CODM and all the activities incidental thereto are within India, hence Company does not have any reportable segments as per Ind AS 108 "Operating Segments".

Information about major customers:-

There are no customers from whom the Company has earned more than 10% of its total revenue.

Note 25

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	For the period 29th April, 2022 to 31st March, 2023
Borrowings at the beginning of the period (current and non-current borrowings)	-
Proceeds from non-current borrowings	246.20
Repayments of non-current borrowings	-
Proceeds from short term borrowing (net)	3.47
Changes due to effective interest rate	(3.95)
Borrowings at the end of the period (current and non-current borrowings)	**245.72**

Note 26

Company is not required to spend amounts on account of CSR as per Section 135 of Companies Act, 2013

Note 27 : Rule 11 of Companies (Audit and Auditors) Rules, 2014

a) The Company has not given Loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, that are repayable on demand or without specifying any terms or period of repayment.

b) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 28 : Disclosures required under schedule III

i. The Company has no relationship and transactions with struck off companies.

ii. The Company has not any entered in scheme of arrangement under section 230 to 237 of Companies Act 2013.

iii. The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

iv. The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the companies (Restriction on number of layer) Rules, 2017.

For and on behalf of the Board of
Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814

Pramod Deore	**Viren Shah**
Director	**Director**
DIN: 08599306	DIN: 09588566
Place: Mumbai	Place: Mumbai
Date: 04th May, 2023	Date: 04th May, 2023

PETROLEUM SPECIALITIES PTE. LTD.

(Registration number: 200403112K)
Incorporated in Singapore

ANNUAL FINANCIAL REPORT

For The Financial Year Ended 31 March 2023

PETROLEUM SPECIALITIES PTE. LTD.

Registration No. 200403112K
Incorporated in Singapore

DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

CONTENTS

DIRECTORS' STATEMENT

For the Financial Year Ended 31 March 2023

The directors are pleased to present their statement together with the audited financial statements of Petroleum Specialities Pte. Ltd. (the "Company") for the financial year ended 31 March 2023.

In the opinion of the directors,

(i) the financial statements of the Company as set out on pages 7 to 27 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

DIRECTORS

The directors of the Company in office at the date of this statement are:

Kushal Narendra Desai
Gajjala Sai Sudhakar
Rishabh Kushal Desai

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors holding office at the end of the financial year and the interests in the share capital of the Company according to the register of directors' shareholdings required to be kept by the Company under Section 164 of the Companies Act 1967, and interest in shares and share options of the Company's related corporations are as follows:

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONTINUED)

	Number of ordinary shares			
	Direct interest		Deemed interest	
Name of director	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year
Apar Industries Ltd.				
Kushal Narendra Desai	9,208,503	9,208,503	47,737	47,737
Rishabh Kushal Desai	42,398	42,398	-	-
Apar Corporation Private Limited				
Kushal Narendra Desai	2,144,651	2,144,651	16,257	16,257
Rishabh Kushal Desai	16,257	16,257	-	-
Apar Technologies Pte. Ltd.				
Gajjala Sai Sudhakar	500,000	500,000	-	-
Catalis World Private Limited				
Kushal Narendra Desai	5,000	5,000	-	-
Apar Transmission & Distribution Projects Pvt. Ltd.				
Kushal Narendra Desai	-	-	1	1
Apar Distribution & Logistics Private Limited				
Kushal Narendra Desai	-	-	1	1

SHARE OPTIONS

During the financial year, no options to take up unissued shares of the Company were granted and no shares were issued by virtue of the exercise of options to take up unissued shares of the Company. There were no unissued shares of the Company under option at the end of the financial year.

DIRECTORS' STATEMENT

For the Financial Year Ended 31 March 2023

INDEPENDENT AUDITORS

The independent auditors, MRI Moores Rowland LLP, has expressed its willingness to accept appointment as auditors of the Company.

Signed by Board of Directors,

Kushal Narendra Desai
Director

Gajjala Sai Sudhakar
Director

Singapore,

Date : 23 JUN 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF PETROLEUM SPECIALITIES PTE. LTD.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Petroleum Specialities Pte. Ltd (the "Company"), which comprise the statement of financial position of the Company as at 31 March 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended 31 March 2023.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Director's Statement as set out on pages 1 to 3, but does not include the financial statements and our auditors' 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 in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 directors' responsibilities include overseeing the Company's financial reporting process.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF PETROLEUM SPECIALITIES PTE. LTD.

Auditor's Responsibilities for the Audit of the Financial Statements. (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Moores Rowland

MRI Moores Rowland LLP
Public Accountants and
Chartered Accountants

Singapore

Date: 23 JUN 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Financial Year Ended 31 March 2023

	Note	2023 US$	2022 US$
Other income	4	120,817	17,398
Other items of expense			
Salary expense		(58,340)	(48,168)
Foreign exchange loss		-	(25,701)
Professional fees		-	(9,880)
Operating lease expense		(17,502)	(10,039)
Bank charge		(87)	(210)
Depreciation		(24)	(52)
Corporate guarantee		(1,250)	(4,244)
Other operating expenses		-	(3,466)
Profit / (Loss) before income tax	5	43,614	(84,362)
Income tax expense	6	(3,400)	(301)
Profit / (Loss) after tax for the financial year		40,214	(84,663)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the financial year		40,214	(84,663)

The accompanying notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

	Note	2023 US$	2022 US$
ASSETS			
Non-current assets			
Plant and equipment	7	-	24
Investment in subsidiary	8	12,329,700	12,329,700
		12,329,700	12,329,724
Current assets			
Other receivables	9	1,454,801	1,358,178
Loan to a third party	10	557,627	869,383
Cash and cash equivalents	11	987,385	699,412
Total current assets		2,999,813	2,926,973
Total assets		15,329,513	15,256,697
EQUITY AND LIABILITIES			
Equity			
Share capital	12	59,101	59,101
Accumulated profits		15,166,636	15,126,422
		15,225,737	15,185,523
Current liabilities			
Other payables	13	100,376	71,174
Income tax payable		3,400	-
Total current liabilities		103,776	71,174
Total equity and liabilities		15,329,513	15,256,697

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the Financial Year Ended 31 March 2023

	Share capital US$	Accumulated profits US$	Total equity US$
2022			
At 1 April 2021	59,101	15,211,085	15,270,186
Loss for the financial year representing total comprehensive loss for the year	-	(84,663)	(84,663)
At 31 March 2022	59,101	15,126,422	15,185,523
2023			
At 1 April 2022	59,101	15,126,422	15,185,523
Profit for the financial year representing total comprehensive income for the year	-	40,214	40,214
At 31 March 2023	59,101	15,166,636	15,225,737

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CASH FLOW

For the Financial Year Ended 31 March 2023

	2023	**2022**
	US$	US$
Operating activities		
Profit / (Loss) before income tax	43,614	(84,663)
Adjustments:		
Interest income	(120,817)	(17,395)
Corporate guarantee	1,250	4,244
Depreciation	24	52
Operating cash flows before changes in working capital	(75,929)	(97,762)
Changes in working capital		
Other receivables	(352)	-
Other payables	27,952	4,392
Cash used in operations	(48,329)	(93,370)
Interest income received	-	17,395
Net cash flows used in operating activities	(48,329)	(75,975)
Investing activities		
Amount owing by/to a related party	(26,795)	(12,485)
Amount owing by subsidiary	-	(1,300,629)
Loan to a third party	363,097	233,918
Net cash flows generated from / (used in) investing activities	336,302	(1,079,196)
Net increase / (decrease) in cash and cash equivalents	287,973	(1,155,171)
Cash and cash equivalents at beginning of the financial year	699,412	1,854,583
Cash and cash equivalents at end of the financial year	987,385	699,412

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL INFORMATION

Petroleum Specialities Pte. Ltd. is a Company incorporated and domiciled in Singapore with its registered office at 4 Shenton Way, #08-03 SGX Centre 2, Singapore 068807.

The principal activities of the Company consist of trading in petroleum - based products and all kind of commodities and securities and general wholesale trade (including general importers and exporters). The principal activity of the subsidiary is disclosed in note 8 to the financial statements. The Company transferred its trading activities to subsidiary in prior year and is now acting as a holding company.

The holding company is Apar Industries Limited, incorporated and domiciled in India and is listed at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The financial statements of the Company for the financial year ended 31 March 2023 were authorised for issue by the Board of Directors on the date of the directors' statement.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below. The financial statements are presented in United States dollars ("US$" or "USD"), which is the functional currency.

The Company meets the criteria of *FRS 110 Consolidated Financial Statements*, to elect for exemption from presenting consolidated financial statements. The Company is a wholly owned subsidiary of another entity, Apar Industries Limited. The Company does not have debt or equity instruments in a stock exchange and the Company did not file nor is in the process of filing, its financial statements with a securities commission or other regulatory organization for the purpose of issuing any debt and equity instruments. The ultimate holding company, Apar Industries Limited, a company incorporated in India, prepares and presents consolidated financial statements and is available to public at its registered office at Apar House, Corporate Park, Sion Trombay Road, Chembur, Mumbai India.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2022.

The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2.3 Standards issued but not yet effective

The Company has not adopted the following standards applicable to the Company that have been issued but not yet effective:

Description	**Effective for annual periods commencing on or after**
Amendments to FRS 1 *Presentation of Financial Statements* and FRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to FRS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*: Definition of Accounting Estimates	1 January 2023
Amendments to FRS 12 *Income Taxes*: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
FRS 117 *Insurance Contracts*	1 January 2023
Amendments to FRS 1: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to FRS 116: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to FRS 1: Non-current Liabilities with Covenants	1 January 2024
Amendments to FRS 110 *Consolidated Financial Statements* and FRS 28 *Investments in Associates and Joint Ventures:* Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The directors expect that the adoption of the standards which are relevant to the Company will have no material impact on the financial statements in the year of initial application.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised in profit or loss.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows: -

	Useful lives
Computer equipment	5 years
Plant and machinery	10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Financial instruments (Continued)

(a) Financial assets (Continued)

Initial recognition and measurement (Continued)

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, FVOCI and FVPL. The Company only has debt instruments at amortised cost. Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Financial instruments (Continued)

(b) Financial liabilities (Continued)

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.7 Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Employees' benefits

(i) Defined contribution plans

The Company makes contribution to the Central Provident Fund (CPF) Scheme in Singapore, a defined contribution pension schemes. Obligations for contributions to defined contribution retirement plans are recognised as an expense in the period in which the related service is performed.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and are subject to an insignificant risk of changes in value.

2.10 Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Interest income

Interest income is recognised using the effective interest method.

2.11 Income tax

(i) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Income tax (Continued)

(i) Current income tax (Continued)

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

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

(iii) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.12 Investment in subsidiary

A subsidiary is an investee that is controlled by the Company. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investment in subsidiary is accounted for at cost less impairment losses.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Share capital

Proceeds from issuance of ordinary shares are classified as share capital in equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share capital, net of any tax effects.

2.14 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

  (i) Has control or joint control over the Company;
  (ii) Has significant influence over the Company; or
  (iii) Is a member of the key management personnel of the Company or a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

  (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  (iii) Both entities are joint ventures of the same third party.
  (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
  (vi) The entity is controlled or jointly controlled by a person identified in (a);
  (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the company or to the parent of the company.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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 disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Judgements made in applying accounting policies

There is no instance of application of judgement which is expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimations described in Key sources of estimation uncertainty.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements was prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Expected credit loss of loan to a third party, amount owing by a related party and other receivables

The expected credit losses of loan to a third party, amount owing by a related party and other receivables are based on the assumption that repayment of the loan is demanded at the reporting date. If the third party, related party and other receivables have sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the expected credit loss is likely to be immaterial. If they could not repay the loan if demanded at the reporting date, management considers the expected manner of recovery to measure expected credit losses. This might be a "repay over time" strategy (that allows the borrower time to pay) or a fire sale of liquid assets.

As at 31 March 2023, Management determined there is no significant increase in credit risk on loan to a third party, amount owing by a related party and other receivables since initial recognition. These receivables are subject to immaterial credit loss allowance as at 31 March 2023. The Company's receivables are disclosed in Notes 9 and 10 to the financial statements.

A decrease of 10% in the estimated future cash inflows will not lead to further allowance for impairment on the Company's receivables.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Key sources of estimation uncertainty (Continued)

(ii) Impairment of investment in subsidiary

Investment in subsidiary is stated at cost less any impairment loss. The Company follows the guidance of FRS 36 impairment of assets to determine when its investment in subsidiary is impaired. The Company evaluates, among other factors, the market and economic environment in which the subsidiaries operate and the financial performance of the subsidiaries to determine whether there are indications of impairment loss. The carrying amount of investment in subsidiary is disclosed in Note 8.

4. OTHER INCOME

	2023 US$	2022 US$
Interest income	120,817	17,395
Foreign exchange gain	-	3
	120,817	17,398

5. PROFIT / (LOSS) BEFORE INCOME TAX

Profit / (Loss) before tax is arrived at after crediting / (charging):

	2023 US$	2022 US$
Foreign exchange gain / (loss)	-	(25,698)
Operating lease expense	(17,502)	(10,039)
Salary expense - Director	(58,340)	(48,168)

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Key management personnel comprises the directors of the Company. The remuneration disclosed above includes only the director for financial years 2023 and 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2023

6. INCOME TAX

	2023	**2022**
	US$	US$
Current income tax:		
Current year	3,400	-
Under provision in respect of prior years	-	301
	3,400	301

The reconciliation of the tax expense and the product of accounting profit multiplied by the applicable rate are as follows:-

	2023	**2022**
	US$	US$
Profit / (Loss) before income tax	43,614	(84,863)
Tax calculated at tax rate of 17%	7,414	(14,427)
Tax effects of:		
Non-deductible expenses	4	9
Under provision of tax in prior years	-	301
Tax exemption	(4,018)	
Others	-	14,418
Income tax expense	3,400	301

7. PROPERTY, PLANT AND EQUIPMENT

	Computers	**Plant and equipment**	**Total**
	US$	US$	US$
Cost			
At 31 March 2022 and 31 March 2023	11,240	98,608	109,848
Accumulated depreciation			
At 31 March 2020	11,164	98,608	109,772
Depreciation charge	52	-	52
At 31 March 2022	11,216	98,608	109,824
Depreciation charge	24	-	24
At 31 March 2023	11,240	98,608	109,848
Carrying amount			
As at 31 March 2023	-	-	-
As at 31 March 2022	24	-	24

8. INVESTMENT IN SUBSIDIARY

	2023 US$	2022 US$
Equity investments at cost		
At the beginning and end of the financial year	12,329,700	12,329,700

Details of subsidiary is as follows:

Name of company	Principal activity	Country of incorporation and place of business	Percentage of equity held 2023 %	Percentage of equity held 2022 %
Petroleum Specialities FZE	Manufacturing and marketing of petroleum-based speciality products, all kinds of oil, lubricant and chemicals	United Arab Emirates	100	100

9. OTHER RECEIVABLES

	2023 US$	2022 US$
Amount owing by subsidiary	1,370,105	1,300,629
Amount owing by a related party	71,968	45,173
Deposits	12,728	12,376
	1,454,801	1,358,178

Other receivables due from non-related parties are unsecured, interest free and repayable on demand.

Amount owing by a related party is unsecured, interest free and repayable on demand.

There is no allowance for impairment is provided as the ECL is insignificant and management has determined that there are no possible default events giving rise to ECL.

10. LOAN TO A THIRD PARTY

Loan to a third party bears interest calculated at 6 month LIBOR + 100 points basis per annum with quarterly rests (accompanying 2.9% per annum). The loan is repayable on demand or on specified date mutually agreed by the Company and the third party.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2023

11. CASH AND CASH EQUIVALENTS

	2023	2022
	US$	US$
Cash at banks	987,385	699,412

The Company's cash and cash equivalents denominated in foreign currency is as follows:

	2023	2022
	US$	US$
Singapore dollars	307,786	382,822

12. SHARE CAPITAL

	2023	2022	2023	2022
	Number of shares		US$	US$
Ordinary shares issued and fully paid				
At the beginning and end of the financial year	100,000	100,000	59,101	59,101

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

13. OTHER PAYABLES

	2023	2022
	US$	US$
Accrued expenses	92,382	64,430
Amount owing to holding company	7,994	6,744
	100,376	71,174

Amount owing to holding company is unsecured, interest free and repayable on demand.

14. RELATED PARTY TRANSACTIONS

Some of the arrangements with related parties (as defined in Note 2 above) and the effects of these bases determined between the parties are reflected elsewhere in this report. Details of transactions between the Company and related company is disclosed below.

	2023 US$	2022 US$
Rental expense charged by a related party	17,502	10,039
Corporate guarantee charged by holding company	1,250	4,244
Interest income from subsidiary company	(69,476)	(629)

15. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

The Company's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

(i) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables and loan to a third party. For other financial assets (including cash), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

As the Company do not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2023

15. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

(i) Credit risk (Continued)

Expected Credit Losses

The Company has applied general approach to measure the expected credit losses for loan receivables, amount due from related companies and subsidiary. The Company adopted a 3-stage methodology to assess the expected credit loss. The Company considered that there was evidence if any of the following indicators were present:

- There is significant difficulty of the debtor;
- Breach of contract, such as default or past due event; and
- It becomes probable that the debtor will enter bankruptcy

The Company has assessed the loan receivables, amounts due from related companies and subsidiary to have immaterial credit loss given the financial strength of these companies.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's operations are financed mainly through equity and financing from holding company. The directors are satisfied that funds are available to finance the operations of the Company.

At the end of the reporting period, all financial liabilities have maturity period within one year. The contractual undiscounted cash flows of non-derivative financial liabilities equal the carrying amounts as the impact of discounting is not applicable.

(iii) Foreign currency risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the United States dollars are as follows:

	2023	2022
	US$	US$
Singapore dollars		
Cash and cash equivalents	307,786	382,822

NOTES TO THE FINANCIAL STATEMENTS

For the Financial Year Ended 31 March 2023

15. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (CONTINUED)

(iii) Foreign currency risk (Continued)

If the United States dollar strengthens by 1% against the above currencies, the results are as follows:

	(Decrease)/ Increase in profit before tax	
	2023	**2022**
	US$	US$
Singapore dollars	3,078	3,828

The opposite applies if United States dollar weaken by 1% against these currencies on the basis that all other variables remain constant. In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their lendings.

The Company does not expect any significant effect on the Company's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

At the reporting date, if the interest rates had been 100 (2022: 100) basis points higher/lower with all other variables held constant, the Company's profit before tax would have been US$1,208 (2022: US$174) higher/lower, arising mainly as a result of higher/lower interest income on floating market interest rate. The assumed movement in basis points for interest rate sensitivity analysis is based on currently observable market environment.

16. COMMITMENTS

The Company provided financial guarantees to various banks as below in connection with the bank facilities granted to its subsidiary company.

The Company also executed Corporate Guarantee of US$11,000,000 (2022: US$11,000,000) in favour of Union Bank of India, DIFC Bank, Dubai (bank), as a security for the working capital facilities sanctioned by bank to subsidiary, Petroleum Specialities FZE. The effect of fair value of financial guarantee is immaterial.

As at reporting date, all the utilisation is done on account of the subsidiary company.

17. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

	2023 US$	2022 US$
Financial assets measured at amortised cost		
Other receivables	1,454,801	1,358,178
Loan to a third party	557,627	869,383
Cash and cash equivalents	987,385	699,412
Total financial assets measured at amortised cost	2,999,813	2,926,973
Financial liabilities measured at amortised cost		
Other payables	100,376	71,174
Total financial liabilities measured at amortised cost	100,376	71,174

18. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2023 and 31 March 2022.

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

There are no financial assets or liabilities that are required to be disclosed under the fair value hierarchy levels 1,2 and 3 in the financial statements.

Assets and liabilities not measured at fair value

Cash and cash equivalents, loan to a third party, other receivables, and other payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.