**PETROLEUM SPECIALITIES PTE. LTD.**
(Incorporated in the Republic of Singapore)
Registration No. 2004031121K

**AUDITED FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED 31 MARCH 2025**

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**PETROLEUM SPECIALITIES PTE. LTD.**
**(Incorporated in the Republic of Singapore)**

**DIRECTORS' STATEMENT**
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

The directors are pleased to present their statement to the member together with the audited financial statements of Petroleum Specialities Pte. Ltd. (the "Company") for the financial year ended 31 March 2025.

## OPINION OF THE DIRECTORS

In our opinion,

a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

## 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 SHARES OR 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 in, or debentures of the Company or any other body corporate.

## DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, 1967 ('the Act'), particulars of interests of directors who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations, either at the beginning or end of financial year.

**DIRECTORS' INTERESTS IN SHARES OR DEBENTURES (Continued)**

| | Number of ordinary shares | | | |
|---|---|---|---|---|
| | Direct interest | | Deemed interest | |
| Name of directors | At beginning of financial year | At end of financial year | At beginning of financial year | At end of financial year |
| **Holding Company** | | | | |
| **Apar Industries Ltd.** | | | | |
| Kushal Narendra Desai | 9,208,503 | 9,208,503 | 47,737 | 47,737 |
| Rishabh Kushal Desai | 42,398 | 42,398 | | |
| **Entities with significant control** | | | | |
| **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 | - | - |
| **Related parties** | | | | |
| **Apar Transmission & Distribution Projects Pvt. Ltd.** | | | | |
| Kushal Narendra Desai | - | - | 1 | 1 |
| **AparDistribution & Logistics Private Limited** | | | | |
| Kushal Narendra Desai | - | - | 1 | 1 |

## SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year 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.

PETROLEUM SPECIALITIES PTE. LTD.
(Incorporated in the Republic of Singapore)

DIRECTORS' STATEMENT (Continued)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

## INDEPENDENT AUDITOR

M/s MGI N Rajan Associates has expressed its willingness to accept appointment as auditor.

The Board of Directors

Kushal Narendra Desai
*Director*

Sai Sudhakar (May 12, 2025 20:45 GMT+8)

Gajjala Sai Sudhakar
*Director*

Date: 12 MAY 2025

**INDEPENDENT AUDITOR'S REPORT**
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

**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 2025, and 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 material accounting policy information.

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 2025 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

*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 Directors' Statement set out on pages 2 to 4.

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.

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G. Natarajan, P.S. Somasekharan, D. Govindaraj, Anuja Sushil Saraf

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF PETROLEUM SPECIALITIES PTE. LTD. (Continued)**

**Report on the Audit of the Financial Statements (Continued)**

*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 director's 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 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. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF PETROLEUM SPECIALITIES PTE. LTD. (Continued)**

**Report on the Audit of the Financial Statements (Continued)**

*Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

- 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.

**MGI N RAJAN ASSOCIATES**
**PUBLIC ACCOUNTANTS AND**
**CHARTERED ACCOUNTANTS**

**SINGAPORE**

**Date:** 12 MAY 2025

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

| | Note | 2025<br>US$ | 2024<br>US$ |
|---|---|---|---|
| Other income | 4 | 315,129 | 346,269 |
| **Operating expenses** | | | |
| Salary expenses | | (298,942) | (346,269) |
| Bank charges | | (1,389) | (476) |
| Other operating expenses | | (39,956) | (46,385) |
| **(Loss)/Profit before income tax** | 5 | (25,158) | 2,124 |
| Income tax expense | 6 | - | - |
| **(Loss)/Profit before income tax** | | (25,158) | 2,124 |
| Other comprehensive income for the year | | - | - |
| **Total comprehensive income for the year** | | (25,158) | 2,124 |

*The annexed notes form an integral part of and should be read in conjunction with these financial statements.*

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

| | Note | 2025<br>US$ | 2024<br>US$ |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 7 | - | - |
| Investment in subsidiary | 8 | 12,329,700 | 12,329,700 |
| **Total non-current assets** | | 12,329,700 | 12,329,700 |
| **Current assets** | | | |
| Other receivables | 9 | 1,797,780 | 1,757,981 |
| Income tax recoverable | 6 | 2,860 | - |
| Cash and cash equivalents | 10 | 1,453,061 | 1,429,116 |
| **Total current assets** | | 3,253,701 | 3,187,097 |
| **TOTAL ASSETS** | | 15,583,401 | 15,516,797 |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | 11 | 59,101 | 59,101 |
| Accumulated profits | | 15,143,602 | 15,168,760 |
| **Equity attributable to owners of the company** | | 15,202,703 | 15,227,861 |
| **Current liabilities** | | | |
| Other payables | 12 | 380,698 | 285,745 |
| Income tax payable | | - | 3,191 |
| **Total current liabilities** | | 380,698 | 288,936 |
| **TOTAL EQUITY AND LIABILITIES** | | 15,583,401 | 15,516,797 |

*The annexed notes form an integral part of and should be read in conjunction with these financial statements.*

**STATEMENT OF CHANGES IN EQUITY**
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

| | Share capital | Accumulated profits | Total |
|---|---|---|---|
| | US$ | US$ | US$ |
| 2024 | | | |
| Balance as at 1 April 2023 | 59,101 | 15,166,636 | 15,225,737 |
| Total comprehensive income for the year | - | 2,124 | 2,124 |
| Balance as at 31 March 2024 | 59,101 | 15,168,760 | 15,227,861 |
| **2025** | | | |
| Balance as at 1 April 2024 | **59,101** | **15,168,760** | **15,227,861** |
| Total comprehensive income for the year | **-** | **(25,158)** | **(25,158)** |
| Balance as at 31 March 2025 | **59,101** | **15,143,602** | **15,202,703** |

*The annexed notes form an integral part of and should be read in conjunction with these financial statements.*

**PETROLEUM SPECIALITIES PTE. LTD.**
(Incorporated in the Republic of Singapore)

**STATEMENT OF CASH FLOWS**
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

| | Note | 2025<br>US$ | 2024<br>US$ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| (Loss)/Profit before tax | | **(25,158)** | 2,124 |
| Adjustments for: | | | |
| Interest income | 4 | **(75,975)** | (108,442) |
| **Operating loss before working capital changes** | | **(101,133)** | (106,318) |
| **Changes in working capital** | | | |
| Other receivables | | - | (44,173) |
| Other payables | 12 | **94,953** | 185,370 |
| **Total cash used in operating activities** | | **(6,180)** | (44,173) |
| Income tax paid | 6 | **(6,051)** | (209) |
| **Net cash flow (used in)/from operating activities** | | **(12,232)** | 34,670 |
| **Cash flow from investing activities** | | | |
| Amount owing by a related party | | **32,626** | (220,670) |
| Amount owing by subsidiary | | **3,550** | 70,105 |
| Loan to a third party | | **-** | 557,627 |
| **Net cash flows from investing activities** | | **36,176** | 407,062 |
| **Cash flow from financing activities** | | | |
| Due to holding company | | **-** | (1) |
| **Net cash flows from financing activities** | | **-** | (1) |
| Net increase in cash and cash equivalents | | **23,945** | 441,731 |
| Cash and cash equivalents at beginning of the year | | **1,429,116** | 987,385 |
| **Cash and cash equivalents at end of the year** | 10 | **1,453,061** | 1,429,116 |

*The annexed notes form an integral part of and should be read in conjunction with these financial statements.*

## 1 GENERAL

Petroleum Specialities Pte. Ltd. (the "Company") is incorporated and domiciled in Singapore with its registered office and principal place of business 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 the subsidiary and is now acting as a holding company

The immediate and ultimate holding company is Apar Industries Limited, incorporated and domiciled in India and is listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The financial statements of the Company for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION

### 2.1 Basis of Preparation

The financial statements of the Company have been drawn in accordance with Financial Reporting Standards (FRSs) in Singapore. The financial statements of the Company 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$), which is the Company's functional currency.

### 2.2 Adoption of new and amended standards and interpretations

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 amended standards which are relevant to the Company and are effective for the annual financial periods beginning on 1 April 2024. The adoption of these standards did not have any material effect on the financial statements 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 beginning on or after |
|---|---|
| Amendments to FRS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability | 1 January 2025 |

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.3 Standards issued but not yet effective (Continued)

| | |
|---|---|
| Amendments to FRS 109 Financial Instruments and FRS 107 Financial Instruments: Disclosures: Amendments to the Classification and Measurement of Financial Instruments | 1 January 2026 |
| Annual Improvement to FRSs Volume 11 | 1 January 2026 |
| FRS 118 Presentation and Disclosure in Financial Statements | 1 January 2027 |
| FRS 119 Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| 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 |

### 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 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash – generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.6 Financial instruments

**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.

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.

**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.

Such financial assets comprise of other receivables, due from subsidiary and cash and cash equivalents.

**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.

**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 fair value through profit or loss, directly attributable transaction costs.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.6 Financial instruments (Continued)

**Financial liabilities (Continued)**

**Subsequent measurement**

After initial recognition, financial liabilities that are not carried at fair value through profit or loss 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.

Such financial liabilities comprise other payables and due to holding company.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged, 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).

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.

### 2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks which are subject to an insignificant risk of changes in value.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.9 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable than an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### 2.10 Revenue

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 is recognized using effective interest method.

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

### 2.11 Borrowing costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

### 2.12 Taxes

#### 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.

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.

#### 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.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.12 Taxes (Continued)

**Deferred tax (Continued)**

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 by the end of the 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.

**Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST except:

• where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognized 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 GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

### 2.13 Share capital

Proceeds from issuance of ordinary shares are recognized as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

### 2.14 Subsidiaries

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 financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

The subsidiary results have not been consolidated as the Company is itself a wholly owned subsidiary of another company, Apar Industries Limited, incorporated and domiciled in India and is listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)., which publishes the consolidated financial statements which is available for public use. The web link address of the holding company is https://apar.com/investor/.

### 2.15 Related parties

A party is considered to be related to the Company if:-

(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 of the Company;

(ii) has significant influence over the Company; or

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.15 Related parties (Continued)

(iii) is a member of the key management personnel of the Company or of 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. If the Company is itself such a plan, the sponsoring employers are also 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.

### 2.16 Plant and equipment

**(i) Recognition and measurement**

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

**(ii) Subsequent costs**

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Partnership, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

## 2 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

### 2.16 Plant and equipment (Continued)

#### (iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Partnership will obtain ownership by the end of the lease term.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use.

The estimated useful lives for the current period are as follows:

| | | |
|---|---|---|
| Computer and equipment | - | 5 years |
| Plant and machinery | - | 10 years |

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

## 3 SIGNIFICANT ACCOUNTING JUDGEMENTS 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.

### 3.1 Judgments made in applying accounting policies

#### Determination of functional currency

In determining the functional currency of the Company, judgment is used by the Company to determine the currency of the primary economic environment in which the Company operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

### 3.2 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 were 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.

## 3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

### 3.2 Key sources of estimation uncertainty (Continued)

#### (a) Investment in subsidiaries

Investment in subsidiaries are stated at cost less impairment loss, if any. In determining if there is any impairment, the management evaluates the market and economic environment in which the entities operate, the economic performance, the forecasted results, the net assets values, and the operating cash flow of the entity.

The evaluation of these factors involves a significant degree of management judgement. The carrying amount of the Company's investment in subsidiaries as at 31 March 2025 was US$12,329,700 (2024: US$12,329,700).

## 4. OTHER INCOME

| | **2025** | 2024 |
|---|---|---|
| | **US$** | US$ |
| Income from Management support services | **239,154** | 237,827 |
| Interest income from subsidiary company | **75,975** | 108,442 |
| | **315,129** | 346,269 |

## 5. PROFIT BEFORE TAX

Profit before tax has been arrived after charging:

| | **2025** | 2024 |
|---|---|---|
| | **US$** | US$ |
| *Employee benefit expenses - Director | **298,942** | 297,284 |
| Operating lease expenses | **17,937** | 17,837 |
| Professional fees | **8,000** | 18,500 |
| Foreign exchange loss | **-** | 3,525 |
| Other operating expenses | **15,408** | - |

*Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Key management personnel comprise the directors of the company. The remuneration disclosed above includes only the director for financial years 2025 and 2024.

## 6. TAXATION

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Current year's income tax expense | - | - |
| Tax expense reported in the profit or loss | - | - |

A reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the financial years ended 31 March 2025 and 2024 were as follows:

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Profit/(Loss) before tax | (25,158) | 2,124 |
| Tax thereon @17% (2024: 17%) | (4,277) | 361 |
| Net effect of: | | |
| Non-deductible expenses | | |
| Tax exemptions | - | (361) |
| Deferred tax assets on loss not recognised | 4,277 | - |
| Tax expense reported in the profit or loss | - | - |

**Movement in income tax provision**

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Beginning of financial year | 3,191 | 3,400 |
| Income tax paid* | (6,051) | (209) |
| Current year income tax provision | - | - |
| End of financial year | (2,860) | 3,191 |

*The Company paid tax of US$6,051 (2024: US$209) during the year.

## 7. PROPERTY, PLANT AND EQUIPMENT

| | Computers | Plant and equipment | Total |
|---|---|---|---|
| **Cost** | **US$** | **US$** | **US$** |
| At 31 March 2023 | 11,240 | 98,608 | 109,848 |
| Additions | - | - | - |
| At 31 March 2024 | 11,240 | 98,608 | 109,848 |
| Additions | - | - | - |
| At 31 March 2025 | **11,240** | **98,608** | **109,848** |
| **Accumulated depreciation** | | | |
| At 31 March 2023 | (11,240) | (98,608) | (109,848) |
| Charge for the year | - | - | - |
| At 31 March 2024 | (11,240) | (98,608) | (109,848) |
| Charge for the year | - | - | - |
| At 31 March 2025 | **(11,240)** | **(98,608)** | **(109,848)** |
| **Carrying amounts** | | | |
| At 31 March 2024 | - | - | - |
| At 31 March 2025 | - | - | - |

## 8. INVESTMENT IN SUBSIDIARIES

| | **2025** | 2024 |
|---|---|---|
| | **US$** | US$ |
| Equity investment at cost | **12,329,700** | 12,329,700 |

Particulars of the shareholdings are as follows:

| **Name** | **Country of incorporation** | **% held** | **Cost of investment** | **Nature of business** |
|---|---|---|---|---|
| | | **2025 and 2024** | **2025 and 2024** | |
| Petroleum Specialities FZE | UAE | 100% | US$12,329,700 | Manufacturing and marketing of petroleum based specialty products and all kinds of oil, lubricant and chemicals |

^Audited by CNK Hussain Alsayegh.

## 9. OTHER RECEIVABLES

| | **2025** | 2024 |
|---|---|---|
| | **US$** | US$ |
| **Amount owing by subsidiary | **1,525,040** | 1,452,615 |
| *Amount owing by a related party | **260,012** | 292,638 |
| Deposits | **12,728** | 12,728 |
| | **1,797,780** | 1,757,981 |

*Amount owing by a related company is unsecured, interest free and repayable on demand.

**Amount owing by subsidiary is unsecured, bears an interest rate of 6 months SOFR + 100 basis points and is payable half yearly. The loan was disbursed on 28th February 2022 and is payable on demand.

Other receivables are denominated in US$.

## 10. CASH AND CASH EQUIVALENTS

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Cash at banks | **1,453,061** | 1,429,116 |
| | **1,453,061** | 1,429,116 |

Cash and cash equivalents are denominated at the following currencies:

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Singapore dollars | **85,300** | 64,431 |
| United States dollars | **1,367,761** | 1,364,685 |
| | **1,453,061** | 1,429,116 |

## 11. SHARE CAPITAL

| | 2025<br>No. of ordinary shares | 2025<br>US$ | 2024<br>No. of ordinary shares | 2024<br>US$ |
|---|---|---|---|---|
| Issued and fully paid up ordinary shares | | | | |
| Balance at beginning of the financial year | 100,000 | 59,101 | 100,000 | 59,101 |
| Balance at the end of the year | 100,000 | **59,101** | 100,000 | **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.

The ordinary share capital issued at the date of incorporation is denominated in Singapore dollars and was converted to United States dollars at historical rate.

## 12. OTHER PAYABLES

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Accruals | **295,759** | 104,347 |
| Amount owing to director* | **59,788** | 173,405 |
| Amount owing to holding company# | **25,150** | 7,993 |
| | **380,698** | 285,745 |

*Amount owing to director is interest free and repayable on demand.

#Amount owing to holding company is unsecured, interest free and repayable on demand.

## 12. OTHER PAYABLES (Continued)

Other payables are denominated at the following currencies:

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Singapore dollars | **355,548** | 277,752 |
| United States dollars | **25,150** | 7,993 |
| | **380,698** | 285,745 |

## 13. RELATED PARTY TRANSACTIONS

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties took place during the year at terms agreed between the parties:

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Rental expenses charged by a related party | **17,937** | 17,837 |
| Interest income from subsidiary company | **75,975** | 82,510 |

## 14. FAIR VALUE OF ASSETS AND LIABILITIES

**Assets and liabilities not measured at fair value**

*Cash and cash equivalents, other receivables and other payables*

The carrying amounts of these balances including due from a subsidiary approximate their fair values due to the short-term nature of these balances.

## 15. FINANCIAL RISK MANAGEMENT

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 directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current year 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 abovementioned 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.

## 15. FINANCIAL RISK MANAGEMENT (Continued)

### 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 other receivables and loan to the subsidiary. For other financial asset, cash at banks, the Company minimises credit risk by exclusively dealing with fully licensed banks in Singapore.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

The Company's current credit risk grading framework comprises the following categories:

| Category | Definition of category | Basis for recognising expected credit loss (ECL) |
|---|---|---|
| I | Counterparty has a low risk of default and does not have any past - due amounts | 12- month ECL |
| II | Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition | Lifetime ECL- not credit -impaired |
| III | Amount is > 60 days past due or there is evidence indicating the asset is credit-impaired (in default) | Lifetime ECL - credit impaired |
| IV | There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery | Amount is written off |

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

| | Note | Category | 12-month or lifetime ECL | Gross carrying amount | Loss allowance | Net carrying amount |
|---|---|---|---|---|---|---|
| | | | US$ | US$ | US$ | US$ |
| **31 March 2025** | | | | | | |
| Other receivables | 9 | I | 12-month ECL | **1,797,780** | **-** | **1,797,780** |
| | | | | **1,797,780** | **-** | **1,797,780** |
| **31 March 2024** | | | | | | |
| Other receivables | 9 | I | 12-month ECL | 1,757,981 | - | 1,757,981 |
| | | | | 1,757,981 | - | 1,757,981 |

Cash is held with financial institutions of good standing.

## 15. FINANCIAL RISK MANAGEMENT (Continued)

### 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 objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company's operations are financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Company.

All receivables and payables are due either within one year or payable on demand.

### Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

#### *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 loan from holding company.

The Company does not expect any significant effect on the Company's (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 50 (2024: 50) basis points higher/lower with all other variables held constant, the Company's loss after tax would have been US$6,590 (2024: US$7,263) lower/higher, arising mainly as a result of floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

#### *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 is not exposed to significant movements in foreign currencies exchange rates.

The Company has transactional currency exposures arising from sales that are denominated in a currency other than the functional currency of the Company, primarily Singapore Dollar (SGD).

## 15. FINANCIAL RISK MANAGEMENT (Continued)

***Foreign currency risk (Continued)***

The Company's currency exposures to SGD at the reporting date were as follows:

| | 2025<br>S$ | 2024<br>S$ |
|---|---|---|
| Financial assets | | |
| Cash and cash equivalents | **111,427** | 86,789 |
| Financial liabilities | | |
| Other payables | **(464,452)** | (374,132) |
| **Currency exposure** | **(353,025)** | (287,343) |

A 10% strengthening of United States Dollar against the foreign currency denominated balances as at the reporting date would increase profit by the amounts shown below. This analysis assumes that all other variables remain constant.

| | Profit or loss (after tax) | |
|---|---|---|
| | 2025<br>US$ | 2024<br>US$ |
| Singapore Dollar | **27,025** | 21,332 |

A 10% weakening of United States Dollar against the above currency would have had equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

## 16. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities at amortised cost were as follows:

| | 2025<br>US$ | 2024<br>US$ |
|---|---|---|
| Financial assets measured at amortised cost | | |
| Other receivables (Note 9) | **1,797,780** | 1,757,981 |
| Cash and cash equivalents (Note10) | **1,453,061** | 1,429,116 |
| Total financial assets measured at amortised cost | **3,250,841** | 3,187,097 |
| Financial liabilities measured at amortised cost | | |
| Other payables (Note 12) | **380,698** | 285,745 |
| Total financial liabilities measured at amortised cost | **380,698** | 285,745 |

## 17. 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.

The board of directors monitors its capital based on net debt and total capital. Net debt calculated as other payables plus due to holding company less cash and cash equivalents. Total capital is calculated as equity plus net debt. The management monitors capital management based on gearing ratio. Gearing ratio is calculated as net debt divided by total capital.

| | **2025** | 2024 |
|---|---|---|
| | **US$** | US$ |
| Net debt | - | - |
| Total equity | **15,202,703** | 15,227,861 |
| Total capital | **15,202,703** | 15,227,861 |
| Gearing ratio | - | - |

The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2025 and 31 March 2024.

## 18. COMPARATIVE INFORMATION

During 2025, the Company modified the classification of income from Management support services to reflect more appropriately the way in which the income is earned. Comparative amounts in the statement of profit or loss and other comprehensive income were restated for consistency.

Since the amounts are reclassifications within the statement of profit or loss and other comprehensive income, this reclassification did not have any effect on the statements of financial position and cash flows.

Where necessary, certain comparative figures have been reclassified to conform with current year presentation.

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**PETROLEUM SPECIALITIES FZE**
**HAMRIYAH FREEZONE**
**SHARJAH, UNITED ARAB EMIRATES**

**Financial Statements**
**For the year ended March 31, 2025**

## PETROLEUM SPECIALITIES FZE
**HAMRIYAH FREE ZONE, SHARJAH, UAE**

**FINANCIAL STATEMENTS FRO THE YEAR ENDED MARCH 31, 2025**

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Independent Auditor's Report
To the shareholders of Petroleum Specialities FZE

Report on the audit of financial statements

*Opinion*
We have audited the financial statements of Petroleum Specialties FZE ("the Company"), which comprise the statement of financial position as at **March 31, 2025**, 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 material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Petroleum Specialties FZE as at **March 31, 2025** and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

*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 as issued by IASB, and in compliance with the applicable provisions of the Company's Articles of Association and the UAE Federal Decree Law No. (32) of 2021,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.

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.



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*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 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.
- 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.



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- 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.

***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 applicable provisions of the UAE Federal Law No. (32) of 2021, and Articles of Association of the Company;
- 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 12 reflects material related party transactions and the terms under which they are conducted.



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Independent Auditor's Report
To the shareholders of Petroleum Specialities FZE

- 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, 2025, 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, 2025.
- No social contributions were made during the year.

For and on behalf of
CNK and Associates LLP - Dubai Branch

Akshay Thomas Sam
Registration No.: 1313
Date: May 7, 2025
Place: Dubai, UAE



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**PETROLEUM SPECIALITIES FZE**
**HAMRIYAH FREE ZONE, SHARJAH, UAE**

**STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025**
**(Amount in United States Dollars)**

| | Note | 2024-25 | 2023-24 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Property, plant and equipment | 4 | 11,910,603 | 12,743,655 |
| Right of use assets | 3.17 | 4,156,655 | 4,579,515 |
| Capital work-in-progress | 5 | 611,463 | 8,090 |
| **Total Non-Current Assets** | | **16,678,721** | **17,331,260** |
| **Current assets** | | | |
| Inventories | 6 | 17,307,985 | 26,649,746 |
| Deposits, prepayment and advances | 7 | 783,781 | 766,750 |
| Trade and Other Receivables | 8 | 20,156,881 | 22,747,665 |
| Cash & cash equivalents | 9 | 3,963,704 | 1,339,915 |
| Due from related party | 12 | 51,374 | 37,590 |
| **Total current assets** | | **42,263,725** | **51,541,666** |
| **TOTAL ASSETS** | | **58,942,446** | **68,872,926** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | | 12,329,700 | 12,329,700 |
| Statutory Reserve | | 458,707 | 262,970 |
| Retained earnings | | 1,480,006 | (281,623) |
| **Total Equity** | | **14,268,412** | **12,311,047** |
| **Non-Current Liabilities** | | | |
| Lease liability | 10 | 4,710,018 | 5,100,170 |
| End of service benefits | 11 | 509,684 | 375,734 |
| Due to related parties | 12 | - | 1,452,615 |
| **Total Non-Current Liabilities** | | **5,219,702** | **6,928,519** |
| **Current Liabilities** | | | |
| Lease liability | 10 | 213,157 | 217,471 |
| Due to related parties | 12 | 2,680,629 | 2,189,207 |
| Bank Overdraft | 13 | - | 516,310 |
| Trade and Other Payables | 14 | 36,560,546 | 46,710,372 |
| **Total Current Liabilities** | | **39,454,332** | **49,633,360** |
| **Total Liabilities** | | **44,674,034** | **56,561,879** |
| **TOTAL EQUITY AND LIABILITIES** | | **58,942,446** | **68,872,926** |

**The accompanying notes form an integral part of the interim financial statements.**
**The Independent auditors' report is set out on page 1-4.**

**FOR**
**PETROLEUM SPECIALITIES FZE**

**RISHABH KUSHAL DESAI**
**DIRECTOR**
**DATE: MAY 7, 2025**
**PLACE: MUMBAI, INDIA**

**KUSHAL NARENDRA DESAI**
**DIRECTOR**
**DATE: MAY 7, 2025**
**PLACE: MUMBAI, INDIA**

**PETROLEUM SPECIALITIES FZE**
**HAMRIYAH FREE ZONE, SHARJAH, UAE**

**STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED MARCH 31, 2025**
**(Amount in United States Dollars)**

| | Note | 2024-25 | 2023-24 |
|---|---|---|---|
| Revenue | 15 | 126,901,997 | 131,191,649 |
| Cost of Sales | 16 | (107,302,016) | (117,198,613) |
| **Gross Profit** | | **19,599,981** | **13,993,036** |
| Depreciation on Property, Plant and Equipments | 4 | (48,914) | (47,207) |
| Selling and Distribution Expenses | 17 | (11,401,115) | (8,793,926) |
| General and Administrative Expenses | 18 | (3,466,140) | (3,318,914) |
| **Net Operating Profit for the period** | | **4,683,812** | **1,832,989** |
| Finance cost | 19 | (2,726,447) | (3,056,933) |
| **Profit/(Loss) for the period** | | **1,957,365** | **(1,223,944)** |
| ***Other comprehensive income/(loss) to be reclassified to income statement in subsequent periods*** | | | |
| Increase/(Decrease) in hedging reserve | | - | - |
| **Total Comprehensive Income for the period** | | **1,957,365** | **(1,223,944)** |

**The accompanying notes form an integral part of the interim financial statements.**
**The Independent auditors' report is set out on page 1-4.**

**FOR**
**PETROLEUM SPECIALITIES FZE**

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**DATE: MAY 7, 2025**
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**PETROLEUM SPECIALITIES FZE**
**HAMRIYAH FREE ZONE, SHARJAH, UAE**

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025**
**(Amount in United States Dollars)**

| | 2024-25 | 2023-24 |
|---|---|---|
| **Cash flows from operating activities** | | |
| **Net profit for the period** | **1,957,365** | **(1,223,944)** |
| *Adjustments for:* | | |
| Provision for employees' end of service benefits | 141,739 | 130,570 |
| Provision for expected credit loss | (154,980) | |
| Finance Cost | 2,726,447 | 3,056,933 |
| Interest on lease liability | 107,165 | 146,469 |
| Depreciation on property, plant and equipment | 925,305 | 998,930 |
| Depreciation on right of use assets | 281,807 | 290,762 |
| Gratuity paid | (7,789) | (24,989) |
| **Operating profit before working capital changes** | **5,977,059** | **3,374,731** |
| (Increase)/ Decrease in inventories | 9,341,761 | (12,667,562) |
| (Increase)/ Decrease in trade and other receivables | 2,745,764 | 2,577,060 |
| (Increase)/ Decrease in deposits, prepayments and advances | (17,031) | (161,771) |
| (Increase)/ Decrease in due from related party | (13,784) | 265,887 |
| Increase/ (Decrease) in due to related party | (961,193) | 388,133 |
| Increase/ (Decrease) in trade and other payables | (10,149,826) | 848,669 |
| **Net cash generated from operating activities** | **6,922,750** | **(5,374,853)** |
| **Cash flows from investing activities** | | |
| Purchase of property, plant and equipment | (92,253) | (368,197) |
| Advance for capital assets | (603,373) | 203,580 |
| **Net cash from investing activities** | **(695,626)** | **(164,617)** |
| **Cash flows from financing activities** | | |
| Finance costs paid | (2,726,447) | (3,056,933) |
| Principle element of lease payments | (360,578) | (343,457) |
| Change in Bank Overdraft | (516,310) | 516,310 |
| **Net cash used in financing activities** | **(3,603,335)** | **(2,884,080)** |
| **Net increase in cash and cash equivalents** | **2,623,789** | **(8,423,550)** |
| Cash and cash equivalents at beginning of the period | 1,339,915 | 9,763,465 |
| **Cash and cash equivalents at end of the period** | **3,963,704** | **1,339,915** |

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PETROLEUM SPECIALITIES FZE
HAMRIYAH FREE ZONE, SHARJAH, UAE

**STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED MARCH 31, 2025**
**(Amount in United States Dollars)**

| Particulars | Share Capital | Statutory Reserves | Accumulated loss/profits | Total |
|---|---|---|---|---|
| **Balance as at April 01, 2023** | **12,329,700** | **262,970** | **942,321** | **13,534,991** |
| Additions during the year | - | - | - | - |
| Net Profit /(Loss) for the year | - | - | (1,223,944) | (1,223,944) |
| Transfers during the year | - | - | - | - |
| Other Comprehensive Income for the year | - | - | - | - |
| **Balance as at March 31, 2024** | **12,329,700** | **262,970** | **(281,623)** | **12,311,047** |
| **Balance as at April 01, 2024** | **12,329,700** | **262,970** | **(281,623)** | **12,311,047** |
| Additions during the year | - | - | - | - |
| Net Profit /(Loss) for the year | - | - | 1,957,365 | 1,957,365 |
| Transfers during the year | - | 195,737 | (195,737) | - |
| Other Comprehensive Income for the year | - | - | - | - |
| **Balance as at March 31, 2025** | **12,329,700** | **458,707** | **1,480,006** | **14,268,412** |

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## 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, chemicals and transformer oil, processing of petrochemicals and petroleum products, blending of petroleum products, oil- based lubricating oils or greases manufacturing 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) |
|---|---|---|---|---|---|
| | M/s Petroleum Specialities Pte Ltd | Singapore | 100% | 45,250 | 45,250,000 |
| | **Total** | | **100%** | **45,250** | **45,250,000** |

## 2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS's)

The accounting policies used in the preparation of these financial statements are consistent with those used in the previous year except for the changes due to implementation of the following new and revised International Financial Reporting Standards as of January 1, 2024:

### 2.1 Disclosure of Accounting Policies

- The amendments to IFRS 16 require a seller-lessee, in measuring the lease liability arising in a sale and leaseback transaction, not to recognize any amount of the gain or loss that relates to the right of use it retains.
- The amendments must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. The amendments do not have any material impact on the consolidated financial statements.

### 2.2 Disclosure of Accounting Policies

These amendments to paragraphs 69 to 76 of IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:
- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments must be applied retrospectively. The amendments do not have any material impact on the consolidated financial statements.

### 2.3 Disclosure of Accounting Policies (Supplier Finance Arrangement - Amendments to IAS 7 and IFRS 7)

These amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments do not have any material impact on the consolidated financial statements

### 2.4 New standards, amendments and interpretations not yet effective from January 1, 2024 and not early adopted.

| | Effective for annual periods beginning on or after |
|---|---|
| **IFRS 18 Presentation and Disclosures in Financial Statements**<br>The new standard, IFRS 18, replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements in IAS 1.<br>IFRS 18 introduces new requirements to:<br>• present specified categories and defined subtotals in the statement of profit or loss.<br>• provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements.<br>IFRS 18 requires retrospective application with specific transition provisions. An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027 with earlier application permitted. These amendments are not expected to have a material impact on the financial statements. | January 1, 2027 |
| **IFRS 19 Subsidiaries without Public Accountability: Disclosures**<br>The new standard, IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. An entity is required to apply IFRS 19 for annual reporting periods beginning on or after 1 January 2027. These amendments are not expected to have a material impact on the financial statements. | January 1, 2027 |

(Amount in United States Dollars)

**2.4 New standards, amendments and interpretations not yet effective from January 1, 2024 and not early adopted (Contd..)**

**Lack of Exchangeability (Amendments to IAS 21)**

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

An entity is required to recognize any effect of initially applying the amendments as an adjustment to the opening balance of retained earnings when the entity reports foreign currency transactions. When an entity uses a presentation currency other than its functional currency, it recognizes the cumulative amount of translation differences in equity. These amendments are not expected to have a material impact on the financial statements.

January 1, 2025

**Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments:**

An entity is required to apply these amendments for annual reporting periods beginning on or after 1 January 2026.The amendments include:

• A clarification that a financial liability is derecognized on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date.
• Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
• Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.
• The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

January 1, 2025

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. These amendments are not expected to have a material impact on the financial statements.

## 3 MATERIAL 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 following basis on different class of assets:

| Asset Class | Method of Depreciation | Rate | Useful Life |
|---|---|---|---|
| Buildings | SLM | - | 30-60 Years |
| Plant and machinery | SLM | - | 3-20 Years |
| Electrical Installation | WDV | 25.89% , 13.93% | 10-20 Years |
| Motor vehicles | WDV | 31.23% | 8 Years |
| Furniture & fixtures | WDV | 25.89%, 13.91 & 5.28% | 10 Years |
| Computer & Peripherals | WDV | 63.22% | 3 Years |
| Office equipment | WDV | 45.07% | 5 Years |

The residual value of assets falling under each of the above category falls within 0% - 20% of the cost.

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 periods. 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. The cost of inventories is determined using the weighted average cost method. Cost includes direct materials, labour, other direct cost and manufacturing overheads. Inventories also includes applicable taxes, other than those which are subsequently recoverable from tax authorities. Net realizable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

## 3.6 CAPITAL WORK IN PROGRESS

Expenditure, including eligible borrowing cost, net of income earned, during the construction/development period of Property, Plant and Equipment, and Intangible Assets, is included under capital work-in-progress or intangible assets under development, as the case be, and the same is attributed to the respective assets when they are ready for intended use.

## 3.7 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.

**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.

**3.7 FINANCIAL INSTRUMENTS (Contd….)**

***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.

(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.

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.

**3.7 FINANCIAL INSTRUMENTS (Contd...)**

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.

**3.8 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.

**3.9 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.

**3.10 ACCOUNT & OTHER PAYABLE**

Accounts & other payables are stated at nominal amounts payable for goods or services rendered.

**3.11 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 obligation.

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 reliably.

### 3.12 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.

### 3.13 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 period. 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.

### 3.14 CASH AND CASH EQUIVALENTS

For the purpose of statement of cashflow, cash and cash equivalents include cash on hand, bank current accounts and deposits with banks (if any).

### 3.15 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.

### 3.16 VALUE ADDED TAX (VAT)

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.

### 3.17 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.

(Amount in United States Dollars)

### 3.17 IFRS 16 LEASES (Contd...)

Set out below, are the carrying amounts of the Company's right-of-use assets and lease liabilities and the movements during the period:

| Particulars | Right-of-use asset (USD) | Lease liability (USD) |
|---|---|---|
| **As at April 1, 2023** | **4,870,277** | **5,514,629** |
| Additions | - | - |
| Depreciation Expense | (290,762) | - |
| Interest Expense | - | 146,469 |
| Payments | - | (343,457) |
| **As at March 31, 2024** | **4,579,515** | **5,317,641** |
| **As at April 1, 2024** | **4,579,515** | **5,317,641** |
| Additions | - | - |
| Revaluation of lease payments | (141,053) | **(141,053)** |
| Depreciation Expense | (281,807) | - |
| Interest Expense | - | 107,165 |
| Payments | - | (360,578) |
| **As at March 31 2025** | **4,156,655** | **4,923,175** |

### 3.18 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.

### 3.19 CORPORATE TAX PROVISION

The Corporate Tax Law grants special concessions to Qualifying Free Zone Entities who can benefit from a 0% Corporate Tax rate on their Qualifying Income. The company is located in a Designated Freezone and is conducting Manufacturing/ processing of goods and materials and is also engaged in the distribution activity which are qualifying activity for 0% tax as per the Freezone Corporate Tax regime of the UAE Corporate Tax Law.
Moreover, the company:

- Maintains an adequate substance in the Free Zone.
- Does not elect to be subject to the regular UAE Corporate Tax regime.
- Complies with the arm's length principle and transfer pricing rules and documentation requirements prescribed by the law.
- Maintains audited financial statements.

Additionally, the company's income from non qualifying activities does not exceed 5% of its total revenue or AED 5,000,000/- whichever is lower, to breach the De-Minimis requirement.
Thereby, the company is eligible to avail the benefit of 0% corporate tax rate on its qualifying income.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**
**(Amount in United States Dollars)**

| 4 PROPERTY, PLANT AND EQUIPMENT | Buildings | Plant and machinery | Motor vehicles | Furniture, fixtures and equipment | Total |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At April 01, 2023 | 4,417,914 | 14,292,764 | 185,432 | 202,571 | 19,098,681 |
| Additions during the year | - | 332,232 | - | 35,965 | 368,197 |
| Disposals during the year | - | - | - | - | - |
| **At March 31, 2024** | 4,417,914 | 14,624,996 | 185,432 | 238,536 | 19,466,878 |
| At April 01, 2024 | 4,417,914 | 14,624,996 | 185,432 | 238,536 | 19,466,878 |
| Additions during the year | - | 32,050 | - | 60,203 | 92,253 |
| Disposals during the year | - | - | - | - | - |
| **At March 31, 2025** | 4,417,914 | 14,657,046 | 185,432 | 298,739 | 19,559,131 |
| **Depreciation** | | | | | |
| At April 01, 2023 | 789,063 | 4,628,327 | 135,699 | 171,204 | 5,724,293 |
| Charge for the year | 127,136 | 841,966 | 15,324 | 14,504 | 998,930 |
| On disposals | - | - | - | - | - |
| **At March 31, 2024** | 916,199 | 5,470,293 | 151,023 | 185,708 | 6,723,223 |
| At April 01, 2024 | 916,199 | 5,470,293 | 151,023 | 185,708 | 6,723,223 |
| Charge for the year | 127,136 | 766,635 | 9,449 | 22,085 | 925,305 |
| On disposals | - | - | - | - | - |
| **At March 31, 2025** | 1,043,335 | 6,236,928 | 160,472 | 207,793 | 7,648,528 |
| **Net book value** | | | | | |
| **At March 31, 2024** | 3,501,715 | 9,154,703 | 34,409 | 52,828 | 12,743,655 |
| **At March 31, 2025** | 3,374,579 | 8,420,118 | 24,960 | 90,946 | 11,910,603 |

(Amount in United States Dollars)

| 5 CAPITAL WORK-IN-PROGRESS | 2024-25 | 2023-24 |
|---|---|---|
| Opening | 8,090 | 211,670 |
| Addition | 647,052 | 142,201 |
| Transfer to Property plant and Equipment | (43,679) | (345,781) |
| **Closing Balance** | 611,463 | 8,090 |

*The balance as of March 31, 2025, pertains to advances being utilized for expanding the storage facility at the Hamriyah Plant by developing the spare land and constructing a new tank farm with a storage capacity of 19,302 KL consisting of 13 new tanks with capacities of 1,550 KL and 750 KL. The project is expected to be completed by 30 April, 2026.

| 6 INVENTORIES | 2024-25 | 2023-24 |
|---|---|---|
| Raw materials at premises | 8,765,733 | 5,885,033 |
| Raw materials Goods in transit | 7,358,781 | 19,111,632 |
| Consumables | 395,681 | 179,701 |
| Finished goods | 787,790 | 1,473,380 |
| **Closing Balance** | **17,307,985** | **26,649,746** |

| 7 DEPOSITS, PREPAYMENT AND ADVANCES | 2024-25 | 2023-24 |
|---|---|---|
| Deposits | 204,131 | 192,284 |
| Prepayments | 568,763 | 561,523 |
| Advances | 10,887 | 12,943 |
| **Closing Balance** | **783,781** | **766,750** |

| 8 TRADE AND OTHER RECEIVABLES | 2024-25 | 2023-24 |
|---|---|---|
| Trade receivables | 19,461,263 | 22,552,466 |
| Less: Allowance for Expected credit loss (ECL) | (14,143) | (169,123) |
| **Net trade receivables** | **19,447,120** | **22,383,343** |
| Other receivables | 497,280 | 196,965 |
| Duties and Taxes | 212,481 | 167,357 |
| **Closing Balance** | **20,156,881** | **22,747,665** |

| ***Trade recievables ageing is given as under:*** | 2024-25 | 2023-24 |
|---|---|---|
| Debts between 0 - 180 days | 18,896,542 | 22,477,911 |
| Debts between 181 - 365 days | 415,842 | 50,912 |
| Debts due more than a year | 148,879 | 23,643 |
| | **19,461,263** | **22,552,466** |

| Movement in ECL is as under: | 2024-25 | 2023-24 |
|---|---|---|
| **Balance at the beginning of the period** | 169,123 | 169,123 |
| Additional ECL provision made during the period | - | - |
| Reversal of ECL provision | (154,980) | - |
| **Balance at the end of the period** | **14,143** | **169,123** |

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.

| 9 CASH & CASH EQUIVALENTS | 2024-25 | 2023-24 |
|---|---|---|
| Cash on hand | 11,253 | 16,280 |
| Current accounts with banks | 3,952,451 | 1,323,635 |
| **Closing Balance** | **3,963,704** | **1,339,915** |

(Amount in United States Dollars)

## 10 LEASE LIABILITY

| | 2024-25 | 2023-24 |
|---|---|---|
| **Movement in the lease liabilities during the period is as follows:** | | |
| As at April 01, 2024 | 5,317,641 | 5,514,629 |
| Impact of Implementation of IFRS 16 | | |
| **Add:** Implicit Interest | 107,165 | 146,469 |
| **Less:** Revaluation in repayment | (141,053) | |
| **Less:** Repayment during the period | (360,578) | (343,457) |
| **Net carrying value as at March 31, 2025** | **4,923,175** | **5,317,641** |
| | | |
| **Of the above:** | | |
| Current portion of lease liability | 213,157 | 217,471 |
| Non-current portion of lease liability | 4,710,018 | 5,100,170 |
| **Total** | **4,923,175** | **5,317,641** |
| | | |
| **Maturity analysis of lease liability is as under:** | | |
| up to 1 year | 213,157 | 217,471 |
| 1 year to 5 years | 1,269,886 | 1,332,857 |
| 5 years and above | 3,440,133 | 3,767,313 |
| | **4,923,175** | **5,317,641** |

## 11 END OF SERVICE BENEFITS

| | 2024-25 | 2023-24 |
|---|---|---|
| Opening balance | 375,734 | 270,153 |
| Provision during the period | 141,739 | 130,570 |
| Less: Amount paid during the period | (7,789) | (24,989) |
| **Closing balance** | **509,684** | **375,734** |

## 12 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 period, the Company entered into the following transactions with related parties:**

| Transactions | Name of Related Party | Nature of Relationship | 2024-25 | 2023-24 |
|---|---|---|---|---|
| Purchase of material | M/s. Apar Industries Limited, India | Ultimate parent company | 6,493,191 | 5,979,345 |
| Corporate Guarantee Commission expenses | M/s. Apar Industries Limited, India | Ultimate parent | 462,427 | 528,835 |
| Income from Sale of goods | M/s. Apar Industries Limited, India | Ultimate parent company | - | 420,152 |
| Income from Sale of services and A&I expense recharges- recovered from Apar India | M/s. Apar Industries Limited, India | Ultimate parent company | 1,057,223 | 636,062 |
| Income from Direct order commission | M/s. Apar Industries Limited, India | Ultimate parent company | 255,463 | 286,182 |
| Reimbursements of expenses- Mr. Rajesh Jogani | M/s. Apar Investments (Singapore) Pte Limited | Company under common ownership | 8,839 | 11,550 |
| Interest expense | M/s. Apar Investment INC | Company under common ownership | 123,502 | 14,444 |

**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:

| | 2024-25 | 2023-24 |
|---|---|---|
| Salary and other benefits | 188,326 | 152,587 |
| End of service benefits | 12,547 | 25,242 |
| **Total** | **200,873** | **177,829** |

(Amount in United States Dollars)

**DUE TO RELATED PARTIES**

| Name of related party | Transactions | Nature of relationship | 2024-25 | 2023-24 |
|---|---|---|---|---|
| M/s. Apar Industries Limited, India | Corporate guarantee commission and Direct order commission | Ultimate parent company | 1,155,588 | 2,186,220 |
| M/s. Petroleum Specialities Pte. Limited* | Loan received | Parent company | 1,525,041 | 1,452,615 |
| M/s. Apar Investment INC** | Loan received | Company under common ownership | - | 2,987 |
| **Closing Balance** | | | **2,680,629** | **3,641,822** |
| Current Portion | | | 2,680,629 | 2,189,207 |
| Non Current Portion | | | - | 1,452,615 |
| | | | **2,680,629** | **3,641,822** |

* During the year 2021-22, M/s. Petroleum Specialities 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.

** During the period ended June 30, 2024, M/s. Apar Investment INC and the company have entered into a loan agreement effective from April 22, 2024, wherein the company has received an amount of USD 4 million as per the loan agreement for the purpose of working capital and other requirements. The interest is accrued at a simple interest rate if 6.5% p.a. over the loan instalment period. The above loan is repayable within one year from the date of disbursement or from the effective date of signing of Agreement i.e. on/or before April 21, 2025.

**DUE FROM RELATED PARTY**

| Name of related party | Transactions | Nature of relationship | 2024-25 | 2023-24 |
|---|---|---|---|---|
| M/s. Apar Investments (Singapore) Pte Limited* | Reimbursement of expenses | Company under common ownership | 46,430 | 37,590 |
| Director | Excess advances against expenses recoverable | Key Managerial Personnel | 4,944 | - |
| **Closing Balance** | | | **51,374** | **37,590** |

* As on March 31, 2025, an amount of USD 46,430/- is receivable from M/s Apar Investments (Singapore) Pte. Ltd. on account of expenses of Mr. Rajesh Jogani.

**13 BANK OVERDRAFT**

| | 2024-25 | 2023-24 |
|---|---|---|
| Bank Overdraft balance | - | 516,310 |
| **Closing Balance** | **-** | **516,310** |

(Amount in United States Dollars)

## 14 TRADE AND OTHER PAYABLES

| | 2024-25 | 2023-24 |
|---|---|---|
| Trade payables | 4,092,150 | 7,695,852 |
| Trade payables (Letter of credit) | 29,562,770 | 36,288,866 |
| Advance from customers | 1,106,806 | 2,143,173 |
| Accruals and provisions | 1,798,820 | 565,138 |
| Other payables | - | 17,343 |
| **Closing balance** | **36,560,546** | **46,710,372** |

## 15 REVENUE

| | 2024-25 | 2023-24 |
|---|---|---|
| Export Sales | 76,364,910 | 93,101,755 |
| Local Sales | 46,584,367 | 35,898,223 |
| Other Direct Income* | 3,952,720 | 2,191,671 |
| **Total** | **126,901,997** | **131,191,649** |

* For the year ended March 31, 2025, USD 255,463/- (PY USD 286,182/-) relates to direct order commission from related party. It also includes USD 154,980/- relating to reversal of excess provision for expected credit loss.

| **Sales as per geographical location:** | 2024-25 | 2023-24 |
|---|---|---|
| Middle East | 78,558,320 | 87,153,059 |
| Asia | 3,903,409 | 4,059,738 |
| Africa | 33,279,621 | 29,700,732 |
| Australia | 4,092,601 | 3,885,524 |
| America | - | 1,614,640 |
| Europe | 2,634,144 | 2,586,286 |
| Others | 481,182 | - |
| **Total** | **122,949,277** | **128,999,979** |

## 16 COST OF SALES

| | 2024-25 | 2023-24 |
|---|---|---|
| Opening stock | 26,649,746 | 13,982,184 |
| Purchase | 95,748,939 | 126,691,349 |
| Depreciation on property, plant and equipment | 876,392 | 951,723 |
| Depreciation on right-of-use assets | 281,807 | 290,762 |
| Interest on lease liability | 107,165 | 146,026 |
| Other direct costs | 945,952 | 1,786,315 |
| Closing stock | (17,307,985) | (26,649,746) |
| **Total** | **107,302,016** | **117,198,613** |

## 17 SELLING AND DISTRIBUTION EXPENSES

| | 2024-25 | 2023-24 |
|---|---|---|
| Freight | 5,605,970 | 4,025,258 |
| Packaging | 3,620,720 | 3,174,418 |
| Storage | 934,083 | 726,790 |
| Commission | 1,240,342 | 867,460 |
| **Total** | **11,401,115** | **8,793,926** |

## 18 GENERAL AND ADMINISTRATIVE EXPENSES

| | 2024-25 | 2023-24 |
|---|---|---|
| Salaries and other related benefits | 2,003,477 | 1,841,977 |
| Staff and labor accommodation | 221,410 | 172,300 |
| Legal, professional and visa charges | 163,667 | 132,915 |
| Insurance | 589,001 | 359,224 |
| Communication | 75,918 | 58,273 |
| Repairs and maintenance | 82,480 | 124,092 |
| Travelling and conveyance | 218,492 | 231,701 |
| Foreign exchange loss | 54,607 | 56,374 |
| Vendor balances written off | - | 259,383 |
| Other general and administrative expenses | 57,088 | 82,675 |
| **Total** | **3,466,140** | **3,318,914** |

## 19 FINANCE COST

| 19 FINANCE COST | 2024-25 | 2023-24 |
|---|---|---|
| Bank charges | 953,304 | 1,165,204 |
| Interest expense* | 1,773,143 | 1,891,729 |
| **Total** | **2,726,447** | **3,056,933** |

*For the year ended March 31, 2025, USD 585,929/- (P.Y -528,836/-) relates to interest on loan and corporate guarantee commission paid to related party.

## 20 CONTINGENT LIABILITIES AND COMMITMENTS

| 20 CONTINGENT LIABILITIES AND COMMITMENTS | 2024-25 | 2023-24 |
|---|---|---|
| Letter of guarantee* | 2,613,957 | 2,678,727 |
| Capital commitmment** | 1,544,162 | - |
| **Total** | **4,158,119** | **2,678,727** |

*As on Mrach 31, 2025, the company has letter of guarantee from Emirates NBD, First Abu Dhabi Bank and Bank ABC.

** Capital commitmment pertains to the tank expansion ongoing at the Hamriyah Plant which is expected to be completed by April, 2026

## 21 FINANCIAL INSTRUMENTS

***Market risk management***

The Company is primarily exposed to the financial risks of changes in foreign currency exchange rates (currency risk), interest rates (interest rate risk) and market prices (other price risk).

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument of the Company, or factors affecting all similar financial instruments traded in the market.

***Foreign currency risk management***

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. The Company also undertakes transactions in US Dollars which has been pegged against the United Arab Emirates Dirham ("AED"), hence no exchange risk is considered to exist for US Dollars.

***Interest rate risk management***

The Company is exposed to interest rate risk on cash at bank (including time deposits) and related party borrowings.

***Credit risk management***

Credit risk is the risk that one party of a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk from its financial assets which comprise principally of deposits, cash and cash equivalents, trade and other receivables, due from related parties. The credit risk on trade receivables is subjected to credit evaluations and an allowance may be made for estimated irrecoverable amounts. The Company is not exposed to any significant concentration of credit risk because its exposure is spread over financial institutions.

***Liquidity risk management***

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company has built appropriate liquidity risk management framework for the management of its short, medium and long term funding and liquidity requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows.

| Important Ratio analysis | 2024-25 | 2023-24 |
|---|---|---|
| Gross profit ratio | 15% | 11% |
| Net profit ratio | 2% | -1% |

| Important Ratio analysis | 2024-25 | 2023-24 |
|---|---|---|
| Current ratio | 1.07 | 1.04 |

(Amount in United States Dollars)

## 21 FINANCIAL INSTRUMENTS (Contd...)

| Financial instruments by category | 2024-25 | 2023-24 |
|---|---|---|
| ***Financial assets*** | | |
| Trade and Other Receivables | 19,944,400 | 22,580,308 |
| Deposits | 204,131 | 192,284 |
| Cash & cash equivalents | 3,963,704 | 1,339,915 |
| Due from related party | 51,374 | 37,590 |
| ***Financial liabilities*** | | |
| Bank borrowings/ Overdraft | - | 516,310 |
| Trade and other payables | 36,560,546 | 46,710,372 |
| Due to related party | 2,680,629 | 2,189,207 |

## 22 SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There are no significant events occurring after the balance sheet date, which require disclosure in the financial statements.

## 23 COMPARATIVE FIGURES

Comparative figures for the previous period have been regrouped and reclassified, wherever necessary to confirm the current period presentation.

## 24 ROUNDING OFF

The figures in these interim condensed financial statements have been rounded off to the nearest United State Dollars (USD).

**The accompanying notes form an integral part of the interim financial statements.**
**The Independent auditors' report is set out on page 1-4.**

**FOR**
**PETROLEUM SPECIALITIES FZE**

R Desai

**RISHABH KUSHAL DESAI**
**DIRECTOR**
**DATE: MAY 7, 2025**
**PLACE: MUMBAI, INDIA**

**KUSHAL NARENDRA DESAI**
**DIRECTOR**
**DATE: MAY 7, 2025**
**PLACE: MUMBAI, INDIA**

**APAR Transmission & Distribution Projects Private Limited**

**Balance sheet as at March 31, 2025**

(Rs in Lakhs)

| | Note | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Right to Use Assets | 2 | - | - |
| Other Tax Assets | 3 | 275.31 | 199.39 |
| Deferred Tax assets (net) | | 6.00 | 2.98 |
| **Total non current assets** | | **281.31** | **202.37** |
| **Current Assets** | | | |
| Financial Assets | | | |
| Trade receivables | 4 | 6,635.65 | 5,802.79 |
| Cash and cash equivalents | 5 | 10.75 | 9.33 |
| Short-term loans and advances | 6 | 137.10 | 15.24 |
| Other current assets | 7 | 6,554.53 | 5,499.32 |
| **Total current assets** | | **13,338.03** | **11,326.68** |
| **TOTAL ASSETS** | | **13,619.34** | **11,529.05** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity share capital | 8 | 1.00 | 1.00 |
| (b) Other equity | | | |
| Reserves & Surplus | 9 | 6,072.72 | 5,055.61 |
| **Total equity** | | **6,073.72** | **5,056.61** |
| **Non current liabilities** | | | |
| Long Term Provisions | 10 | 8.16 | 5.45 |
| **Total non current liabilities** | | **8.16** | **5.45** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Trade and other payables | 11 | | |
| a) Total Outstanding dues of micro enterprises and small enterprises | | 720.43 | - |
| b) Total outstanding dues of creditors other than micro enterprises and small enterprises. | | 6,331.52 | 6,268.13 |
| Other current liabilities | 12 | 105.69 | 16.86 |
| Liabilities for current tax | 13 | 379.82 | 182.00 |
| **Total current liabilities** | | **7,537.46** | **6,466.99** |
| **Total liabilities** | | **7,545.62** | **6,472.44** |
| **Total Equity and Liabilities** | | **13,619.34** | **11,529.05** |

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
May 05, 2025

SHARP & TANNAN LLP MUMBAI CHARTERED ACCOUNTANTS

**For and on behalf of the Board of Directors**

**K Krishna Shetty**
Director
DIN: 09817428
Silvassa
May 05, 2025

**Ahmedhussain G Vohra**
Director
DIN : 08166808
Silvassa
May 05, 2025

Manish Agrawal
Managing Director - DIN: 05298459
Silvassa, May 05, 2025

**APAR Transmission & Distribution Projects Private Limited**
**Statement of profit and loss for the year ended March 31, 2025**

(Rs in Lakhs)

| | Note | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| **Revenue** | | | |
| Revenue from Operations | 14 | 13,146.85 | 13,963.22 |
| Other income | 15 | - | - |
| **Total Revenue** | | **13,146.85** | **13,963.22** |
| **Expenses** | | | |
| Stringing labour charges | 16 | 9,739.23 | 10,298.57 |
| Employee benefits expense | 17 | 149.99 | 82.29 |
| Finance costs | | 0.29 | 0.01 |
| Depreciation and amortization expense | | - | 0.52 |
| Other expenses | 18 | 1,802.63 | 2,115.93 |
| **Total Expenses** | | **11,692.14** | **12,497.32** |
| **Net total expenses** | | **11,692.14** | **12,497.32** |
| **Profit Before Exceptional Items and Tax** | | 1,454.70 | 1,465.90 |
| Exceptional Items | | - | - |
| **Profit/(loss) Before Tax** | | **1,454.70** | **1,465.90** |
| **Tax expense:** | | | |
| 1. Current Tax | | 379.81 | 380.01 |
| 2. Deferred Tax | | (3.01) | (2.91) |
| 3. Taxes of earlier years | | 60.80 | 2.12 |
| | | **437.60** | **379.22** |
| **Net Profit/(loss) for the year** | | **1,017.10** | **1,086.68** |
| **Other Comprehensive Income** | | - | - |
| **Total Comprehensive Income for the period** | | **1,017.10** | **1,086.68** |
| **Earnings per equity share Rs** | 19 | | |
| Basic | | 10,171.03 | 10,866.78 |
| Diluted | | 10,171.03 | 10,866.78 |

As per our report of even date attached
**Sharp & Tannan LLP**
Chartered Accountants
Firm's Registration No. 127145W/W100218

**For and on behalf of the Board of Directors**

by the hand of

SHARP & TANNAN LLP
MUMBAI
CHARTERED ACCOUNTANTS

KKS

| | | |
|---|---|---|
| **Raghunath P. Acharya** | **K Krishna Shetty** | **Ahmedhussain G Vohra** |
| Partner | Director | Director |
| Membership No. 039920 | DIN: 09817428 | DIN : 08166808 |
| Mumbai | Silvassa | Silvassa |
| May 05, 2025 | May 05, 2025 | May 05, 2025 |

Manish Agrawal
Managing Director - DIN-05298459
Silvassa, May 05, 2025

APAR Transmission & Distribution Projects Private Limited
Notes to the financial statement for the year ended March 31, 2025

**Note 2: Right of Use Assets**

(Rs in Lakhs)

| | Gross block | | | | | Depreciation/Adjustments | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 01-04-2024 | Additions | Deductions | Adjustments | As at 31-03-2025 | Upto 31-03-2024 | For the year | Upto 31-03-2025 | As at 31-03-2025 | As at 31-03-2024 |
| Righ of use Assets | - | - | | | - | - | | - | - | - |
| **Grand Total** | - | - | - | | - | - | - | - | - | - |

| | Gross block | | | | | Depreciation | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at 01-04-2023 | Additions | Deductions | Adjustments | As at 31-03-2024 | Upto 31-03-2023 | For the year | Upto 31-03-2024 | As at 31-03-2024 | As at 31-03-2023 |
| Righ of use Assets | 22.29 | - | | | 22.29 | 21.77 | 0.52 | **22.29** | - | **0.52** |
| **Grand Total** | **22.29** | - | - | | **22.29** | **21.77** | **0.52** | **22.29** | - | **0.52** |

SHARP & TANNAN LLP * CHARTERED ACCOUNTANTS * MUMBAI

**APAR Transmission & Distribution Projects Private Limited**

**Statement of cash flows for the year ended March 31, 2025**

(Rs in Lakhs)

| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|---|---|
| **Cash flow from operating activities** | | |
| **Profit before tax** | 1,454.70 | 1,465.91 |
| Adjustments for | - | - |
| Depreciation on non current assets | - | 0.52 |
| Amortisation of intangible assets | | |
| (Gain)/loss on sale of property, plant and equipment | | |
| Foreign currency translation reserve | | |
| Finance costs | 0.29 | 0.01 |
| Finance income | | |
| Dividend on investments and from subsidiaries | | |
| 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 | (2,009.82) | (746.14) |
| (Increase)/ Decrease in inventories | | |
| Increase/ (Decrease) in trade and other payables | 783.83 | 71.77 |
| (Decrease)/ Increase in other liabilities | 88.84 | (215.18) |
| Tax paid | (316.39) | (573.90) |
| **Net cash generated by / (used in) operating activities** | **1.45** | **2.96** |
| **Cash flow from financing activities** | | |
| Payment of Lease Liabilities | - | (0.46) |
| **Net cash (used in) / generated by financing activities** | - | (0.46) |
| Net increase / (decrease) in cash and cash equivalents | 1.45 | 2.51 |
| Effect of exchanges rate changes on cash and cash equivalents | - | - |
| Cash and cash equivalents at the beginning of the year | 9.32 | 6.83 |
| **Cash and cash equivalents at the end of the year** | **10.76** | **9.32** |

**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.

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

(Rs in Lakhs)

| **Particulars** | **As at March 31, 2025** | **As at March 31, 2024** |
|---|---|---|
| Cash and cash equivalents disclosed under current assets (refer note 5) | 10.75 | 9.33 |
| **Total cash and cash equivalents** | **10.75** | **9.33** |

As per our report of even date attached

**Raghunath P. Acharya**

Chartered Accountants

Firm's Registration No. 127145W/W100218

by the hand of

SHARP & TANNAN LLP CHARTERED ACCOUNTANTS MUMBAI

**Raghunath P. Acharya**

Partner

Membership No. 039920

Mumbai

May 05, 2025

**For and on behalf of the Board of Directors**

**K Krishna Shetty**

Director

DIN: 09817428

Silvassa

May 05, 2025

**Ahmedhussain G Vohra**

Director

DIN : 08166808

Silvassa

May 05, 2025

Manish Agrawal

Managing Director.

DIN: 05298459

Silvassa, May 05, 2025

APAR Transmission & Distribution Projects Private Limited

Statement of changes in equity

(Rs in Lakhs)

**(a) Equity share capital**

| | As at March 31, 2025 | | As at March 31, 2024 | |
|---|---|---|---|---|
| | 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, 2023** | 3,968.93 | 3,968.93 |
| Profit/ (loss) for the year | 1,086.69 | 1,086.69 |
| **Balance at March 31, 2024** | **5,055.61** | **5,055.61** |
| Profit/(Loss) for the year | 1,017.10 | 1,017.10 |
| **Total comprehensive income for the year** | **1,017.10** | **1,017.10** |
| **Balance at March 31, 2025** | **6,072.72** | **6,072.72** |

As per our report of even date attached

**Raghunath P. Acharya**

Chartered Accountants

Firm's Registration No. 127145W/W100218

by the hand of

**Raghunath P. Acharya**

Partner

Membership No. 039920

Mumbai

May 05, 2025

**For and on behalf of the Board of Directors**

**K Krishna Shetty**

Director

DIN: 09817428

Silvassa

May 05, 2025

**Ahmedhussain G Vohra**

Director

DIN : 08166808

Silvassa

May 05, 2025

Manish Agrawal

Managing Director

DIN :- 05298459

Silvassa, May 05, 2025

**APAR Transmission & Distribution Projects Private Limited**
**Notes to the financial statement for the year ended March 31, 2025**

(Rs in Lakhs)

| Note 3: Other Tax Assets | 31 March 2025 | 31 March 2024 |
|---|---|---|
| TDS receivable FY 23-24 | | 199.39 |
| TDS receivable FY 24-25 | 275.31 | |
| | **275.31** | **199.39** |

| Note 4: Trade Receivable | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Considered good, secured | | |
| Considered good, unsecured (Refer note below) | 6,854.14 | 6,021.28 |
| Less: allowance for doubtful debts | 218.49 | 218.49 |
| | **6,635.65** | **5,802.79** |

| Note Due from Holding Company | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Apar Industries Limited | 6,395.61 | 2,920.14 |
| | **6,395.61** | **2,920.14** |

| 31 March 2025 | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | 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 | 6,635.65 | - | - | - | - | - | 6,635.65 |
| ii) Undisputed trade receivables - which have significant increase in credit risk | | | | | | | |
| iii) Undisputed trade receivables - Credit Impaired | | | | | | - | - |
| iv) Disputed trade receivables - considered good | | | | | 218.49 | | 218.49 |
| v) Disputed trade receivables - which have significant increase in credit risk | | | | | | - | - |
| vi) Disputed trade receivables - Credit Impaired | | | | | | - | - |
| Gross Receipt | **6,635.65** | - | - | - | **218.49** | - | **6,854.14** |
| Less : Provision for Doubtful Debts | | | | | | | 218.49 |
| **Total Trade Receivable** | | | | | | | **6,635.65** |

| 31 March 2024 | Outstanding for following periods from due date of payment | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not Due | 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 | 5,802.79 | - | | | | | 5,802.79 |
| ii) Undisputed trade receivables - which have significant increase in credit risk | | | | | | | |
| iii) Undisputed trade receivables - Credit Impaired | | | | | | | - |
| iv) Disputed trade receivables - considered good | | | | 218.49 | | | 218.49 |
| v) Disputed trade receivables - which have significant increase in credit risk | | | | | | | - |
| vi) Disputed trade receivables - Credit Impaired | | | | | | | - |
| Gross Receipt | **5,802.79** | | | **218.49** | | | - |
| Less : Provision for Doubtful Debts | | | | | | | **6,021.28** |
| **Total** | | | | | | | **218.49** |
| | | - | - | | - | - | **5,802.79** |

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MUMBAI
CHARTERED ACCOUNTANTS

| Note 5: Cash and cash equivalents | 31 March 2025 | 31 March 2024 |
|---|---|---|
| On current accounts | 10.75 | 9.33 |
| On deposits with original maturity of less than three months | | |
| | **10.75** | **9.33** |

| Note 6: Short term loans & advances | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Security deposits | 1.45 | 1.39 |
| Advance paid to vendors | 135.65 | 13.85 |
| | **137.10** | **15.24** |

| Note 7: Other current assets | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Balances with statutory/government authorities | 536.42 | 653.84 |
| Contract Assets (Unbilled Revenue) | 6,018.11 | 4,845.49 |
| | **6,554.53** | **5,499.33** |

| Note 8: Equity share capital | 31 March 2025 | 31 March 2024 |
|---|---|---|
| **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 2025 | 31 March 2024 |
|---|---|---|
| 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 2025 | 31 March 2024 |
|---|---|---|
| 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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | No of shares | % | No of shares | % |
| Apar Industries Limited | 9,999 | 99.99% | 9,999 | 99.99% |

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**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 2025 | 31 March 2024 |
|---|---|---|
| Retained earnings - Surplus / (Deficit) | 6,069.27 | 5,055.61 |
| | 6,069.27 | 5,055.61 |
| **Retained earnings - Surplus / (Deficit)** | | |
| As per last balance sheet | 5,055.61 | 3,968.93 |
| Profit/(loss) during the year | 1,017.10 | 1,086.69 |
| **Closing Balance** | **6,072.72** | **5,055.61** |

| Note 10: Long term provisions | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Provision for leave benefits | 2.92 | 2.22 |
| Provision for gratuity- In respect of other employees | 5.24 | 3.23 |
| | 8.16 | 5.45 |

| Note 11: Trade and other payables | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Due to Micro, Small and Medium Enterprises | 720.43 | - |
| Due to other than micro and small and medium enterprises | 6,331.52 | 6,268.13 |
| **Total** | **7,051.95** | **6,268.13** |

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 2025 | 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 | 720.43 | | | | | 720.43 |
| ii) Others | 5,991.88 | 339.64 | | | | 6,331.52 |
| iii) Disputed dues - MSME | | | | | | - |
| iii) Disputed dues - Others | | | | | | - |
| **Total** | **6,712.31** | **339.64** | **-** | **-** | **-** | **7,051.95** |

| 31 March 2024 | 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 | 5,193.95 | 1,074.18 | | | | 6,268.13 |
| iii) Disputed dues - MSME | | | | | | - |
| iii) Disputed dues - Others | | | | | | - |
| **Total** | 5,193.95 | 1,074.18 | - | - | - | 6,268.13 |

| Note 12: Other current liabilities | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Interest due on MSME vendors | 0.29 | - |
| Statutory dues | 93.33 | 8.23 |
| Other payables - TDS | (8.92) | 7.82 |
| Tax on salary | 0.47 | - |
| Recovery of provident fund and scheme contribution | 0.87 | 0.15 |
| Recovery of professional Tax | 0.06 | 0.04 |
| Advance from Customers | 18.70 | - |
| Short Term Provisions | 0.90 | 0.62 |
| **Total** | **105.69** | **16.86** |

SHARP & TANNAN LLP
MUMBAI
CHARTERED ACCOUNTANTS

| Note 13: Liability for Current Tax | 31 March 2025 | 31 March 2024 |
|---|---|---|
| Provision for Tax for Current Year | 379.82 | 182.01 |
| Provision for Tax for Previous Years | - | - |
| **Total** | 379.82 | 182.01 |

| Note 14: Revenue from operations | 2024-25 | 2023-24 |
|---|---|---|
| Sale of services | 13,146.85 | 13,963.22 |
| **Total** | **13,146.85** | **13,963.22** |

| Note 15: Other Income | 2024-25 | 2023-24 |
|---|---|---|
| Interest income | | |
| -Others | - | - |
| **Total** | - | - |

| Note 16: Stringing labour charges | 2024-25 | 2023-24 |
|---|---|---|
| Labour Charges - Stringing Work | 9,739.23 | 10,298.57 |
| **Total** | 9,739.23 | 10,298.57 |

| Note 17: Employee Related Expenses | 2024-25 | 2023-24 |
|---|---|---|
| Salaries, wages and bonus | 141.82 | 74.41 |
| Contribution to provident and other funds | 8.02 | 7.56 |
| Leave Travel Allowance | 0.15 | 0.33 |
| **Total** | 149.99 | 82.29 |

SHARP & TANNAN LLP
MUMBAI
CHARTERED ACCOUNTANTS

**Employee benefits:**

**General descriptions of defined benefit plans:**

a) Gratuity liabilities

The Company makes contributions to the group gratuity fund, a funded defined benefit plan for qualifying employees managed by a trust. The scheme provides for lump-sum payment to employees at the time of retirement, death while in employment or termination of employment of an amount equivalent to 15 days salary for every completed year of service or part thereof in excess of six months, provided the employee has completed five years in service.

b) Compensated absence liabilities

The benefit to employees is allowed at the time of separation from the Company. Maximum leave allowable for encashment on separation is 90 days of salary.

(b) Compensated absence:

The amounts recognised in balance sheet are as follows:

Rs. in Lakhs

| Particulars | 2024-25 | 2023-24 |
|---|---|---|
| Non-current liabilities | 2.95 | 2.22 |
| Current liabilities | 0.52 | 0.42 |

(c) The amounts recognised in balance sheet are as follows:

Rs. in Lakhs

| | Particulars | Gratuity plan 2024-25 | Gratuity plan 2023-24 | Self-managed provident fund plan 2024-25 | Self-managed provident fund plan 2023-24 |
|---|---|---|---|---|---|
| A | | | | | |
| a) | Present value of funded defined benefit obligation | 5.42 | 3.43 | | |
| | - Wholly unfunded | 5.42 | 3.43 | - | - |
| b) | Fair value of plan assets | - | - | - | - |
| | Amount to be recognised as liability or (asset) (a-b) | **5.42** | **3.43** | - | - |
| B | Amounts reflected in the balance sheet | | | | |
| | Liabilities (non-current) | 5.42 | 3.43 | - | - |
| | Assets | - | - | | |
| | Net liability/(asset) | 5.42 | 3.43 | - | - |

(d) The amounts recognised in statement of profit and loss are as follows:

Rs. in Lakhs

| | Particulars | Gratuity plan 2024-25 | Gratuity plan 2023-24 | Self-managed provident fund plan 2024-25 | Self-managed provident fund plan 2023-24 |
|---|---|---|---|---|---|
| 1 | Current service cost | 1.59 | 0.93 | | |
| 2 | Interest cost | 0.25 | 0.25 | | |
| | Expenses recognised in the statement of profit and loss | **1.84** | **1.17** | - | - |

SHARP & TANNAN LLP
MUMBAI
CHARTERED ACCOUNTANTS

(e) Amount recorded in other comprehensive income (OCI):

Rs. in Lakhs

| Particulars | Gratuity plan 2024-25 | Gratuity plan 2023-24 | Self-managed provident fund plan 2024-25 | Self-managed provident fund plan 2023-24 |
|---|---|---|---|---|
| Re-measurements during the period owing to: | | | | |
| Changes in financial assumption | | | - | - |
| Changes in demographic assumptions | | | - | - |
| Experience adjustments | | | - | - |
| Actuarial (Gains)/Losses on obligation For the Period | 0.16 | (1.11) | - | - |
| | | | - | - |
| **Amount recognized in OCI outside statement of profit and loss account** | **0.16** | **(1.11)** | - | - |

(f) Reconciliation of net liability / assets:

Rs. in Lakhs

| Particulars | Gratuity plan 2024-25 | Gratuity plan 2023-24 | Self-managed provident fund plan 2024-25 | Self-managed provident fund plan 2023-24 |
|---|---|---|---|---|
| Opening net defined benefit liability / (assets) | 3.43 | 3.37 | - | - |
| Expenses charged to profit and loss account | 1.84 | 1.17 | - | - |
| Amount recognized in OCI outside profit and loss account | 0.16 | (1.11) | - | - |
| Closing net defined benefit liability / (assets) | **5.42** | **3.43** | - | - |

(g) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Rs. in Lakhs

| Particulars | Gratuity plan 2024-25 | Gratuity plan 2023-24 | Self-managed provident fund plan 2024-25 | Self-managed provident fund plan 2023-24 |
|---|---|---|---|---|
| Opening balance of the present value of defined benefit obligation | 3.43 | 3.37 | - | - |
| Add: current service cost | 1.59 | 0.93 | - | - |
| Add: interest cost | 0.25 | 0.25 | - | - |
| Add: Contribution by plan participants | | | | |
| (i) Employer | - | - | - | - |
| (ii) Employee (including transferred employees) | - | - | | |
| Remeasurements due to: | | | | |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial | 0.30 | 0.03 | | |
| Actuarial loss/(gain) arising on account of experience change in | - | - | - | - |
| Actuarial loss/(gain) arising on account of experience change | (0.14) | (1.15) | - | - |
| Past service cost | - | - | - | - |
| Less: benefits paid | | | | |
| Closing balance of the present value of defined benefit obligation | **5.42** | **3.43** | - | - |

(h) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

Rs. in Lakhs

| Particulars | Gratuity plan 2024-25 | Gratuity plan 2023-24 | Self-managed provident fund plan 2024-25 | Self-managed provident fund plan 2023-24 |
|---|---|---|---|---|
| Opening balance of the fair value of the plan assets | - | - | - | - |
| Add: Expected return on plan assets | - | - | - | - |
| Add/(less): Actuarial gains/(losses) | - | - | - | - |
| Add: Contribution by the employer | - | - | - | - |
| Add: Contribution by plan participants | - | - | - | - |
| Less: benefits paid | - | - | - | - |
| Closing balance of the plan assets | - | - | - | - |

SHARP & TANNAN LLP
MUMBAI
CHARTERED ACCOUNTANTS

(i) The major categories of plan assets as a percentage of total plan assets are as follows:

**Rs. in Lakhs**

| Particulars | Gratuity plan | Gratuity plan | Self-managed provident fund plan | Self-managed provident fund plan |
|---|---|---|---|---|
| | 2024-25 | 2023-24 | 2024-25 | 2023-24 |
| Government of India securities | 0% | 0% | 0% | 0% |
| State Government securities | 0% | 0% | 0% | 0% |
| Public sector unit bonds | 0% | 0% | 0% | 0% |
| Corporate bonds | 0% | 0% | 0% | 0% |
| Others | 0% | 0% | 0% | 0% |

(i) Disaggregation of plan assets: -

**Rs. in Lakhs**

| Particulars | Year ended | | | | | |
|---|---|---|---|---|---|---|
| | 31-Mar-25 | | 31-Mar-25 | | 31-Mar-25 | |
| | Quoted | | Non-quoted | | Total | |
| | Gratuity plan | Self-managed provident fund plan | Gratuity plan | Self-managed provident fund plan | Gratuity plan | Self-managed provident fund plan |
| Government debt instruments | - | - | - | - | - | - |
| Other debt instruments | - | - | - | - | - | - |
| Equity's own equity instruments | - | - | - | - | - | - |
| Insurer managed funds | - | - | - | - | - | - |
| Others | - | - | - | - | - | - |
| Grand total | - | - | - | - | - | - |

(k) Principal actuarial assumptions at the balance sheet data (expressed as weighted averages):

| | Particulars | 2024-25 | 2023-24 |
|---|---|---|---|
| 1 | Discount rate for gratuity | 6.59% p.a. | 7.17% p.a. |
| 2 | Attrition rate | | |
| | Upto 24 years of age | 15% | 15% |
| | 25-30 years of age | 15% | 15% |
| | 31-40 years of age | 15% | 15% |
| | 41-50 years of age | 15% | 15% |
| | 51 years and above | 15% | 15% |
| 3 | Salary growth rate | 15% | 15% |

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**Gratuity sensitivity:**

1% increase or decrease in discount rate will have the following impact on gratuity benefit obligation.

| Particulars | 2024-25 | | 2023-24 | |
|---|---|---|---|---|
| | 1% increase | 1% decrease | 1% increase | 1% decrease |
| Change in discount rate | (50,263) | 58,570 | (23,379) | 26,528 |
| Change in Salary rate | 53,468 | (47,218) | 24,385 | (22,057) |
| Change in employee turnover | (35,279) | 39,682 | (13,805) | 15,274 |

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Discount rate: The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Retirement age: The employees are assumed to retire at the age of 60 years.

Mortality: Indian Assured Lives Mortality 2012-14 (Urban) at 15% p.a. for all service groups.

Disability: Leaving service due to disability is included in the provision made for all causes of leaving service.

(I) The amounts pertaining to defined benefit plans are as follows:

**Summary of plan assets and liabilities of Gratuity Fund:**

**Rs. in Lakhs**

| | Particulars | 2024-25 | 2023-24 |
|---|---|---|---|
| 1 | Defined benefit obligation | 5.42 | 3.43 |
| 2 | Plan assets | - | - |
| 3 | Surplus/ (deficit) | (5.42) | (3.43) |

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| Note 18: Other expenses | 2024-25 | 2023-24 |
|---|---|---|
| Freight charges | 6.40 | 6.39 |
| Rates and taxes | 6.17 | 0.35 |
| Insurance | 0.91 | 0.76 |
| Others | 14.75 | 3.76 |
| Service charges | 0.71 | - |
| Expenditure on CSR activities | 42.50 | 32.30 |
| Travelling and conveyance | 191.80 | 140.32 |
| Legal and professional fees | 16.60 | 360.03 |
| Auditor's remuneration(Refer note below) | 2.90 | 2.50 |
| Lease Rent | 14.58 | 15.29 |
| Labour Charges - Others | 259.28 | 48.83 |
| Bank charges and commission | 0.00 | 0.00 |
| Sundry balances written-off | 0.00 | 0.01 |
| Allowances for doubtful debts and advances | - | 218.49 |
| Security charges | 631.25 | 717.15 |
| Penalty & Interest | 8.30 | 25.74 |
| Miscellaneous expenses | 20.71 | 10.98 |
| Reimbursement of expenses to holding company | 585.75 | 533.05 |
| **Total** | **1,802.63** | **2,115.94** |

**Auditors' remuneration**

| Auditors remuneration as | 2024-25 | 2023-24 |
|---|---|---|
| Statutory audit fees | 2.00 | 1.60 |
| Limited review fees | 0.90 | 0.90 |
| Other services fees (Under the head - Legal & Professional fees) | 0.30 | 0.02 |

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APAR Transmission & Distribution Projects Private Limited
Notes to the financial statement for the year ended March 31, 2025

(Rs in Lakhs)

## Note 19: 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, 2025 | March 31, 2024 |
|---|---|---|
| Profit (loss) for the year, attributable to the owners of the Company | 1,017.10 | 1,086.68 |
| **Profit (loss) for the year, attributable to the owners of the Company** | 1,017.10 | 1,086.68 |

**ii. Weighted average number of ordinary shares (basic)**

| | March 31, 2025 | March 31, 2024 |
|---|---|---|
| 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, 2025 | March 31, 2024 |
|---|---|---|
| Earning per share (Rs) | 10,171.03 | 10,866.78 |

### B. Diluted earnings per share

There are no dilutive instruments as at 31/03/2025 and as at 31/03/2024, hence diluted earnings per share is the same as basic earnings per share.

## Note 20: Related party relationships, transactions and balances

### A. List of Related Parties

Holding Company: APAR Industries Limited

### B. Related Party Transactions

(Rs in Lakhs)

| Transactions | March 31, 2025 | March 31, 2024 |
|---|---|---|
| 1. Sales of services | 12,275.47 | 13,179.70 |
| 2. Reimbursement of expenses paid | 585.70 | 532.99 |
| 2. Reimbursement of Lease Rent | 3.84 | 3.79 |
| 3. Balance outstanding for sale of services | 6,395.61 | 2,920.14 |
| 3. Balance outstanding for sale of services (Unbilled Revenue) | 5,567.54 | 4,444.73 |
| 4. Balance payable for rent | 3.24 | - |

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Note 20 (A) 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

(Rs in Lakhs)

| | | Carrying amount | | | | |
|---|---|---|---|---|---|---|
| March 31, 2025 | Note No. | Fair value-hedging instruments | FVTPL | FVTOCI | Amortized Cost | Total |
| **Financial Assets** | | | | | | |
| Non current - Other | - | | | | - | - |
| Trade receivables | 4 | | | | 6,635.65 | 6,635.65 |
| Cash and cash equivalents | 5 | | | | 10.75 | 10.75 |
| Short-term loans and advances | 6 | | | | 137.10 | 137.10 |
| **Total Financial Assets** | | - | - | - | **6,783.52** | **6,783.52** |
| **Financial liabilities** | | | | | | |
| Trade and other payables | 11 | | | | 7,051.95 | 7,051.95 |
| **Total Financial Liabilities** | | - | - | - | **7,051.95** | **7,051.95** |

| | | Carrying amount | | | | |
|---|---|---|---|---|---|---|
| March 31, 2024 | Note No. | Fair value-hedging instruments | FVTPL | FVTOCI | Amortized Cost | Total |
| **Financial Assets** | | | | | | |
| Non current - Other | - | | | | - | - |
| Trade receivables | 4 | | | | 5,802.79 | 5,802.79 |
| Cash and cash equivalents | 5 | | | | 9.33 | 9.33 |
| Short-term loans and advances | 6 | | | | 15.24 | 15.24 |
| **Total Financial Assets** | | - | - | - | **5,827.35** | **5,827.35** |
| **Financial liabilities** | | | | | | |
| Trade and other payables | 11 | | | | 6,268.13 | 6,268.13 |
| **Total Financial Liabilities** | | - | - | - | **6,268.13** | **6,268.13** |

Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses and certain other receivables) amounting to ₹ 6,835.84 Lakhs and ₹ 5,701.68 Lakhs as of March 31, 2025 and March 31, 2024, respectively, are not included.

Other liabilities that are not financial liabilities (such as statutory dues payable, advances from customers and certain other accruals) amounting to ₹ 485.52 Lakhs and ₹ 198.86 Lakhs as of March 31, 2025 and March 31, 2024 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 the fair value.

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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

At March 31, the maximum exposure to credit risk for trade and other receivables age wise was as follows.

| | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Neither past due nor impaired | 6,854.14 | 6,021.28 |
| past due 1-90 days | - | - |
| past due 91 -180 days | - | - |
| past due 180 days | - | - |
| Total | 6,854.14 | 6,021.28 |
| Less: Provisions | 218.49 | 218.49 |
| **Net Total** | **6,635.65** | **5,802.79** |

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

| | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Neither past due nor impaired | 137.10 | 15.24 |
| past due 1-90 days | - | - |
| past due 91 -180 days | - | - |
| past due 180 days | - | - |
| Total | 137.10 | 15.24 |
| Less: Provisions | - | - |
| **Net Total** | **137.10** | **15.24** |

Cash and cash equivalents

The Company holds cash and cash equivalents of ₹ 10.75 lakhs as on 31 March 2025 ( ₹ 9.33 lakhs as on 31 March 2024). The cash and cash equivalents are held with the bank and financial institutions, with good credit ratings.

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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

**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

| March 31, 2025 | Carrying amount | Total | 1 year or less | 1-2 years | 2-5 years | More than 5 years |
|---|---|---|---|---|---|---|
| Non current - Other | - | - | - | - | - | - |
| Trade receivables | 6,635.65 | 6,635.65 | 6,635.65 | | | |
| Cash and cash equivalents | 10.75 | 10.75 | 10.75 | | | |
| Short-term loans and advances | 137.10 | 137.10 | 137.10 | | - | - |

| March 31, 2024 | Carrying amount | Total | 1 year or less | 1-2 years | 2-5 years | More than 5 years |
|---|---|---|---|---|---|---|
| Non current - Other | - | - | | | | |
| Trade receivables | 5,802.79 | 5,802.79 | 5,802.79 | | | |
| Cash and cash equivalents | 9.33 | 9.33 | 9.33 | | | |
| Short-term loans and advances | 15.24 | 15.24 | 15.24 | | | |

**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

Contractual cash flows

| March 31, 2025 | Carrying amount | Total | Not Due | 1 year or less | 1-2 years | 2-5 years |
|---|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 7,051.95 | 7,051.95 | 6,712.31 | 339.64 | - | - |

Contractual cash flows

| March 31, 2024 | Carrying amount | Total | Not Due | 1 year or less | 1-2 years | 2-5 years |
|---|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 6,268.13 | 6,268.13 | 5,193.95 | 1,074.18 | | - |

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.

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**APAR Transmission & Distribution Projects Private Limited**
**Notes to the financial statement for the year ended March 31, 2025**
**Note 21: Disclosure pursuant to Ind AS 12 "Income Taxes"**

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

(Rs in Lakhs)

| Sr. No. | Particulars | For the year | For the year |
|---|---|---|---|
| | Statement of profit and loss: | | |
| (a) | Profit and loss section: | | |
| | (i) Current tax : | | |
| | Current tax expense for the year | 379.81 | 380.01 |
| | Tax expense in respect of earlier years | 60.80 | 2.12 |
| | | **440.61** | **382.13** |
| | (ii) Deferred Tax: | | |
| | Tax expense on origination and reversal of temporary differences | (3.01) | (2.91) |
| | Effect on deferred tax balances due to the change in income tax rate | - | - |
| | | **(3.01)** | **(2.91)** |
| | **Income tax expense reported in the statement of profit or loss[(i)+(ii)]** | **437.60** | **379.22** |
| (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, 2025 | For the year ended March 31, 2024 |
|---|---|---|---|
| (a) | Profit before tax | 1,454.70 | 1,465.90 |
| (b) | Corporate tax rate as per Income tax Act, 1961 | 25.17% | 25.17% |
| (c) | Tax on accounting profit (c)=(a)*(b) | 366.12 | 368.94 |
| | Tax on disallowance | 14.56 | 11.08 |
| (d) | (i) Tax expense in respect of earlier years | 60.80 | 2.12 |
| | (ii) Deferred tax impact | (3.01) | (2.91) |
| | **Total effect of tax adjustments [(i) to (vi)]** | **72.36** | **10.29** |
| (e) | **Tax expense recognised during the year** | **438.48** | **379.22** |

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

| Particulars | Deferred tax (liabilities)/ assets as at 01-04-2024 | Charge/(credit) to Statement of Profit and Loss | Utilisation of MAT | Deferred tax (liabilities)/ assets as at 31-03-2025 |
|---|---|---|---|---|
| **Deferred tax liabilities:** | | | | |
| Leases | - | - | - | - |
| Tax loss | | | | |
| **Net deferred tax liabilities** | - | - | - | - |
| | | | | |
| **Deferred tax assets:** | | | | |
| Leases | 0.00 | (0.00) | - | - |
| Provision for leave encashment | 0.66 | (0.21) | - | 0.87 |
| Provision for gratuity | 0.86 | (1.36) | - | 2.23 |
| Provision for ex-gratia payment | 1.46 | (1.44) | | 2.90 |
| Other disallowances | - | - | | - |
| **Net Deferred tax assets** | **2.99** | **(3.01)** | - | **6.00** |
| | | | | |
| **Net deferred tax (liability)/assets** | **2.99** | **(3.01)** | - | **6.00** |

| Particulars | Deferred tax (liabilities)/ assets as at 01-04-2023 | Charge/(credit) to Statement of Profit and Loss | Utilisation of MAT | Deferred tax (liabilities)/ assets as at 31-03-2024 |
|---|---|---|---|---|
| **Deferred tax liabilities:** | | | | |
| Leases | | | - | - |
| Tax Loss | | | | |
| **Net deferred tax liabilities** | - | - | - | - |
| | | | | |
| **Deferred tax assets:** | | | | |
| Leases | 0.07 | 0.07 | | 0.00 |
| Provision for leave encashment | | (0.66) | | 0.66 |
| Provision for gratuity | | (0.86) | | 0.86 |
| Provision for ex-gratia payment | | (1.46) | | 1.46 |
| Other disallowances | - | | - | - |
| **Net Deferred tax assets** | **0.07** | **(2.91)** | - | **2.99** |
| | | | | |
| **Net deferred tax (liability)/assets** | **0.07** | **(2.91)** | - | **2.99** |

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APAR Transmission & Distribution Projects Private Limited
Notes to the financial statement for the year ended March 31, 2025

**Note 22: IND AS 115 - Revenue from Contracts with Customers**
**i. Contract balances**

| | 2024-25<br>Rs in Lakhs | 2023-24<br>Rs in Lakhs |
|---|---|---|
| **Contract assets** | | |
| **Unbilled revenue** | | |
| As at April 1, 2024 | 4,845.49 | 4,289.18 |
| Add: Addition during the year | 5,055.05 | 4,335.09 |
| | 9,900.54 | 8,624.27 |
| Less: Transferred to receivable | 3,882.45 | 3,778.78 |
| As at Mar 31, 2025 | **6,018.10** | **4,845.49** |

Refer Note 7: Other current assets

**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 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.

**Note 23: Disclosure pursuant to Section 135 for Corporate Social Responsibility**

| Details of corporate social responsibility expenditure | 2024-25<br>Rs in Lakhs | 2023-24<br>Rs in Lakhs |
|---|---|---|
| Amount required to be spent by the Company during the year | 42.30 | 32.29 |
| Amount spent during the year | 42.50 | 32.30 |
| Amount unspent | Nil | Nil |
| **Details of amount spent during the year** | | |
| Donation to Dharmsinh Desai Foundation | 42.50 | 32.30 |

**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 is no contingent liabilities or capital commitments outstanding as on the reporting date.

**Note 26: Foreseeable Losses**
The Company did 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 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 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 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.

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**Note 29: Disclosure pursuant to Ind As 116 - Leases**

(Rs in Lakhs)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Interest expenses on Lease liabilities | 0.29 | 0.01 |
| Expenses relating to Short term leases & low value assets leases | (0.29) | 0.45 |
| Total cash outflows of lease payments | - | 0.46 |

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.

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**APAR Transmission & Distribution Projects Private Limited**
**Notes to the financial statements as at March 31, 2025**

**Note 30:**

| Particulars | March 31, 2025 | March 31, 2024 | Ratio Methodology | Variances | Remarks |
|---|---|---|---|---|---|
| Current Ratio | 1.77 | 1.75 | Current Assets / Current Liabilities | 1% | |
| Return on Equity ratio | 0.17 | 0.21 | Profit after tax / Total equity | -22% | |
| Trade receivable turnover ratio | 2.11 | 2.19 | Revenue from operations / Average Trade receivables | -3% | |
| Trade payable turnover ratio | 1.55 | 1.37 | Total purchases / Average Trade payables | 13% | |
| Net capital turnover ratio | 2.47 | 5.75 | Revenue from operations / Average Working Capital | -57% | Due to execution of projects with low margin during the year |
| Net profit margin | 7.74 | 7.78 | Profit after tax X 100 / Total Income | -1% | |
| Return on Capital employed | 0.24 | 0.29 | Profit before interest and tax X 100 / Total equity + Long term borrowing | -17% | |

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

As per our report of even date attached
**Raghunath P. Acharya**
Chartered Accountants
Firm's Registration No. 127145W/W100218

by the hand of

**Raghunath P. Acharya**
Partner
Membership No. 039920
Mumbai
May 05, 2025

SHARP & TANNAN LLP MUMBAI CHARTERED ACCOUNTANTS

**For and on behalf of the Board of Directors**

**K Krishna Shetty**
Director
DIN: 09817428
Silvassa
May 05, 2025

**Ahmedhussain G Vohra**
Director
DIN : 08166808
Silvassa
May 05, 2025

Manish Agrawal
Managing Director
DIN :-05298459
Silvassa, May 05, 2025

# 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 2025, 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 material 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 2025, 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.

SHARP & TANNAN LLP
MUMBAI
CHARTERED ACCOUNTANTS

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 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 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 34(ix) 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 32 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 33 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

SHARP & TANNAN LLP MUMBAI CHARTERED ACCOUNTANTS

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

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

SHARP & TANNAN LLP
MUMBAI
CHARTERED ACCOUNTANTS

R. P. Acharya
Partner
Membership no. 039920
UDIN: 25039920BMIUOP4873

Mumbai, 25 April 2025

**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,

SHARP & TANNAN LLP MUMBAI CHARTERED ACCOUNTANTS

service tax, duty of custom, duty of excise, value added tax, and cess were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of 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 2025.

(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 obtained loans or other borrowings from 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 wilful 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.

SHARP & TANNAN LLP MUMBAI CHARTERED ACCOUNTANTS

(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 (Group as defined in the Core Investment Companies, Reserve Bank Directions, 2016) 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) According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. 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

SHARP & TANNAN LLP CHARTERED ACCOUNTANTS MUMBAI

R. P. Acharya
Partner
Membership no. 039920
UDIN: 25039920BMIUOP4873

Mumbai, 25 April 2025

**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 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's responsibility for internal financial controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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.

SHARP & TANNAN LLP CHARTERED ACCOUNTANTS MUMBAI

**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 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note on audit of internal financial controls over financial reporting issued by the ICAI.

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

SHARP & TANNAN LLP MUMBAI CHARTERED ACCOUNTANTS

R. P. Acharya
Partner
Membership no. 039920
UDIN: 25039920BMIUOP4873

Mumbai, 25 April 2025

## Apar Distribution & Logistics Private Limited
### Balance sheet as at March 31, 2025

| | Note | As at March 31, ₹ in lakhs | As at March 31, ₹ in lakhs |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Right-of-use assets | 2 | 245.70 | 492.14 |
| Financial assets | | | |
| Investments | 3 | 700.32 | 310.50 |
| Other financial assets | 4 | 56.19 | 56.19 |
| Other tax assets | 5 | 31.30 | 16.36 |
| Deferred tax assets (net) | | 12.37 | 27.87 |
| **Total non-current assets** | | **1,045.88** | **903.06** |
| **Current assets** | | | |
| Financial assets | | | |
| Trade receivables | 6 | 206.67 | 137.29 |
| Cash and cash equivalents | 7 | 27.55 | 176.88 |
| **Total current assets** | | **234.22** | **314.17** |
| **TOTAL ASSETS** | | **1,280.10** | **1,217.23** |

| | | | |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity share capital | 8 | 100.00 | 100.00 |
| (b) Other equity | 9 & 9A | 764.57 | 468.89 |
| **Total Equity** | | **864.57** | **568.89** |
| **Non current liabilities** | | | |
| Financial liabilities | | | |
| Lease liabilities | 29 | 39.76 | 307.45 |
| Provisions | 10 | 26.71 | 20.81 |
| **Total non-current liabilities** | | **66.47** | **328.26** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Lease liabilities | 29 | 266.63 | 273.27 |
| Trade and other payables | 11 | 26.15 | 15.84 |
| Other financial liabilities | 12 | 12.15 | 0.10 |
| Other current liabilities | 13 | 42.54 | 29.51 |
| Short term provisions | 14 | 1.59 | 1.34 |
| **Total current liabilities** | | **349.06** | **320.07** |
| **Total liabilities** | | **415.53** | **648.33** |
| **TOTAL EQUITY AND LIABILITIES** | | **1,280.10** | **1,217.22** |

| | |
|---|---|
| **Material 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

SHARP & TANNAN LLP MUMBAI CHARTERED ACCOUNTANTS

**Raghunath P. Acharya**
Partner
Membership no. 039920
Mumbai
April 25, 2025

For and on behalf of the Board of Directors

**Kushal N. Desai**
Chairman
DIN : 00008084
Mumbai,
April 25, 2025

**Chaitanya N. Desai**
Director
DIN : 00008091
Mumbai,
April 25, 2025

APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED

**Apar Distribution & Logistics Private Limited**
**Statement of profit and loss for the year ended March 31, 2025**

| Particulars | Note | 2024-2025 ₹ in lakhs | 2023-2024 ₹ in lakhs |
|---|---|---|---|
| **Revenue** | | | |
| Revenue from operations | 15 | 1,366.13 | 1,141.95 |
| Other income | 16 | 40.89 | 13.82 |
| **I. Total income** | | **1,407.02** | **1,155.77** |
| **II. Expenses** | | | |
| Operating expenses | 17 | 288.33 | 202.39 |
| Employee benefits expense | 18 | 359.52 | 271.13 |
| Finance costs | 19 | 26.01 | 41.49 |
| Depreciation and amortization expense | 2 | 246.44 | 246.44 |
| Other expenses | 20 | 109.68 | 91.88 |
| **Total expenses** | | **1,029.98** | **853.33** |
| **III. Profit before tax** | | **377.04** | **302.44** |
| **IV. Tax expense:** | | | |
| 1. Current tax | 21 | -79.07 | -78.42 |
| 2. Deferred tax | 21 | -15.50 | 2.58 |
| 3. Taxes of earlier years | | 14.50 | - |
| | | **-80.07** | **-75.84** |
| **V. Net profit for the year (III + IV)** | | **296.97** | **226.60** |
| **VI.Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Items that will not be reclassified to profit or loss | | -1.31 | -1.10 |
| Income tax relating to items that will not be reclassified to profit or loss | | - | - |
| **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 year (V + VI) (comprising profit (loss) and other comprehensive income for the year)** | | **295.66** | **225.50** |
| **VIII. Earnings per equity share** | 22 | | |
| Basic | | 29.70 | 22.66 |
| Diluted | | 29.70 | 22.66 |

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 25, 2025

For and on behalf of the Board of Directors

**Kushal N. Desai**
Chairman
DIN : 00008084
Mumbai,
April 25, 2025

**Chaitanya N. Desai**
Director
DIN : 00008091
Mumbai,
April 25, 2025

**Apar Distribution & Logistics Private Limited**
**Statement of cash flows for the year ended March 31, 2025**

| Particulars | For the year ended March 31, 2025 ₹ in lakhs | For the year ended March 31, 2024 ₹ in lakhs |
|---|---|---|
| **Cash flow from operating activities** | | |
| **Profit before tax** | 377.04 | 302.45 |
| Adjustments for | | |
| Amortisation of right-of-use assets | 246.44 | 246.44 |
| Finance costs | 26.01 | 41.49 |
| **Movement in working capital** | | |
| (Increase)/ decrease in trade and other receivables | -69.38 | -22.38 |
| Increase/ (decrease) in trade and other payables | 10.31 | -2.98 |
| (Decrease)/ increase in other liabilities | 31.22 | -16.51 |
| Tax (paid) / refund | -80.81 | -52.50 |
| **Net cash generated by / (used in) operating activities** | **540.82** | **496.01** |
| **Cash flow from investing activities** | | |
| Investments in mutual funds | -389.82 | -310.50 |
| Net cash generated by / (used in) investing activities | **-389.82** | **-310.50** |
| **Cash flow from financing activities** | | |
| Payment of lease liabilities | -300.33 | -286.07 |
| Proceeds from allotment of shares | | - |
| **Net cash (used in) / generated by financing activities** | **-300.33** | **-286.07** |
| Net increase / (decrease) in cash and cash equivalents | -149.33 | -100.56 |
| Cash and cash equivalents at the beginning of the year | 176.88 | 276.70 |
| **Cash and cash equivalents at the end of the year** | **27.55** | **176.88** |

**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

For and on behalf of the Board of Directors

SHARP & TANNAN LLP MUMBAI CHARTERED ACCOUNTANTS

**Raghunath P. Acharya**
Partner
Membership no. 039920
Mumbai
April 25, 2025

**Kushal N. Desai**
Chairman
DIN : 00008084
Mumbai,
April 25, 2025

**Chaitanya N. Desai**
Director
DIN : 00008091
Mumbai,
April 25, 2025

APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED

**Apar Distribution & Logistics Private Limited**

**Statement of changes in equity**

**(a) Equity share capital**

| | As at March 31, 2025 | | As at March 31, 2024 | |
|---|---|---|---|---|
| | No. of Shares | ₹ in lakhs | No. of Shares | ₹ in lakhs |
| **Balance at the beginning of the reporting period Balance** | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
| Changes in equity share capital due to prior period errors | | | | |
| **Restated balance at the beginning of the current reporting period** | 10,00,000 | 100.00 | 10,00,000 | 100.00 |
| Changes in equity share capital during the year | - | - | - | - |
| **Balance at the end of the reporting period** | 10,00,000 | 100.00 | 10,00,000 | 100.00 |

₹ in lakhs

| | As at March 31, 2025 | | | As at March 31, 2024 | | |
|---|---|---|---|---|---|---|
| **(b) Other equity** | Retained | Other items | Total | Retained | Other items | Total |
| **Opening balance** | **470.81** | **-1.91** | **468.89** | **244.21** | **-0.81** | **243.40** |
| Profit for the year | 296.97 | - | 296.97 | 226.60 | - | 226.60 |
| Other comprehensive income for the year | - | -1.31 | -1.31 | - | -1.10 | -1.10 |
| **Total comprehensive loss for the year** | **296.97** | **-1.31** | **295.66** | **226.60** | **-1.10** | **225.50** |
| Transactions with the owners of the Company | - | - | - | - | - | - |
| **Closing balance** | **767.77** | **-3.22** | **764.55** | **470.81** | **-1.91** | **468.89** |

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

For and on behalf of the Board of Directors

**Raghunath P. Acharya**
Partner
Membership no. 039920
Mumbai
April 25, 2025

**Kushal N. Desai**
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DIN : 00008084
Mumbai,
April 25, 2025

**Chaitanya N. Desai**
Director
DIN : 00008091
Mumbai,
April 25, 2025

**Apar Distribution & Logistics Private Limited**
**Notes to the financial statement as at and for the year ended March 31, 2025**

**Note: 1**

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 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 2025

Material accounting policies

2. **Basis of accounting**

The 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. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.
Estimates and assumptions are required in particular for:

- **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.

5 **Measurement of fair values**

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

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APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED

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 Material accounting policies followed by the Company**

**A. 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.

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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 proportion 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.**

**B. 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 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 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.

**C. 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

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.

**D. 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

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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.

**G. 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.

**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.

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APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED *

**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.

**H. 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.

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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

**I. 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.

**J. 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.

**K. 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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APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED

**Apar Distribution & Logistics Private Limited**
**Notes to the financial statement as at and for the year ended March 31, 2025**

**Note 2: Right of use assets**

₹ in lakhs

| | Gross block | | | | Depreciation | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at | Additions | Deductions | As at | Upto | For the year | Adjustments | Upto | As at | As at |
| Righ of use assets | 1,232.22 | - | - | 1,232.22 | 740.07 | 246.44 | - | 986.52 | 245.70 | 492.14 |
| **Grand Total** | 1,232.22 | - | - | 1,232.22 | 740.07 | 246.44 | - | 986.52 | 245.70 | 492.14 |

₹ in lakhs

| | Gross block | | | | Depreciation | | | | Net block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at | Additions | Deductions | As at | Upto | For the year | Adjustments | Upto | As at | As at |
| Righ of use assets | 1,232.22 | - | - | 1,232.22 | 493.63 | 246.44 | - | 740.07 | 492.14 | 738.59 |
| **Grand Total** | 1,232.22 | - | - | 1,232.22 | 493.63 | 246.44 | - | 740.07 | 492.14 | 738.59 |

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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, 2025**

| Note 3 - Investments | 31 March 2025<br>₹ in lakhs | 31 March 2024<br>₹ in lakhs |
|---|---|---|
| Fair value through Profit & Loss<br>Investment in Mutual Fund | 700.32 | 310.50 |
| | **700.32** | **310.50** |

| Note 4 Other finacial assets - non-current | 31 March 2025<br>₹ in lakhs | 31 March 2024<br>₹ in lakhs |
|---|---|---|
| **Unsecured, considered good**<br>Security deposits | 56.19 | 56.19 |
| | **56.19** | **56.19** |

| Note 5 Other tax assets | 31 March 2025<br>₹ in lakhs | 31 March 2024<br>₹ in lakhs |
|---|---|---|
| Advance income tax (net of provision) | 31.30 | 16.36 |
| | **31.30** | **16.36** |

| Note 6 Trade receivables | 31 March 2025<br>₹ in lakhs | 31 March 2024<br>₹ in lakhs |
|---|---|---|
| **Unsecured**<br>Considered good (refer notes below) | 206.67 | 137.29 |
| | **206.67** | **137.29** |

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

| Note II - Due from holding company | 31 March 2025<br>₹ in lakhs | 31 March 2024<br>₹ in lakhs |
|---|---|---|
| Due from holding company - Apar Industries Limited | 186.99 | 135.59 |
| Due from other parties | 19.68 | 1.70 |

| As at March 31, 2025 | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months - | 1 - 2 years | 2 - 3 years | More than 3 | |
| i) Undisputed trade receivables - considered | 206.67 | - | - | - | - | 206.67 |
| ii) Undisputed trade receivables - which have | - | - | - | - | - | - |
| iii) Undisputed trade receivables - Credit | - | - | - | - | - | - |
| iv) Disputed trade receivables - considered good | - | - | - | - | - | - |
| v) Disputed trade receivables - which have | - | - | - | - | - | - |
| vi) Disputed trade receivables - Credit Impaired | - | - | - | - | - | - |
| **Total** | **206.67** | - | - | - | - | **206.67** |

| As at March 31, 2024 | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|
| | Less than 6 | 6 months - | 1 - 2 years | 2 - 3 years | More than 3 | |
| i) Undisputed trade receivables - considered | 137.29 | - | - | - | - | 137.29 |
| ii) Undisputed trade receivables - which have | - | - | - | - | - | - |
| iii) Undisputed trade receivables - Credit | - | - | - | - | - | - |
| iv) Disputed trade receivables - considered good | - | - | - | - | - | - |
| v) Disputed trade receivables - which have | - | - | - | - | - | - |
| vi) Disputed trade receivables - Credit Impaired | - | - | - | - | - | - |
| **Total** | **137.29** | - | - | - | - | **137.29** |

| Note 7 Cash and cash equivalents | 31 March 2025<br>₹ in lakhs | 31 March 2024<br>₹ in lakhs |
|---|---|---|
| On current accounts | 27.55 | 176.88 |
| | **27.55** | **176.88** |

| | 31 March 2025<br>₹ in lakhs | 31 March 2024<br>₹ in lakhs |
|---|---|---|
| Contract assets (refer note I below) | 110.93 | 85.93 |
| | **110.93** | **85.93** |

| **Note I - Contract assets** | | |
|---|---|---|
| **Unbilled revenue (refer note A below)** | | |
| Opening balance | 85.93 | 114.41 |
| Add: Addition during the year | 110.93 | 85.93 |
| | **196.87** | **200.34** |
| Less: Trasferred to receivable | 85.93 | 114.41 |
| **Closing balance** | **110.93** | **85.93** |

| Note A - Unbilled revenue due from holding company | 31 March 2025<br>₹ in lakhs | 31 March 2024<br>₹ in lakhs |
|---|---|---|
| Due from Holding Company | 110.93 | 85.93 |
| Due from Third Party | - | |

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| Note 8 Equity share capital | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| a Authorised : | | |
| 10,00,000 equity shares of ₹ 10 each (previous year 10,00,000 equity shares of ₹ 10 each) | 100.00 | 100.00 |
| TOTAL | 100.00 | 100.00 |
| b Issued : | | |
| 10,00,000 equity shares of ₹ 10 each (previous year 10,00,000 equity shares of ₹ 10 each) | 100.00 | 100.00 |
| TOTAL | 100.00 | 100.00 |
| c Subscribed and paid-up : | | |
| 10,00,000 equity shares of ₹ 10 each (previous year 10,00,000 equity shares of ₹ 10 each) | 100.00 | 100.00 |
| | 100.00 | 100.00 |

| d Reconciliation of number of shares outstanding at the beginning and end of the year : | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| 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 2025 | | 31 March 2024 | |
|---|---|---|---|---|
| | 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.

| Note 9 Other equity | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| **Retained earnings - surplus / (deficit)** | | |
| As per last balance sheet | 470.80 | 244.20 |
| Increase/(decrease) during the year | 296.99 | 226.60 |
| Closing balance | 767.79 | 470.80 |

| Note 9A Other reserve | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| Other items of other comprehensive income | -3.22 | -1.91 |
| | -3.22 | -1.91 |

| | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| OCI | | |
| As per last balance sheet | -1.91 | -0.81 |
| Increase/(decrease) during the year | -1.31 | -1.10 |
| Closing balance | -3.22 | -1.91 |

**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 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| Provision for leave benefits (refer note 23) | 13.17 | 10.69 |
| Provision for gratuity - in respect of other employees (refer note 23) | 13.54 | 10.12 |
| | 26.71 | 20.81 |

| Note 11 Trade and other payables | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| Due to micro, small and medium enterprises | - | - |
| Due to other than micro and small and medium enterprises (refer notes below) | 26.15 | 15.84 |
| Total | 26.15 | 15.84 |

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, 2025 | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 | 1 - 2 years | 2 - 3 years | More than 3 | Total |
| i) MSME | 4.69 | - | - | - | 4.69 |
| ii) Others | 21.46 | - | - | - | 21.46 |
| iii) Disputed dues - MSME | - | - | - | - | - |
| iii) Disputed dues - Others | - | - | - | - | - |
| Total | 26.15 | - | - | - | 26.15 |

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| As at March 31, 2024 | Outstanding for following periods from due date of payment | | | | |
|---|---|---|---|---|---|
| | Less than 1 | 1 - 2 years | 2 - 3 years | More than 3 | Total |
| i) MSME | 1.34 | - | - | - | 1.34 |
| ii) Others | 0.00 | - | - | - | 0.00 |
| iii) Disputed dues - MSME | - | - | - | - | - |
| iii) Disputed dues - Others | - | - | - | - | - |
| Total | 1.34 | - | - | - | 1.34 |

| Note 12 Other financial liabilities | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| Short term advances (refer note below) | 12.15 | 0.10 |
| Total | 12.15 | 0.10 |

| Note - Payable to Holding Company | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| Short term advance from Apar Industries Limited | 12.15 | 0.10 |

| Note 13 Other current liabilities | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| Statutory dues towards government | 1.49 | 7.19 |
| Provision for other expenses | 41.04 | 22.32 |
| Total | 42.54 | 29.51 |

| Note 14 Provisions - current | 31 March 2025 ₹ in lakhs | 31 March 2024 ₹ in lakhs |
|---|---|---|
| Provision for leave benefits (refer note 23) | 1.38 | 1.14 |
| Provision for gratuity (refer note 23) | 0.21 | 0.20 |
| Total | 1.59 | 1.34 |

| Note 15 Revenue from operations | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| Service charges recovered | 1,366.13 | 1,141.95 |
| Total | 1,366.13 | 1,141.95 |

**Disclosure under IND AS 115**

| | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| i. **Revenue from contracts with customers** | | |
| Revenue recognised at point in time | 1,366 | 1,142 |
| **Total revenue from contracts with customers** | 1,366 | 1,142 |

| ii. **Sales by performance obligation** | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| Upon providing of services | 1,366 | 1,142 |
| | 1,366 | 1,142 |

| iii **Contract balances** | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| **Unbilled revenue** | | |
| Opening Balance as at April 1 | 85.93 | 114.41 |
| Add: Addition during the year | 110.93 | 85.93 |
| | 196.87 | 200.34 |
| Less: Trasferred to receivable | 85.93 | 114.41 |
| Closing balance | 110.93 | 85.93 |

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.

| Note 16 Other income | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| Unrealised profit/loss- mutual fund | 39.84 | 10.51 |
| Interest received others | 1.05 | 3.31 |
| Total | 40.89 | 13.82 |

| Note 17 Operatinge expenses | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| Loading and unloading charges | 204.68 | 158.49 |
| Electricity and water charges | 25.58 | 19.79 |
| Other operating charges | 58.07 | 24.10 |
| Total | 288.33 | 202.39 |

| Note 18 Employee benefit expenses | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| Salaries, wages and bonus | 339.82 | 255.24 |
| Contribution to provident and other funds | 14.69 | 11.19 |
| Gratuity expenses | 2.12 | 2.72 |
| Workmen and staff welfare expenses | 2.89 | 1.98 |
| Total | 359.52 | 271.13 |

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| Note 19 Finance costs | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| Interest on lease contracts | 26.01 | 41.49 |
| Total | 26.01 | 41.49 |

| Note 20 Other expenses | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| Bank charges | - | 0.05 |
| Publicity and advertisement | - | - |
| Rates and taxes | 1.08 | 1.30 |
| Conveyance | 72.70 | 59.55 |
| Seminar/ Training exp. | 0.27 | - |
| Printing and stationery | 4.30 | 3.82 |
| Books, periodicals and subscription | - | - |
| Vehicle running expenses | 0.68 | 1.13 |
| Security charges | 18.74 | 14.70 |
| Miscellaneous administrative expenses | 1.43 | 0.92 |
| Legal and professional fees | 6.94 | 7.41 |
| Payment to auditors: | | |
| Auditor's remuneration | 3.55 | 3.00 |
| | 109.68 | 91.88 |

| Auditors' remuneration details | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| **Auditor remuneration for** | | |
| Audit | 2.55 | 2.00 |
| Limited review | 1.00 | 1.00 |
| | 3.55 | 3.00 |

| Note 21 Tax expense | FY2025 ₹ in lakhs | FY2024 ₹ in lakhs |
|---|---|---|
| Current tax | -79.07 | -78.42 |
| Deferred tax | -15.50 | 2.58 |
| Prior period tax | 14.50 | - |
| **Total** | -80.06 | -75.84 |

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Note 22 Earnings per share

A. Basic earnings per share

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

| i. Profit attributable to ordinary shareholders (basic) | March 31, 2025 ₹ in lakhs | March 31, 2024 ₹ in lakhs |
|---|---|---|
| Profit (loss) for the year, attributable to the owners of the Company | 297 | 227 |
| Income/(expense) recognized in securities premium/other reserves | - | - |
| **Profit (loss) for the year, attributable to ordinary shareholders** | **297** | **227** |

| ii. Weighted average number of ordinary shares (basic) | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Issued ordinary shares - Issued in FY 2020 | 10,00,000 | 10,00,000 |
| **Weighted average number of shares at March 31, 2025** | **10,00,000** | **10,00,000** |

| | | |
|---|---|---|
| **Basic EPS (₹)** | **29.70** | **22.66** |
| Face value per share (₹) | **10.00** | **10.00** |

B. Diluted earnings per share

There are no dilutive instruments as at 31/03/2025 and 31/03/2024, 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, 2025**
**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 ₹ 4,72,726 (previous year ₹ 2,72,485) for other retirement benefit contributions in the statement of profit and loss.

The Company recognised ₹ 14,68,720(previous year ₹ 11,18,703) 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, 2025. The Company has recognised ₹ 14,54,755 (previous year ₹ 11,83,156) 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, 2025. 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**

₹ in lakhs

| Particulars | March 31, 2025<br>Gratuity | March 31, 2024<br>Gratuity |
|---|---|---|
| **Table showing change in benefit obligation** | | |
| Defined benefit obligation at beginning of the year | **10.32** | **6.49** |
| a) Included in statement of profit and loss | | |
| Current service cost | 3.98 | 2.24 |
| Interest cost | 0.74 | 0.49 |
| Liability transferred in/ acquisitions | - | - |
| | **4.73** | **2.72** |
| b) Included in OCI | | |
| Re-measurement or Actuarial (gain) / loss arising from: | | |
| Demographic assumptions | | - |
| Financial assumptions | 0.54 | 0.43 |
| Experience adjustment | 0.77 | 0.67 |
| | **1.31** | **1.10** |
| c) Other | | |
| Benefits paid | -2.61 | - |
| Defined benefit obligation at end of the year | 13.75 | 10.32 |

**Defined benefit obligations**

**i) Actuarial assumptions**
In arriving at the valuation for gratuity and leave benefit following assumptions were used:

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| Particulars | March 31, 2025 | March 31, 2024 |
|---|---|---|
| Mortality table (LIC) | Indian Assured Lives | Indian Assured |
| Retirement age | 60 | 60 |
| Employee turnover rate | 2.00% | 2.00% |
| Discount rate | 7.21% | 7.50% |
| Expected rate of return on plan assets (per annum) | NA | NA |
| Rate of escalation in salary (per annum) | 5.80% | 5.80% |

**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.

**₹ in lakhs**

| | March 31, 2025 | | March 31, 2024 | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | -1.88 | 2.30 | -1.39 | 1.69 |
| Future salary growth (1% movement) | 2.30 | -1.91 | 1.70 | -1.42 |
| Employee turnover (1% movement) | 0.07 | -0.10 | 0.12 | -0.15 |

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:

**₹ in lakhs**

| **Net asset / (liability) recognised in the balance sheet as at** | **March 31, 2025 Gratuity** | **March 31, 2024 Gratuity** |
|---|---|---|
| Fair value of plan assets | - | - |
| Present value of obligation | 13.75 | 10.32 |
| Amount recognised in balance sheet | 13.75 | 10.32 |

**₹ in lakhs**

| Expense recognised during the year | **March 31, 2025 Gratuity** | **March 31, 2024 Gratuity** |
|---|---|---|
| Included in statement of profit and Loss | | |
| Current service cost | 3.98 | 2.24 |
| Interest cost | 0.74 | 0.49 |
| | | |
| 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 | 0.54 | 0.43 |
| Experience adjustment | 1.10 | 0.36 |
| Return on plan assets, excluding interest income | - | - |
| **Net Cost** | **6.37** | **3.53** |

**₹ in lakhs**

| **Maturity analysis of the benefit payments: from the fund** | **March 31, 2025 Gratuity** | **March 31, 2024 Gratuity** |
|---|---|---|
| Projected benefits payable in future years from the date of reporting | | |
| 1st following year | 0.21 | 0.20 |
| 2nd following year | 0.23 | 0.21 |
| 3rd following year | 0.32 | 0.22 |
| 4th following year | 0.38 | 0.30 |
| 5th following year | 0.44 | 0.34 |
| From 6 to 10 years | 2.78 | 2.20 |
| From 11 years and above | 42.96 | 33.11 |

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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.

₹ in lakhs

| | | Carrying amount | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| March 31, 2025 | Note No. | Fair value- | FVTPL | FVTOCI | Amortized Cost | Total | Level 1 - | Level 2 - | Level 3 - | Total |
| **Financial assets** | | | | | | | | | | |
| Investments | 3 | | 700 | | | 700 | | | | - |
| Trade receivables | | | | | | | | | | |
| - Current | 6 | | | | 207 | 207 | | | | - |
| Cash and cash equivalents | 7 | | | | 28 | 28 | | | | |
| Other financial assets | | | | | | | | | | |
| - Non-current | 4 | | | | 56 | 56 | | | | - |
| **Total financial assets** | | - | 700 | - | 290 | 991 | - | - | - | - |
| | | | | | | - | | | | |
| **Financial liabilities** | | | | | | | | | | |
| Lease liabilities | | | | | | - | | | | |
| - Non-current | 29 | | | | 40 | 40 | | | | |
| - Current | 29 | | | | 267 | 267 | | | | |
| Other financial liabilities | | | | | | | | | | |
| - Non-current | 0 | | | | - | - | | | | - |
| - Current | 12 | | | | 12 | 12 | | | | - |
| Trade payables | 11 | | | | 26 | 26 | | | | - |
| **Total financial liabilities** | | - | - | - | 345 | 345 | - | - | - | - |

₹ in lakhs

| | Notes | Carrying amount | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| March 31, 2024 | | Fair value- | FVTPL | FVTOCI | Amortized Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets** | | | | | | | | | | |
| Investments | | | 310 | | | 310 | | | | - |
| Trade receivables | | | | | | - | | | | |
| - Current | 6 | | | | 137 | 137 | | | | |
| Cash and cash equivalents | 7 | | | | 177 | 177 | | | | - |
| Other financial assets | | | | | | | | | | |
| - Non-current | 4 | | | | 56 | 56 | | | | - |
| - Current | | | | | | - | | | | - |
| **Total financial assets** | | - | 310 | - | 370 | 681 | - | - | - | - |
| **Financial liabilities** | | | | | | | | | | |
| Leases | | | | | | | | | | |
| - Non-current | 29 | | | | 307 | 307 | | | | |
| - Current | 29 | | | | 273 | 273 | | | | |
| Other financial liabilities | | | | | | | | | | |
| - Non-current | 0 | | | | - | - | | | | |
| - Current | 12 | | | | 0 | 0 | | | | |
| Trade payables | 11 | | | | 16 | 16 | | | | |
| **Total financial liabilities** | | - | - | - | 597 | 597 | - | - | - | - |

**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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## Notes to the financial statement as at and for the year ended March 31, 2025

**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 | | | ₹ in lakhs |
|---|---|---|---|---|---|---|
| March 31, 2025 | Carrying | Total | 1 year or less | 1-2 years | 3-5 years | More than |
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 26 | 26 | 26 | - | - | - |
| Other financial liabilities | 12 | 12 | 12 | - | - | - |
| Lease liabiliies | 306 | 306 | 267 | 40 | | |

| | | | Contractual cash flows | | | ₹ in lakhs |
|---|---|---|---|---|---|---|
| March 31, 2024 | Carrying | Total | 1 year or less | 1-2 years | 3-5 years | More than |
| **Non-derivative financial liabilities** | | | | | | |
| Trade and other payables | 16 | 16 | 16 | - | - | - |
| Other financial liabilities | 0 | 0 | 0 | - | - | - |
| Lease liabilies | 581 | 581 | 273 | 307 | - | |

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, 2025 ₹ in lakhs | March 31, 2024 ₹ in lakhs |
|---|---|---|---|
| 1 | Sale of services | 1,311.07 | 1,127.48 |
| 2 | Purchase of services | - | - |
| 3 | Reimbursement of expenses | - | - |
| 4 | Subscription to issue of equity shares | - | - |
| 5 | Balance outstanding as on | | |
| | a) Receivable from holding company for supply of services | 186.99 | 135.59 |
| | b) Payable to holding company for supply of services | - | - |
| | c) Short term advances payable | 12.15 | 0.10 |

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

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

| Particulars | March 31, 2025 ₹ in lakhs | March 31, 2024 ₹ in lakhs |
|---|---|---|
| Statement of profit and loss: | | |
| **a. Profit and loss section:** | | |
| (i) Current tax : | | |
| Current tax expense for the year | -79.07 | -78.42 |
| (ii) Deferred tax: | | |
| Tax expense on origination and reversal of temporary differences | -15.50 | 2.58 |
| **Income tax expense reported in the statement of profit or loss** | **-95.56** | **-75.84** |
| **b. Other comprehensive income (OCI) section:** | | |
| **Items that will not be reclassified to profit or loss** | | |
| Remeasurements of defined benefit liability (asset) | - | - |
| **Income tax expenses reported in the other comprehensive inco** | - | - |

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

| Particulars | March 31, 2025 ₹ in lakhs | March 31, 2024 ₹ in lakhs |
|---|---|---|
| Profit before tax (a) | 377.04 | 302.44 |
| **Corporate tax rate as per Income tax Act, 1961 (b)** | 25.168% | 25.168% |
| Tax on accounting profit (c)=(a)*(b) | -94.89 | -76.12 |
| Add: Items disallowed under Tax laws (d) | | |
| Share capital expenses | - | - |
| Lease related expenses | - | - |
| Employee benefits provision | - | - |
| Others | - | 0.28 |
| **Tax income recognised during the year (e) = (c) + (d)** | **-94.89** | **-75.84** |

SHARP & TANNAN LLP CHARTERED ACCOUNTANTS MUMBAI

APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED

**Note 28 Deferred tax assets / (liabilities)**

**Movement in deferred tax balances**

| Particulars | Net balance April 1, 2024 ₹ in lakhs | Recognised in profit or loss ₹ in lakhs | Recognised in OCI ₹ in lakhs | Net ₹ in lakhs | Deferred tax asset / (liability) March 31, 2025 ₹ in lakhs |
|---|---|---|---|---|---|
| Lease expenses | 22.29 | -7.02 | - | 15.28 | 15.28 |
| Unrealised gain on investments | - | -10.03 | - | -10.03 | -10.03 |
| Employee benefit provisions | 5.58 | 1.55 | - | 7.12 | 7.12 |
| **Net tax assets (liabilities)** | **27.87** | **-15.50** | **-** | **12.37** | **12.37** |

| Particulars | Net balance April 1, 2023 ₹ in lakhs | Recognised in profit or loss ₹ in lakhs | Recognised in OCI ₹ in lakhs | Net ₹ in lakhs | Deferred tax Asset / (Liability) March 31, 2024 ₹ in lakhs |
|---|---|---|---|---|---|
| Lease expenses | 25.29 | 2.58 | - | 27.87 | 27.87 |
| Taxable loss | - | - | - | - | - |
| Employee benefit provisions | | - | - | - | - |
| **Net tax assets (liabilities)** | **24.29** | **1.58** | **-1.00** | **26.87** | **27.87** |

**Note 29 Disclosure pursuant to Ind As 116 - Leases**

| Particulars | March 31, 2025 ₹ in lakhs | March 31, 2024 ₹ in lakhs |
|---|---|---|
| Interest expenses on lease liabilities | 26.01 | 41.49 |
| Expenses relating to short term leases and low value assets leases | - | - |
| Lease liability - non-current | 39.76 | 307.45 |
| Lease liability current | 266.63 | 273.27 |
| Total cash outflows of lease payments | 300.33 | 285.34 |

The Company has applied paragraph 6 of IND AS 116; for accounting of short term leases having lease period of less than 12 months and 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

**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.

SHARP & TANNAN LLP * MUMBAI * CHARTERED ACCOUNTANTS

(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

ix)The Company does not have any pending litigations on its financial position in its financial statements.

**Note 35 Ratios**

| Particulars | March 31, 2025 | March 31, 2024 | Variances% | Remarks | Ratio methodology |
|---|---|---|---|---|---|
| Current ratio | 0.67 | 0.98 | -31.6% | Faster payment to vendor | 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 | 41% | 50% | -18.0% | Increase in the average equity base in the current FY due to higher profits being earned | 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 |

SHARP & TANNAN LLP * MUMBAI * CHARTERED ACCOUNTANTS

APAR DISTRIBUTION & LOGISTICS PRIVATE LIMITED

| | | | | | |
|---|---|---|---|---|---|
| Trade receivable turnover ratio | 7.94 | 9.07 | -12.5% | 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 | (22.63) | 33.65 | -167.2% | Decrease on account of cash being invested in mutual funds in FY 24 and FY25. | Revenue from operations / Average working capital |
| Net profit margin | 22% | 20% | 10.9% | Marginal increase on account of lower tax liability as excess provision made in the earlier years | Profit after tax X 100 / Total income |
| Return on capital employed | 56% | 75% | -25.3% | Decreased due to higher capital employed base due to higher profits in the current year | Profit before interest and tax X 100 / Total equity + Long-term borrowings |
| Return on investment | 41% | 50% | (0.18) | NA | Profit after tax/Average equity |

**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

For and on behalf of the Board of Directors

**Raghunath P. Acharya**
Partner
Membership no. 039920
Mumbai
April 25, 2025

**Kushal N. Desai**
Chairman
DIN : 00008084
Mumbai,
April 25, 2025

**Chaitanya N. Desai**
Director
DIN : 00008091
Mumbai,
April 25, 2025

CEMA WIRES & CABLES LLC
(A Limited Liability Company)

# FINANCIAL STATEMENTS
# FOR THE PERIOD

# FROM APRIL 1, 2024 TO MARCH 31, 2025

CEMA WIRES & CABLES LLC
**FOR THE PERIOD**
**FROM APRIL 1, 2024 TO MARCH 31, 2025**

## Table of Contents

TAX WORTH
PRIVATE LLC

21 VETS ROAD, WINDHAM, NEW YORK, 12496

# INDEPENDENT AUDITOR'S REPORT

To the board of directors and Member, CEMA WIRES & CABLES LLC

## Opinion

We have audited the accompanying financial statements of **CEMA WIRES & CABLES LLC** (earlier known as CEMA Wires & Cables Inc) which comprise the balance sheet as of March 31, 2025, and the related statement of operations, statement of changes in member's equity, and statement of cash flows for the period then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- 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. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

April 21, 2025

SIDDHARTHA SHRIVASTAVA

CERTIFIED PUBLIC ACCOUNTANT

LICENSE NO. 143693

**CEMA WIRES & CABLES LLC**
**BALANCE SHEET**
**MARCH 31, 2025**

**(Amount in USD)**

| Particulars | Note | 2025 | 2024 |
|---|---|---|---|
| **Non-current Assets** | | | |
| Tangible & intangible assets | | 2,610.05 | - |
| **Total non current assets** | | **2,610.05** | - |
| **Current Assets** | | | |
| Inventories | | - | - |
| Trade receivables | | - | - |
| Cash & Cash Equivalent | 3 | 36,817.24 | 49,809.21 |
| Other current assets | 4 | 3,28,377.84 | - |
| **Total current assets** | | **3,65,195.08** | **49,809.21** |
| **TOTAL ASSETS** | | **3,67,805.13** | **49,809.21** |
| **Current Liabilities** | | | |
| Borrowings | | - | - |
| Trade payable | | 88,170.66 | - |
| Other current liabilites | 5 | 3,26,602.51 | - |
| **TOTAL CURRENT LIABILITIES** | | **4,14,773.17** | - |
| **Equity** | | | |
| Common stock | | 1,50,000.00 | 50,000.00 |
| Retained Earnings | | (1,96,968.04) | (190.79) |
| **TOTAL EQUITY** | | **(46,968.04)** | **49,809.21** |
| **TOTAL LIABILITIES & EQUITY** | | **3,67,805.13** | **49,809.21** |

As per report of our even date attached
**CPA Firm Name : Tax Worth Private LLC**
**Certified Public Accountant : Siddhartha Shrivastava**

**LICENSE NO. 143693**
Place: Mumbai
Date: April 21, 2025

For and on behalf of management

**Rishabh K. Desai**
**Director**

Place: Mumbai
Date: April 21, 2025

See independent auditor's audit report and accompanying notes to the financial statements.

**CEMA WIRES & CABLES LLC**
**STATEMENT OF OPERATIONS**
**FOR THE PERIOD ENDED MARCH 31, 2025**

**(Amount in USD)**

| **Particulars** | | **2025** | **2024** |
|---|---|---|---|
| Revenue | | | |
| Revenue from operations | | - | - |
| Other income | | 3,33,474.48 | - |
| **Total Revenue** | | **3,33,474.48** | **-** |
| | | | |
| Cost of goods sold | | - | |
| Salary expenses | | 2,03,774.12 | - |
| Legal & professional fee | | 2,80,633.64 | - |
| Audit fees | | 750.00 | - |
| Interest expenses | | 3,549.51 | - |
| Depreciation | | 340.59 | - |
| Other expenses | 6 | 41,203.87 | 190.79 |
| **Total Expenses** | | **5,30,251.73** | **190.79** |
| | | | |
| **Profit/ (Loss) before tax** | | **(1,96,777.25)** | **(190.79)** |
| Tax expenses | | - | - |
| **Profit / (Loss) after tax** | | **(1,96,777.25)** | **(190.79)** |

As per report of our even date attached
**CPA Firm Name : Tax Worth Private LLC**
**Certified Public Accountant : Siddhartha Shrivastava**

**LICENSE NO. 143693**
Place: Mumbai
Date: April 21, 2025

For and on behalf of management

**Rishabh K. Desai**
**Director**

Place: Mumbai
Date: April 21, 2025

See independent auditor's audit report and accompanying notes to the financial statements.

**CEMA WIRES & CABLES LLC**
**STATEMENT OF CHANGES IN MEMBER'S EQUITY**
**FOR THE PERIOD ENDED MARCH 31, 2025**

**(Amount in USD)**

| Particulars | 2025 | 2024 |
|---|---|---|
| Common stock as at the beginning of the year | 50,000.00 | - |
| Issue of common stock during the year | 1,00,000.00 | 50,000.00 |
| **Common stock at the end of the year** | **1,50,000.00** | **50,000.00** |
| Retained earnings as at the beginning of the year | (190.79) | - |
| - Profit / loss for the year | (1,96,777.25) | (190.79) |
| **Retained earnings as at the end of the year** | **(1,96,968.04)** | **(190.79)** |

As per report of our even date attached
**CPA Firm Name : Tax Worth Private LLC**
**Certified Public Accountant : Siddhartha Shrivastava**

**LICENSE NO. 143693**
Place: Mumbai
Date: April 21, 2025

For and on behalf of management

**Rishabh K. Desai**
**Director**

Place: Mumbai
Date: April 21, 2025

See independent auditor's audit report and accompanying notes to the financial statements.

**CEMA WIRES & CABLES LLC**
**STATEMENT OF CASH FLOWS**
**FOR THE PERIOD ENDED MARCH 31, 2025**

(Amount in USD)

| Particulars | | 2025 | 2024 |
|---|---|---|---|
| Profit/ (Loss) before tax | | (1,96,777.25) | (190.79) |
| **Adjustments:** | | | |
| Add: Depreciation | | 340.59 | - |
| Add :Interest expenses | | 3,549.51 | - |
| Cash flow from operating activities before change in working capital | | **(1,92,887.15)** | **(190.79)** |
| (Increase) in other current assets | | (3,28,377.84) | - |
| Increase in trade payables | | 88,170.66 | - |
| Increase in other current liabilities | | 3,26,602.51 | - |
| **Net cash flow from operating activities** | **(A)** | **(1,06,491.82)** | **(190.79)** |
| Purchase of assets | | (2,950.64) | - |
| **Net cash flow from investing activities** | **(B)** | **(2,950.64)** | **-** |
| Issue of shares | | 1,00,000.00 | 50,000.00 |
| Proceeds from borrowings | | 2,00,000.00 | - |
| Repayment of borrowings | | (2,00,000.00) | - |
| Interest Paid | | (3,549.51) | - |
| **Cash flow from financing activities** | **(C)** | **96,450.49** | **50,000.00** |
| Net Increase or decrease in cash & cash equivalent | (A)+(B)+(C) | (12,991.97) | 49,809.21 |
| Cash and cash equivalent at the beginning of the year | | 49,809.21 | - |
| **Cash and cash equivalent at the end of the year** | | **36,817.24** | **49,809.21** |

As per report of our even date attached
**CPA Firm Name : Tax Worth Private LLC**
**Certified Public Accountant : Siddhartha Shrivastava**

**LICENSE NO. 143693**
Place: Mumbai
Date: April 21, 2025

For and on behalf of management

**Rishabh K. Desai**
**Director**

Place: Mumbai
Date: April 21, 2025

See independent auditor's audit report and accompanying notes to the financial statements.

**CEMA Wires & Cables LLC (earlier known as CEMA Wires & Cables Inc)**

**Notes to the financial statement as at March 31, 2025**

Note 1: General information

CEMA Wires and Cables Inc was formed in the state of Delaware, USA. ('the Company'). The Company is a wholly owned subsidiary of APAR Industries Limited, India. The name of the Company was changed during the year ended March 31, 2025 to CEMA Wires and Cable LLC Until March 31, 2025 the Company has not carried out any operations

Note 2: Material Accounting Policies

Note 2.1: Basis of preparation
These financial statements have been prepared under historical cost convention on accrual basis in accordance with International Financial Reporting Standards ('IFRS'). Accounting policies have been consistently applied except where new IFRS or the existing IFRS requires a change in accounting policy.

Note 2.2: Functional Currency
All amounts are stated in United States Dollar ('USD'), which is the functional currency of the Company.

Note 2.3: Key estimates and assumptions
The preparation of financial statements in accordance with IFRS 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.

Note 2.4: 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

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.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 3: Cash & Cash Equivalent

| Particulars | 2025 | 2024 |
|---|---|---|
| Balance with Bank | 36,817.24 | 49,809.21 |
| | **36,817.24** | **49,809.21** |

### Note 4: Other current assets

| Particulars | 2025 | 2024 |
|---|---|---|
| Advances to Supplier | 3,28,377.84 | - |
| | **3,28,377.84** | **-** |

### Note 5: Other current liabilities

| Particulars | 2025 | 2024 |
|---|---|---|
| Advances from customer | 3,20,570.22 | - |
| Payable to employees | 6,032.29 | - |
| | **3,26,602.51** | **-** |

### Note 6: Other expenses

| Particulars | 2025 | 2024 |
|---|---|---|
| Travelling expenses | 34,780.75 | - |
| Staff welfare expenses | 1,741.08 | - |
| Office expenses | 1,168.74 | - |
| Bank charges | 2,194.65 | 190.79 |
| Miscellanious expenses | 1,318.65 | - |
| | **41,203.87** | **190.79** |

See independent auditor's audit report and accompanying notes to the financial statements.

**Note 7: Fair value measurement**

| Particulars | 2025 | 2024 |
|---|---|---|
| Level 1 | - | - |
| Level 2 | - | - |
| Level 3 | | |
| Balances with Banks | 36,817.24 | 49,809.21 |

**Note 8: Related party transaction**

| Particulars | 2025 | 2024 |
|---|---|---|
| **Parent Company: APAR Industries Limited, India** | - | |
| Issue of common stock during the year | 1,00,000.00 | 50,000.00 |
| Advance paid for goods purchases | 3,28,377.84 | - |
| Other Income | 3,33,474.48 | - |
| **Fellow Subsidiary : Petroleum Specialties Pte. Ltd, Singapore** | | |
| Loan received during the year | 2,00,000.00 | - |
| Loan re-paid during the year | (2,00,000.00) | - |
| Interest Expenses paid | (3,549.51) | - |

As per report of our even date attached
**CPA Firm Name : Tax Worth Private LLC**
**Certified Public Accountant : Siddhartha Shrivastava**

**LICENSE NO. 143693**
Place: Mumbai
Date: April 21, 2025

TAX WORTH PRIVATE LLC
FIRM PERMIT
NO. 1120

For and on behalf of management

**Rishabh K. Desai**
**Director**

Place: Mumbai
Date: April 21, 2025

See independent auditor's audit report and accompanying notes to the financial statements.

**APAR Industries Latam Ltda**

| Profit & Loss A/c - for the period 29.10.2024 to 31.03.2025 | |
|---|---|
| **PARTICULARS** | **Amount BRL** |
| Legal & Professional Fees | 2,428.80 |
| Rates & Taxes (Others) | 444.24 |
| State Service Fees | 702.92 |
| **Total Expenses (A)** | **3,575.96** |
| Sales of Service | |
| **Total Revenue (B)** | **-** |
| **Gross Profit (A - B)** | **-3,575.96** |
| **Total (C)** | **-** |
| **Net Profit** | **-3,575.96** |

APAR Industries Latam Ltda

Hirendra Bhattacharjee

Hirendra Bhattacharjee
Manager
08th May 2025
Sao paulo, Brazil

**APAR Industries Latam Ltda**

**Balance Sheet as on 31.03.2025**

| Liability | Amount BRL | Assets | Amount BRL |
|---|---|---|---|
| Reserve & Surplus | | | |
| Share Application Money as Equity (Allotment Pending) | 1,20,000.00 | | |
| Profit for the Year | -3,575.96 | | |
| Accummulated Loss | | | |
| | 1,16,424.04 | Cash & Bank Balance (Cheque deposited / swift done but not clear in Bank) | 1,20,000.00 |
| Trade Payable | 3,426.59 | | |
| Statutory Dues Payable | 149.37 | | |
| | **1,20,000** | | **1,20,000** |

APAR Industries Latam Ltda

Hirendra Bhattacharjee

Hirendra Bhattacharjee
Manager
08th May 2025
Sao paulo, Brazil

# 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 2025, 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, 2025, its Profit and its cash flows for the year ended on that date.

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


Office : 133/4, Rashtrapathi Road, Secunderabad - 500 003. ✆ : 040-27533391, 27543132
E-mail : sekharandco.ca@gmail.com, amarnatht18@gmail.com

**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.

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**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.

**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.

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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.
- 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.

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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**

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, 2025 taken on record by the Board of Directors of the Company, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

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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

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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.

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

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

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

C.Amarnath

**C.Amarnath**
**Partner**
**M.No.: 021427**

**Place: Secunderabad**
**Date: 14/04/2025**
**UDIN: 25021427BMLXFU1675**

# 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, 2025:

i. a) The Company has no Property, Plant or Equipment as on 31/03/2025.

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 31/03/2025.

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.

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Office : 133/4, Rashtrapathi Road, Secunderabad - 500 003. ✆ : 040-27533391, 27543132
E-mail : sekharandco.ca@gmail.com, amarnatht18@gmail.com

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

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

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. a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender.

c) According to the information and explanations given to us by the management, the Company has not borrowed by way of term loan from Financial Institution on the security of Fixed Deposits during the year.

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d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis.

e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March, 2025. Accordingly, clause 3(ix)(e) is not applicable.

f)The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March, 2025. Accordingly, clause 3(ix)(f) is not applicable.

**x.** a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

**xi.** a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.

b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.

**xii.** The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.

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**xiii.** In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

**xiv.** a) In our opinion and based on our examination, the company does not have an internal audit system in accordance with clause 3(xiv)(a), of the Order.

b) Based on information and explanations provided to us, no internal audit had been conducted of the company. Accordingly, clause 3(xiv)(a), of the Order is not applicable

**xv.** In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

**xvi.** a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.

b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.

**xvii.** Based on our examination, the company has not incurred cash losses in the financial year.

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

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

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

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**

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

**C.Amarnath**
**Partner**
**M.No.: 021427**

**Place: Secunderabad**
**Date: 14/04/2025**
**UDIN: 25021427BMLXFU1675**

***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, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls. 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

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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

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(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025.

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

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

C.Amarnath

**C.Amarnath**
**Partner**
**M.No.: 021427**

**Place: Secunderabad**
**Date: 14/04/2025**
**UDIN: 25021427BMLXFU1675**

AMPOIL APAR LUBRICANTS PRIVATE LIMITED
Balance Sheet as at March 31, 2025
(Amount in IN Rupees, unless otherwise stated)

| PARTICULARS | NOTES | March 31, 2025 | March 31, 2024 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Shareholders' funds** | | | |
| Share capital | 2 | 1,00,00,000 | 1,00,00,000 |
| Reserves and surplus | 3 | 22,35,344 | 20,69,950 |
| **NON-CURRENT LIABILITIES** | | | |
| Long-term borrowings | | - | - |
| Deferred tax liabilities (net) | | - | - |
| Other long-term liabilities | | - | - |
| Long-term provisions | | - | - |
| **CURRENT LIABILITIES** | | | |
| Short-term borrowings | | - | - |
| Trade payables | 4 | 1,13,198 | 2,04,755 |
| Other current liabilities | 5 | 20,000 | 26,000 |
| Short-term provisions | 6 | 25,330 | 22,508 |
| TOTAL | | 1,23,93,872 | 1,23,23,213 |
| **ASSETS** | | | |
| **NON-CURRENT ASSETS** | | | |
| Fixed assets | | | |
| (i) Property, Plant and Equipment | | - | - |
| (ii) Intangible assets | | - | |
| (iii) Capital work in progress | | - | - |
| (iv) Intangible assets under development | | - | - |
| Non-current investments | | - | |
| Deferred tax assets (net) | | - | - |
| Long-term loans and advances | | - | - |
| Other non-current assets | | - | - |
| **CURRENT ASSETS** | | | |
| Trade receivables | 7 | 1,13,033 | 1,68,168 |
| Cash and cash equivalents | 8 | 1,18,06,757 | 1,13,61,397 |
| Short-term loans and advances | 9 | 3,51,598 | 6,24,807 |
| Other current assets | 10 | 1,22,484 | 1,68,841 |
| TOTAL | | 1,23,93,872 | 1,23,23,213 |

See accompanying notes forming part of the financial statements — 1-31

The accompanying notes are an integral part of the financial statements.

As per our report of even date
**For Sekhar & Co.**
Chartered Accountants
Firm Registration No.: 003695S

C.Amarnath

C.AMARNATH
Partner
Membership No: 021427

Place: Hyderabad
Date: April 14, 2025

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

For and on behalf of the Board of Directors
**AMPOIL APAR LUBRICANTS PRIVATE LIMITED**
CIN:U50500TG2017PTC118369

RAJIV M.SANGHVI
Director
DIN: 00322203

Place: Hyderabad
Date: April 14, 2025

Kokila M. Sanghvi

KOKILA M SANGHVI
Director
DIN: 03311668

Place: Hyderabad
Date: April 14, 2025

AMPOIL APAR LUBRICANTS PRIVATE LIMITED

Statement of Profit and Loss for the Period ended March 31, 2025

(Amount in IN Rupees, unless otherwise stated)

| PARTICULARS | NOTES | FOR THE YEAR ENDED March 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from Operations | | Nil | Nil |
| Other Income | 11 | 3,78,752 | 3,61,659 |
| **TOTAL INCOME** | | 3,78,752 | 3,61,659 |
| **EXPENSES** | | | |
| Purchases of stock-in-trade (traded goods) | | Nil | Nil |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | | Nil | Nil |
| Employee benefits expense | | Nil | Nil |
| Finance costs | | Nil | Nil |
| Depreciation and amortisation expense | | Nil | Nil |
| Other expenses | 12 | 1,57,780 | 1,58,037 |
| **TOTAL EXPENSES** | | 1,57,780 | 1,58,037 |
| **Profit / (Loss) before tax** | | 2,20,972 | 2,03,622 |
| Tax Expense | | | |
| - Current tax | | 25,330 | 22,508 |
| - Deferred tax | | - | Nil |
| - Tax for earlier years | | 30,248 | 54,551 |
| **Profit/ (Loss) for the year** | | 1,65,394 | 1,26,563 |
| **Earnings Per Equity Share** | | | |
| Basic earnings per share (in Rs.) | | 0.17 | 0.13 |
| Diluted earnings per share (in Rs.) | | 0.17 | 0.13 |
| (Face value of Rs.10 per Equity share) | | | |

See accompanying notes to the financial statements 1-31

The accompanying notes are an integral part of the financial statements.

As per our report of even date
**For Sekhar & Co.**
Chartered Accountants
Firm Registration No.: 003695S

C.Amarnath

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

**C.AMARNATH**
Partner
Membership No: 021427

Place: Hyderabad
Date: April 14, 2025

For and on behalf of the Board of Directors
**AMPOIL APAR LUBRICANTS PRIVATE LIMITED**
CIN:U50500TG2017PTC118369

Kokila M. Sanghvi

**RAJIV M.SANGHVI**
Director
DIN: 00322203

Place: Hyderabad
Date: April 14, 2025

**KOKILA M SANGHVI**
Director
DIN: 03311668

Place: Hyderabad
Date: April 14, 2025

AMPOIL APAR LUBRICANTS PRIVATE LIMITED
Statement of cash flows for the Period ended March 31, 2025
(Amount in IN Rupees, unless otherwise stated)

| PARTICULARS | FOR THE YEAR ENDED March 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 |
|---|---|---|
| **Cash flow from operating activities** | | |
| Profit before tax | **1,65,394** | 1,26,563 |
| Adjustments for: | | |
| Interest income | **(3,78,752)** | (3,61,589) |
| Other non-cash charges (specify) | **48,337** | 48,337 |
| **Operating profit before working capital changes** | **(1,65,021)** | (1,86,689) |
| **Changes in working capital:** | | |
| *Adjustments for (increase) / decrease in operating assets:* | | |
| Trade receivables | **55,135** | - |
| Short-term loans and advances | **2,73,209** | (5,632) |
| Other current assets | **(1,980)** | (406) |
| *Adjustments for increase / (decrease) in operating liabilities:* | | |
| Trade payables | **(91,557)** | (324) |
| Other current liabilities | **(6,000)** | 6,000 |
| Short-term provisions | **2,822** | 22,508 |
| **Cash generated from operations** | | |
| Net income tax (paid) / refunds | - | - |
| **Net cash flows generated from/used in operating activities (A)** | **66,608** | (1,64,543) |
| **Cash flow from Investing activities** | | |
| Interest / Dividend Received | 3,78,752 | 3,61,589 |
| **Net cash flows generated from investing activities (B)** | **3,78,752** | 3,61,589 |
| **Cash flow from Financing activities** | | |
| Finance costs (includes borrowing costs capitalised) | - | - |
| Dividends paid | - | - |
| **Net cash flows generated from/used in financing activities (C)** | - | - |
| **Net increase in cash and cash equivalents (A+B+C)** | 4,45,360 | 1,97,046 |
| Cash and cash equivalents at the beginning of the year | 1,13,61,397 | 1,11,64,351 |
| Cash and cash equivalents at the end of the year | 1,18,06,757 | 1,13,61,397 |
| **Cash and cash equivalents comprise** | | |
| (a) Cash on hand | - | - |
| (b) Balances with banks | | |
| (i) In current accounts | **36,44,826** | 35,38,355 |
| (ii) In other deposit accounts | **81,61,931** | 78,23,042 |
| **Total cash and bank balances at end of the year** | **1,18,06,757** | 1,13,61,397 |

See accompanying notes to the financial statements 1-31
The accompanying notes are an integral part of the financial statements.

As per our report of even date
**For Sekhar & Co.**
Chartered Accountants
Firm Registration No.: 003695S

C Amarnath

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

**C.AMARNATH**
Partner
Membership No: 021427

Place: Hyderabad
Date: April 14, 2025

For and on behalf of the Board of Directors
**AMPOIL APAR LUBRICANTS PRIVATE LIMITED**
CIN:U50500TG2017PTC118369

Kokila M. Sanghvi

**RAJIV M.SANGHVI**
Director
DIN: 00322203

Place: Hyderabad
Date: April 14, 2025

**KOKILA M SANGHVI**
Director
DIN: 03311668

Place: Hyderabad
Date: April 14, 2025

AMPOIL APAR LUBRICANTS PRIVATE LIMITED

Notes to the Financial Statements for the period ended March 31, 2025

## 1 (A). CORPORATE INFORMATION

Ampoil Apar Lubricants Private Limited (the Company) is a private limited company incorporated under the Companies Act, 2013. The registered office of the Company is at Sy. No.73 (Part), Medchal Highway, Ramaraju Nagar, Opp.Suchitra Electronics, IDA Jeedimetla, Tirumalagiri, Hyderabad, Telangana, India, 500055.

The Company has been into business of Oils and Lubricants etc., since its inception in 2017 which represents one brand such as Ampoil in Telangana State and Maharastra.

## 1 (B). SIGNIFICANT ACCOUNTING POLICIES

### (i) Basis of Preparation of Financial Statements

The Financial Statements have been prepared on the historical cost basis.

The financial statements have been prepared in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ('the Act') in conformity with the generally accepted accounting principles in India and other relevant provisions of the Act, amended from time to time.

The company's Financial Statements are presented in Indian Rupees (Rs.), which is also its functional currency and all the values are rounded to the nearest lakhs (Rs.), except otherwise stated.

### (ii) Use of Estimates and judgments:

The preparation of the financial statements requires the Management to make, judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**Critical accounting judgements and key source of estimation uncertainty**

The Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an on-going basis. The areas involving critical estimates or judgments are:

(a) Estimation of fair value of financial instruments

(b) Estimated credit loss of trade receivables

(c) Estimation of current tax expenses and payable

### (iii) Current and non-current classification

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Division I - Accounting Standards Schedule III to the Act. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

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

A liability is classified as current when:

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

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Current assets / liabilities include the current portion of non-current assets / liabilities respectively. All other assets/ liabilities including deferred tax assets and liabilities are classified as non-current.

**(iv) Fixed Assets:**

All Fixed Assets are stated at cost, unless otherwise stated, less depreciation/amortization. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

According to AS 10 (R), all spare parts, stand-by and servicing equipment qualify as plant, property and equipment (PPE) if they meet the definition of PPE i.e. if the company intends to use these during more than a period of 12 months. The spare parts capitalized in this manner are depreciated as per AS 10 (R)

Depreciation/Amortisation
Depreciation is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**(v) Leases:**

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as an operating lease. The Company also classifies such operating leases as cancellable or non-cancellable leases.

A non-cancellable lease is a lease that is cancellable only:
(a)upon the occurrence of some remote contingency; or
(b)with the permission of the lessor; or
(c)if the lessee enters into a new lease for the same or an equivalent asset with the same lessor; or
(d)upon payment by the lessee of an additional amount such that, at inception, continuation of the lease is reasonably certain.

The lease rentals are charged to the Profit and Loss Account on accrual basis.

**(vi) Cash and Cash Equivalents:**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

**(vii) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

**(viii) Finance Costs:**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**(ix) Investments:**

Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

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**(x) Inventories:**

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any.

Stock-in-Trade and Workshop Materials are valued at 'Lower of 'Cost' or 'Net Realizable Value'. Goods-in-Transit is valued at 'Cost' and Loose Tools, at 'Net Depreciated Value'.

The Costs have been computed as under:
(i) Spare parts, Accessories etc. - Weighted Average
(ii) Vehicles - Specific Identification
(iii)Workshop Materials - First-in-First out

**(xi) Impairment of non-financial assets:**

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(xii) Earnings Per Share:**

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to 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 or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**(xiii) Foreign Currency Transactions:**

The transactions in foreign currencies are accounted at the exchange rate prevailing on the date of transaction. Gains and losses resulting from the settlement of such transactions are recognized in the Statement of Profit & Loss Account.

**(xiv) Employee Benefits Expense:**

Short-Term Employee Benefits

The amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Post-Employment Benefits**

Defined Contribution Plans

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. Benefits in contribution to provident fund, employee state insurance scheme and such similar funds provided by the company to its employees have been identified as defined contribution plans in terms of provisions of AS-15 on "Employee Benefits" where the obligation of the company is limited to a pre-agreed amount as fixed by the administrator of those plans.

Defined Benefit Plans

The gratuity is paid @15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The Company pays gratuity to the employees who have completed five years of service with the Company at the time of superannuation, retirement, resignation, death or permanent disablement after successful completion of the vesting period, if applicable. However, the completion of vesting period is not applicable in the case where termination of employment is due to death or permanent disablement. The vesting period is considered five (05) years.

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**(xv) Taxes on Income:**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity.

**Current tax:**

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

**Deferred tax:**

Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

**(xvi) Revenue Recognition:**

Sales are inclusive of excise duty but excluding Good and Service Tax / Sales Tax/ Value Added Tax wherever charged and is net of returns, rebates, difference in Rates and trade Discounts.

Workshop income is excluding Good and Service Tax /Service Tax.

In view of the uncertainties, income / credits on account of trade commission, incentives, warranty 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.

**(xvii) Other Income:**

Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Other income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**(xviii) Provisions and contingencies:**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

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AMPOIL APAR LUBRICANTS PRIVATE LIMITED
Notes to the Financial Statements for the period ended March 31, 2025
(Amount in IN Rupees, unless otherwise stated)

**2 Equity Share Capital**

**(A) Authorised**

| | March 31, 2025 | | March 31, 2024 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| 10,00,000 Equity Shares of Rs. 10 each | 10,00,000 | 1,00,00,000 | 10,00,000 | 1,00,00,000 |
| | **10,00,000** | **1,00,00,000** | **10,00,000** | **1,00,00,000** |

**(B) Issued, Subscribed and Paid up**

| | March 31, 2025 | | March 31, 2024 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| 10,00,000 Equity Shares of Rs. 10 each | 10,00,000 | 1,00,00,000 | 10,00,000 | 1,00,00,000 |
| | **10,00,000** | **1,00,00,000** | **10,00,000** | **1,00,00,000** |

**(C) Reconciliation of shares outstanding at the beginning and at the end of the year**

| | March 31, 2025 | | March 31, 2024 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| Outstanding at the beginning of the year | 10,00,000 | 1,00,00,000 | 10,00,000 | 1,00,00,000 |
| Add: Issued during the year | | | - | - |
| **Outstanding at the end of the year** | **10,00,000** | **1,00,00,000** | **10,00,000** | **1,00,00,000** |

**(D) Terms, Rights and Preferences attached to Equity Shares:**

The company has only one class of equity shares having par value of Rs.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.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(E) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

| | Number | | Number | |
|---|---|---|---|---|
| | Number | % | Number | % |
| **PPS Motors Pvt Ltd, the holding company** | | | | |
| 5,10,000 Equity Shares of Rs. 10 each | 5,10,000 | 51% | 5,10,000 | 51% |
| **APAR Indutries Ltd, the associate company** | | | | |
| 4,00,000 Equity Shares of Rs. 10 each | 4,00,000 | 40% | 4,00,000 | 40% |
| | **9,10,000** | **91%** | **9,10,000** | **91%** |

**(F) Details of shareholder holding more than 5% Equity Shares in the Company**

| | March 31, 2025 | | March 31, 2024 | |
|---|---|---|---|---|
| | Number | % | Number | % |
| PPS Motors Private Limited | 5,10,000 | 51% | 5,10,000 | 51% |
| APAR Industries Limited | 4,00,000 | 40% | 4,00,000 | 40% |
| Shri Rajiv M Sanghvi | 90,000 | 9% | 90,000 | 9% |
| | **10,00,000** | **100%** | **10,00,000** | **100%** |

**(G) Details of Shares held by Promoters at the end of the year**

| Promoter name | No. Of Shares | % of total shares | % Change during the year |
|---|---|---|---|
| March 31, 2025 | | | |
| Shri Rajiv M Sanghvi | 90,000 | 9% | Nil |
| March 31, 2024 | | | |
| Shri Rajiv M Sanghvi | 90,000 | 9% | NIL |

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AMPOIL APAR LUBRICANTS PRIVATE LIMITED
Notes to the Financial Statements for the period ended March 31, 2025
(Amount in IN Rupees, unless otherwise stated)

| 3 Reserves and Surplus | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| Surplus/ (Deficit) in statement of Profit & Loss | | |
| Opening Balance | 20,69,950 | 19,43,387 |
| Add: Net Profit for the current year | 1,65,394 | 1,26,563 |
| Closing Balance | 22,35,344 | 20,69,950 |
| Total | 22,35,344 | 20,69,950 |

| 4 Trade payables | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| Unsecured | 1,13,198 | 2,04,755 |
| | 1,13,198 | 2,04,755 |

March 31, 2025

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| (i) MSME | - | - | - | - | - |
| (ii) Others | - | - | 1,13,198 | | 1,13,198 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | | - | - | - |
| Total | - | - | 1,13,198 | - | 1,13,198 |

March 31, 2024

| Particulars | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| (i) MSME | - | - | - | - | - |
| (ii) Others | - | 55,066 | 1,49,689 | - | 2,04,755 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| Total | - | 55,066 | 1,49,689 | - | 2,04,755 |

| 5 Other current liabilities | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| Statutory Dues - GST/IT/PT/PF/ESI etc | - | 6,000 |
| Outstanding Expense Payable | 20,000 | 20,000 |
| | 20,000 | 26,000 |

| 6 Short-term provisions | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| Income Tax Payable | 25,330 | 22,508 |
| | 25,330 | 22,508 |

| 7 Trade receivables | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| Unsecured, Considered Good | 1,13,033 | 1,68,168 |
| | 1,13,033 | 1,68,168 |

| March 31, 2025 | Current | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Particulars | | | Outstanding for following periods from due date of Receipts | | | | | |
| | Unbilled Dues | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered | - | - | - | - | | 1,13,033 | - | 1,13,033 |
| (ii) Undisputed Trade Receivables -which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables-considered | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit | - | - | - | - | - | - | - | - |
| Less: Allowance for bad and doubtful debts (Disputed + Undisputed) | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | 1,13,033 | - | 1,13,033 |

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

AMPOIL APAR LUBRICANTS PRIVATE LIMITED
Notes to the Financial Statements for the period ended March 31, 2025
(Amount in IN Rupees, unless otherwise stated)

| March 31, 2024 | Current | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Particulars | | | Outstanding for following periods from due date of Receipts | | | | | |
| | Unbilled Dues | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered | - | - | | | - | 1,68,168 | - | 1,68,168 |
| (ii) Undisputed Trade Receivables -which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables-considered | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit | - | - | - | - | - | - | - | - |
| Less: Allowance for bad and doubtful debts (Disputed + Undisputed) | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | 1,68,168 | - | 1,68,168 |

| 8 Cash and cash equivalents | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| A. Cash and cash equivalents | | |
| (a) Cash on hand | Nil | Nil |
| (b) Balances with banks | | |
| (i) In current accounts | 36,44,826 | 35,38,355 |
| B. Other bank balances | | |
| (i) In other deposit accounts | 81,61,931 | 78,23,042 |
| | 1,18,06,757 | 1,13,61,397 |

| 9 Short-term loans and advances | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| Unsecured, considered good | | |
| Advances to Others | - | 6,000 |
| Deposits | 10,000 | 2,84,723 |
| Balances with government authorities | | |
| (a) Goods and Service Tax | 3,03,722 | 2,97,932 |
| (b) Income Tax | 37,876 | 36,152 |
| | 3,51,598 | 6,24,807 |

| 10 Other current assets | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| Interest Accrued on Deposits | 25,810 | 23,830 |
| Pre-Operative Expenditure | 96,674 | 1,45,011 |
| | 1,22,484 | 1,68,841 |

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AMPOIL APAR LUBRICANTS PRIVATE LIMITED
Notes to the Financial Statements for the period ended March 31, 2025
(Amount in IN Rupees, unless otherwise stated)

| 11 Other Income | FOR THE PERIOD ENDED March 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 |
|---|---|---|
| Interest received | 3,78,752 | 3,61,589 |
| Interest on IT Refund | - | 70 |
| | **3,78,752** | **3,61,659** |

| 12 Other expenses | FOR THE PERIOD ENDED March 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 |
|---|---|---|
| Rates and Taxes | 63,434 | 24,700 |
| Legal and Professional Charges | 18,000 | 65,000 |
| Audit fee | 20,000 | 20,000 |
| Pre -Operative Expenses Writtten off | 48,337 | 48,337 |
| Bank Charges | - | |
| Travelling and Conveyance | - | - |
| Printing and Stationery | 3,350 | - |
| Subscription, Books and Periodicals | - | - |
| Interest paid to others | - | - |
| Miscellaneous Expenses | 4,159 | - |
| Income Tax Prior Year | - | |
| Tender Charges /Caution Money | 500 | - |
| | **1,57,780** | **1,58,037** |
| **As auditor:** | | |
| Statutory Audit (Exclusive of Goods & Service Tax) | 20,000 | 20,000 |
| | **20,000** | **20,000** |
| **Details of CSR expenditure** | | |
| Gross amount required to be spent by the company during the year | Nil | Nil |

| **Amount spent during the year ending on 31th March, 2025:** | In cash | Yet to be paid in cash | Total |
|---|---|---|---|
| i) Construction/acquisition of any asset | Nil | Nil | Nil |
| ii) On purposes other than (i) above | Nil | Nil | Nil |

| **Amount spent during the year ending on 31st March, 2024:** | In cash | Yet to be paid in cash | Total |
|---|---|---|---|
| i) Construction/acquisition of any asset | Nil | Nil | Nil |
| ii) On purposes other than (i) above | Nil | Nil | Nil |

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**13 Leases**

The Company has not taken any premises under non-cancellable operating lease for specified periods, the future minimum lease payments in respect of such leased premises as March 31, 2025, are Nil (as at March 31, 2024 - Rs. Nil).

Lease payments recognized in profit and loss account for Financial Year 2024-25 Nil (FY 2023-24 Nil)

**14 Employee Benefits**

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

**Defined Contribution Plans**

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

| Particulars | FOR THE PERIOD ENDED March 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 |
|---|---|---|
| Contribution to Provident Fund | Nil | Nil |
| Contribution to Employees State Insurance Scheme | Nil | Nil |

15 The Closing Stock for the period ended March 31, 2025 is Rs. Nil (For the Year ended March 31, 2024 is Nil)

**16 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders.The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

| | AS AT March 31, 2025 | AS AT March 31, 2024 |
|---|---|---|
| Equity | 1,00,00,000 | 1,00,00,000 |
| Total Borrowings | - | - |
| Less: cash and cash equivalents | 1,18,06,757 | 1,13,61,397 |
| Total debt | -1,18,06,757 | -1,13,61,397 |
| Overall financing | -18,06,757 | -13,61,397 |
| Gearing ratio | 653.48% | 834.54% |

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

AMPOIL APAR LUBRICANTS PRIVATE LIMITED
Notes to the Financial Statements for the period ended March 31, 2025
(Amount in IN Rupees, unless otherwise stated)

17 **Related Party Disclosures**

**A) List of Related Parties:**

| (i)Name of the Related Party | Country | Relationship with the Entity |
|---|---|---|
| PPS Motors Private Limited | India | Holding Company |
| APAR Industries Limited | India | Associate Company |
| **(ii) Key Managerial Personnel** | | |
| Rajiv M Sanghvi | India | Director, Key Management Personnel |

**B) Related party Transactions for the year ended June 30, 2024:**

| Nature of Transactions/ Name of the Subsidiary | Transactions Dr/ (Cr) | |
|---|---|---|
| | FOR THE PERIOD ENDED March 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 |
| **Repayment done** | | |
| PPS Motors Private Limited | Nil | Nil |
| Rajiv M Sanghvi | Nil | Nil |

**C) Balances Outstanding as at June 30, 2024:**

| Nature of Transactions/ Name of the Subsidiary | Balance Outstanding Dr/(Cr) | |
|---|---|---|
| | March 31, 2025 | March 31, 2024 |
| **Loans and Advances** | | |
| PPS Motors Private Limited | Nil | Nil |
| Rajiv M Sanghvi | Nil | Nil |

18 **Segment reporting**

The Company's operations predominantly relate to trading of Automobiles. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

19 Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

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AMPOIL APAR LUBRICANTS PRIVATE LIMITED
Notes to the Financial Statements for the period ended March 31, 2025
(Amount in IN Rupees, unless otherwise stated)

## 20 Contingent liabilities

| | FOR THE PERIOD ENDED March 31, 2025 | FOR THE YEAR ENDED MARCH 31, 2024 |
|---|---|---|
| Claims against the company not acknowledged as debts | Nil | Nil |
| Share of guarantees given by the jointly controlled entity | Nil | Nil |
| Bills of exchange discounted with banks | Nil | Nil |
| Income-tax demand | Nil | Nil |
| | Nil | Nil |

## 21 Capital Work in Progress

During the year, the company has incurred the following expenses of revenue nature to the cost of plant, property and equipment/ capital

Amount in Rupees For a Period of 2024

| Particulars | Less than one year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|---|---|---|---|---|---|
| Project In Progress | Nil | Nil | Nil | Nil | Nil |
| Project temporarily suspended | Nil | Nil | Nil | Nil | Nil |

Amount in Rupees For a Period of 2023

| Particulars | Less than one year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|---|---|---|---|---|---|
| Project In Progress | Nil | Nil | Nil | Nil | Nil |
| Project temporarily suspended | Nil | Nil | Nil | Nil | Nil |

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AMPOIL APAR LUBRICANTS PRIVATE LIMITED

Notes to the Financial Statements for the period ended March 31, 2025

(Amount in IN Rupees, unless otherwise stated)

22 Ratios

| S No. | Ratio | Ratio as on 31-Mar-25 | Ratio as on 31-Mar-24 | Variation | Reason (If variation is more than 25%) |
|---|---|---|---|---|---|
| (a) | Current Ratio | 78.18 | 48.66 | -61% | |
| (b) | Debt-Equity Ratio | - | - | 0% | |
| (c ) | Debt Service Coverage Ratio | - | - | 0% | |
| (d) | Return on Equity Ratio | 0.02 | 0.01 | -31% | Company doesn't have any revenue from operations and having only Interest on Fixed Deposits |
| (e) | Trade Receivables Turnover Ratio | - | - | 0% | |
| (f) | Net Capital Turnover Ratio | - | - | 0% | |
| (h) | Net Profit Ratio | 0.44 | 0.35 | -25% | Company doesn't have any revenue from operations and having only Interest on Fixed Deposits |
| (i) | Return on Capital Employed | 0.02 | 0.02 | -7% | Company doesn't have any revenue from operations and having only Interest on Fixed Deposits |
| (j) | Return on Investment | - | - | 0% | |
| (k) | Trade Payable Turnover Ratio | - | - | 0% | |
| (l) | Inventory Turnover Ratio | - | - | 0% | |

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

**AMPOIL APAR LUBRICANTS PRIVATE LIMITED**
**Notes to the Financial Statements for the period ended March 31, 2025**
(Amount in IN Rupees, unless otherwise stated)

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

24 The company does not own any immovable property.

25 The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority

26 The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

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

28 **Utilisation of Borrowed funds and share premium:**

(i) The Company has not advanced or loaned or invested funds to any other persons or entityies, 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

(ii) The Company has not received any fund from any persons or entityies, 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,

29 The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous 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.

30 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

As per our report of even date
**For Sekhar & Co.**
Chartered Accountants
Firm Registration No.: 003695S

C.Amarnath

**C.AMARNATH**
Partner
Membership No: 021427

Place: Hyderabad
Date: April 14, 2025

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

For and on behalf of the Board of Directors
**AMPOIL APAR LUBRICANTS PRIVATE LIMITED**
CIN:U50500TG2017PTC118369

**RAJIV M.SANGHVI**
Director
DIN: 00322203

Place: Hyderabad
Date: April 14, 2025

Kokila M. Sanghvi

**KOKILA M SANGHVI**
Director
DIN: 03311668

Place: Hyderabad
Date: April 14, 2025

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Clean Max Rudra Private Limited**
**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Clean Max Rudra Private Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements including a summary of material 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 financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report including the 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 and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other 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 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibility 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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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**

(i) 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, the 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

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

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration not applicable.

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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. (a) The Management has represented that, to the best of it's knowledge and belief as disclosed in note 32 to the Financial Statements, 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.

(b) The Management has represented that, to the best of it's knowledge and belief as disclosed in note 32 to the Financial Statements, 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.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated for all relevant transactions recorded in the software.

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# H S D R & ASSOCIATES

## CHARTERED ACCOUNTANTS

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of the accounting software for the period for which the audit trail feature was operating.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

(ii) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**", a Statement on the matters specified in paragraphs 3 and 4 of the Order.

**Yours Sincerely,**

**For H S D R & Associates**
**Chartered Accountants**

H S D R & Associates MRN-190806 FRN-159382W Mumbai Chartered Accountants

**CA Dipesh Ruparelia**
**Membership No.: 190806**
**FRN: 159382W**
**Date: 23 May 2025**
**Place: Mumbai**
**UDIN:** 25190806BMIRWX3984

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**
**(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Clean Max Rudra Private Limited of even date)**

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

We have audited the internal financial controls with reference to financial statements of **Clean Max Rudra Private Limited** (the "Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to financial statements 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 Institute of Chartered Accountants of India (the "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.

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to financial statements.

**Meaning of Internal Financial Controls with reference to financial statements**

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

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

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**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements 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.

**Yours Sincerely,**

**For H S D R & Associates**
**Chartered Accountants**

H S D R & Associates MRN-190806 FRN-159382W Mumbai Chartered Accountants

**CA Dipesh Ruparelia**
**Partner**
**Membership No.: 190806**
**FRN: 159382W**
**Date: 23 May 2025**
**Place: Mumbai**
**UDIN:** 25190806BMIRWX3984

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Clean Max Rudra Private Limited of even date)

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

(i)

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has not capitalized any intangible assets in the books of the company and accordingly the requirement to report on clause 3(i)(a)(b) is not applicable to the company.

(b) The Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties of freehold land (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under this clause of the order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate, at any points in time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

(iv) The Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

(a) In our opinion, the Company has been generally regular in depositing undisputed statutory dues, including Income-tax, Goods and Services Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Income-tax, Goods and Services Tax and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(c) There are no statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2025.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

(ix)

(a) The Company has not defaulted in the repayment of loans or other borrowings (including where loans repayable on demand where those have been demanded for repayment during the year) or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The term were applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies and hence reporting under clause (ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies and hence reporting under clause (ix)(f) is not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence the provisions of Clause 3(x)(b) of the Order is not applicable.

(xi)

(a) No fraud by the Company and no fraud 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 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) The Company is a Private Company and hence the provisions of Section 177 and second proviso to Section 188(1) of the Act are not applicable to the Company. In our opinion, the Company is in compliance with the other provisions of Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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(xiv) The provisions of internal audit in view of Section 138 of Companies Act, 2013 are not applicable in case of the company. Thus, reporting under this clause is not applicable.

(xv) In our opinion during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with it's directors and hence reporting under clause (xv) is not applicable.

(xvi)

(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company and hence reporting under clause (xvi)(a) is not applicable.

(b) The company is not engaged in any Non-Banking or Housing Finance activities and hence reporting under clause (xvi)(b) is not applicable.

(c) The company is not a core investment company as defined by regulations made by Reserve Bank of India and hence reporting under clause (xvi)(c) is not applicable.

(d) The Group does not have any Core Investment Company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the current year and pervious year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year and hence reporting under clause (xviii) is not applicable.

(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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report which is not mitigated indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The provision of section 135 of the Companies Act, 2013 on Corporate Social Responsibility are not applicable to the company. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

H S D R & Associates Chartered Accountants FRN-159382W Mumbai

# H S D R & ASSOCIATES

## *CHARTERED ACCOUNTANTS*


(xxi) The Company does not have any investment in subsidiary, joint venture and associate and hence the Company is not required to prepare consolidated financial statements. Therefore, reporting under clause 3(xxi) of the Order is not applicable.

**Yours Sincerely,**

**For H S D R & Associates**
**Chartered Accountants**

**CA Dipesh Ruparelia**
**Partner**
**Membership No.: 190806**
**FRN: 159382W**
**Date: 23 May 2025**
**Place: Mumbai**
**UDIN:** 25190806BMIRWX3984


A 605, 6th Floor, Avion Aradhya One Earth A Meter Room, Pant Nagar, Ghatkopar East, Mumbai - 400075

Mobile: 9833388059 Email: dipeshruparelia@hsdr.in

**Clean Max Rudra Private Limited**
**CIN:U40100MH2022PTC381814**
**Balance Sheet as at 31st March, 2025**
*(Currency: Indian Rupees in Millions)*

| Particulars | Notes | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|---|
| **A. ASSETS** | | | |
| **I Non-current assets** | | | |
| (a) Property, plant and equipment | 2(a) | 423.38 | 436.01 |
| (b) Capital work in progress | 2(b) | 281.96 | - |
| (c) Financial assets | | | |
| (i) Other financial assets | 3 | 25.55 | 12.10 |
| (d) Income tax assets | | 0.55 | 0.09 |
| (e) Deferred tax assets (net) | 4 | 4.68 | 3.99 |
| (f) Other non-current assets | 5 | 38.48 | 176.34 |
| | | **774.60** | **628.53** |
| **II Current assets** | | | |
| (a) Financial assets | | | |
| (i) Cash and cash equivalents | 6 | 0.46 | 0.47 |
| (ii) Bank balances other than (ii) above | 7 | 4.54 | 1.14 |
| (iii) Other financial assets | 8 | 9.57 | 6.34 |
| (b) Other current assets | 9 | 1.50 | 1.41 |
| | | **16.07** | **9.36** |
| **Total Assets** | | **790.67** | **637.89** |
| **B. EQUITY AND LIABILITIES** | | | |
| **I Equity** | | | |
| (a) Equity share capital | 10 | 2.83 | 1.92 |
| (b) Other equity | 11 | 411.08 | 270.77 |
| | | **413.91** | **272.69** |
| **II Non-Current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 12 | 345.46 | 314.82 |
| (ii) Lease liabilities | | 3.55 | - |
| | | **349.01** | **314.82** |
| **III Current liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 13 | 13.52 | 10.20 |
| (ii) Lease liabilities | | 0.43 | - |
| (iii) Trade payables | 14 | | |
| (a) Total outstanding dues of micro and small enterprises | | 0.07 | 0.04 |
| (b) Total outstanding dues of creditors other than micro and small enterprises | | 6.83 | 4.49 |
| (iv) Other financial liabilities | 15 | 6.46 | 35.30 |
| (b) Other current liabilities | 16 | 0.44 | 0.35 |
| | | **27.75** | **50.38** |
| **Total Equity & Liabilities** | | **790.67** | **637.89** |

The accompanying notes form an integral part of these financial statements. (Refer Note 1 to 35)

In terms of our report attached of even date
**For M/s HSDR & Associates**
**Chartered Accountants**
Firm Registration No.: 159382W

HSDR & Associates MRN-190806 FRN-159382W Mumbai Chartered Accountants

**CA Dipesh Ruparelia**
**Partner**
Membership No. 190806
Place: Mumbai
Date: 23 May 2025

**For and on behalf of the Board of**
**Clean Max Rudra Private Limited**
CIN:U40100MH2022PTC381814

**Pramod Deore**
**Director**
DIN: 08599306
Place: Mumbai
Date: 23 May 2025

**Viren Shah**
**Director**
DIN: 09588566
Place: Mumbai
Date: 23 May 2025

Clean Max Rudra Private Limited Mumbai

**Clean Max Rudra Private Limited**
**CIN:U40100MH2022PTC381814**
**Statement of Profit and Loss for the year ended 31st March, 2025**
*(Currency: Indian Rupees in Millions)*

| | Particulars | Notes | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|---|---|
| A. | **Income:** | | | |
| (a) | Revenue from operations | 17 | 54.83 | 24.75 |
| (b) | Other Income | 18 | 1.22 | 0.70 |
| | **Total income** | | 56.05 | **25.45** |
| B. | **Expenses:** | | | |
| (a) | Operation and maintenance expenses | | 8.11 | 5.55 |
| (b) | Other expenses | 19 | 2.10 | 1.53 |
| | **Total expenses** | | 10.21 | **7.08** |
| C. | **Earnings before interest, tax, depreciation and amortisation (EBITDA) (A - B)** | | **45.84** | **18.37** |
| D. | Finance costs | 20 | 34.39 | 28.12 |
| E. | Depreciation and amortisation expense | 2 | 16.89 | 13.20 |
| F. | **Loss before tax (C - D - E)** | | (5.44) | **(22.95)** |
| G. | **Tax expense:** | | | |
| | Current tax | | - | - |
| | Deferred tax credit | 23.3 | (0.69) | (3.94) |
| | **Total tax expense / (credit)** | | **(0.69)** | (3.94) |
| H. | **Loss after tax (F - G)** | | (4.75) | **(19.01)** |
| I | **Total comprehensive Loss for the year** | | (4.75) | (19.01) |
| | Earnings per equity share<br>- basic and diluted<br>(Face value of Rs. 10/-) | 21 | (21.77) | (158.12) |

The accompanying notes form an integral part of these financial statements. (Refer Note 1 to 35)

In terms of our report attached of even date
**For M/s HSDR & Associates**
**Chartered Accountants**
Firm Registration No.: 159392W

HSDR & Associates MRN-190806 FRN-159392W Mumbai Chartered Accountants

**CA Dipesh Ruparelia**
**Partner**
Membership No. 190806
Place: Mumbai
Date: 23 May 2025

**For and on behalf of the Board of**
**Clean Max Rudra Private Limited**
CIN:U40100MH2022PTC381814

**Pramod Deore**
**Director**
DIN: 08599306
Place: Mumbai
Date: 23 May 2025

**Viren Shah**
**Director**
DIN: 09588566
Place: Mumbai
Date: 23 May 2025

Clean Max Rudra Private Limited Mumbai

**Clean Max Rudra Private Limited**
**CIN:U40100MH2022PTC381814**
**Statement of Cash flows for the year ended 31st March, 2025**
*(Currency: Indian Rupees in Millions)*

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| **A. Cash flows from operating activities** | | |
| **Loss before tax** | (5.44) | (22.95) |
| Adjustments for: | | |
| Depreciation and amortization expenses | 16.89 | 13.20 |
| Interest income on fixed deposits | (1.22) | (0.68) |
| Interest on income tax refund | - | (0.02) |
| Amortization of common infrastructure facilities charges | 1.31 | - |
| Finance cost | 34.39 | 28.12 |
| **Operating profit before working capital changes** | 45.93 | 17.67 |
| **Changes in working capital** | | |
| Adjustments for decrease in operating assets: | | |
| Other assets | (3.38) | (37.10) |
| Adjustments for increase in operating liabilities: | | |
| Trade payables | 2.37 | 4.48 |
| Other liabilities | 0.09 | 0.19 |
| **Cash generated from / (used in) operations** | 45.01 | (14.76) |
| Income taxes (paid)/ refund | (0.46) | 0.31 |
| **Net cash generated from /(used in) operating activities (A)** | 44.55 | (14.45) |
| **B. Cash flows from investing activities** | | |
| Capital expenditure on property, plant and equipment | (160.14) | (171.71) |
| Fixed deposits placed | (50.80) | (12.10) |
| Fixed deposits matured | 37.35 | - |
| Movement in restricted bank balances (net) | (3.40) | (0.20) |
| Interest received | 1.28 | 0.07 |
| **Net cash used in investing activities (B)** | (175.71) | (183.94) |
| **C. Cash flows from financing activities** | | |
| Proceeds from long term borrowings | 96.69 | 454.47 |
| Repayment of long term borrowings | (62.03) | (384.79) |
| Repayment of short term borrowings (net) | (0.03) | (2.03) |
| Proceeds from issue of equity shares | 145.97 | 145.96 |
| Interest paid | (31.06) | (13.96) |
| Payment of lease liabilities | (17.40) | - |
| Payment of processing fees | (0.99) | - |
| Other borrowing costs paid | - | (0.90) |
| **Net cash generated from financing activities (C)** | 131.15 | 198.75 |
| Net increase in cash and cash equivalents (A+B+C) | (0.01) | 0.36 |
| Cash and cash equivalents at the beginning of year | 0.47 | 0.11 |
| Cash and cash equivalents at the end of year (Refer note 6) | 0.46 | 0.47 |

**Note:**
The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.

The accompanying notes form an integral part of these financial statements. (Refer Note 1 to 35)

In terms of our report attached of even date

**For M/s HSDR & Associates**
**Chartered Accountants**
Firm Registration No.: 159362W

HSDR & Associates
MRN-190806
FRN-159362W
Mumbai
Chartered Accountants

**CA Dipesh Ruparelia**
**Partner**
Membership No. 190806
Place: Mumbai
Date: 23 May 2025

**For and on behalf of the Board of**
**Clean Max Rudra Private Limited**
CIN:U40100MH2022PTC381814

**Pramod Deore**
**Director**
DIN: 08599306
Place: Mumbai
Date: 23 May 2025

**Viren Shah**
**Director**
DIN: 09588566
Place: Mumbai
Date: 23 May 2025

Clean Max Rudra Private Limited
Mumbai

**Clean Max Rudra Private Limited**
**CIN:U40100MH2022PTC381814**
**Statement of Changes in Equity for the year ended 31st March, 2025**
*(Currency: Indian Rupees in Millions)*

**A. Equity Share capital**

| Particulars | Equity share capital |
|---|---|
| **Balance as at 1st April, 2023** | **1.00** |
| Issue of Shares during the year ended 31st March, 2024 | **0.92** |
| **Balance as at 31st March, 2024** | **1.92** |
| Issue of Shares during the year ended 31st March, 2025 | **0.91** |
| **Balance as at 31st March, 2025** | **2.83** |

**B. Other Equity**

| | Reserves and surplus | | |
|---|---|---|---|
| | Securities premium | Retained earnings | Total other equity |
| **Balance as at 1st April, 2023** | **144.96** | **(0.22)** | **144.74** |
| Premium on issue of Shares during the year ended 31st March, 2024 | 145.04 | - | 145.04 |
| Loss for the year ended 31st March, 2024 | - | (19.01) | (19.01) |
| **Balance as at 31st March, 2024** | **290.00** | **(19.23)** | **270.77** |
| Premium on issue of Shares during the year ended 31st March, 2025 | 145.06 | - | 145.06 |
| Loss for the year ended 31st March, 2025 | - | (4.75) | (4.75) |
| **Balance as at 31st March, 2025** | **435.06** | **(23.98)** | **411.08** |

The accompanying notes form an integral part of these financial statements. (Refer Note 1 to 35)

In terms of our report attached of even date
**For M/s HSDR & Associates**
**Chartered Accountants**
Firm Registration No.: 159382W

HSDR & Associates MRN-190806 FRN-159382W Mumbai Chartered Accountants

**CA Dipesh Ruparelia**
**Partner**
Membership No. 190806
Place: Mumbai
Date: 23 May 2025

**For and on behalf of the Board of**
**Clean Max Rudra Private Limited**
CIN:U40100MH2022PTC381814

**Pramod Deore**
**Director**
DIN: 08599306
Place: Mumbai
Date: 23 May 2025

**Viren Shah**
**Director**
DIN: 09588566
Place: Mumbai
Date: 23 May 2025

Clean Max Rudra Private Limited Mumbai

Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814
Notes to the financial statements for the year ended 31st March, 2025
*(Currency : Indian Rupees in Millions)*

**Note 1.1**

## GENERAL INFORMATION

Clean Max Rudra Private Limited (herein after referred to as " the Company") incorporated on 29th April 2022 and is engaged in business of 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 31st March, 2025 were approved by the Board of Directors and authorised for issue on 23 May 2025

**Note 1.2**
## MATERIAL 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.

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 coincides with the transfer of control and the company has a present right to receive the payment.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer or on account of change in law. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount or consideration payable to the customer, the company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods /services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

**Interest income**

Interest income is recognised using the effective interest method.

Contract balances:

A trade receivable represents the company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable.

Unbilled revenue represents the revenue that the company recognizes where the PPA is signed but invoice is raised subsequently.

Advance from customer represents a contract liability which is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer.

**(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.

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 authorities. Current income taxes are recognized in the restated combined statement of profit and loss except to the extent that the tax relates to items recognized outside profit and 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.

**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.

H S D R & Associates MRN-136605 FRN-139352W Mumbai Chartered Accountants

Clean Max Rudra Private Limited Mumbai

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.

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.

**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.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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**

**Recognition and initial measurement**

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 assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value with the exception for trade receivables which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of a financial instrument are adjusted to fair value, except where the financial instrument is measured at Fair Value through profit or loss, in which case the transaction costs are immediately recognized in profit or 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.

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Clean Max Rudra Private Limited Mumbai

**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.

**Financial assets at fair value through other comprehensive income (FVTOCI)**

On initial recognition, the company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments 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 recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not to be reclassified to the statement of profit and loss on disposal of the investments.

**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**

**Initial recognition**

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not at fair value through profit and loss, directly attributable transaction costs.

**Subsequent measurement**

**Financial liabilities 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.

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss are carried at fair value with net changes in fair value, including interest expense, recognised in the restated combined statement of profit and loss.

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**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.

**Derecognition 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.

**Fair value measurement**

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

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

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

**(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**

All items of property, plant and equipment, including freehold land, are initially recorded at cost. Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning.

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 companyed 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.

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The company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. 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).

The company considers 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.

**(k) Leases:**

The company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.
The company as a lessee
The company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves:
(a) the use of an identified asset,
(b) the right to obtain substantially all the economic benefits from use of the identified asset, and
(c) the right to direct the use of the identified asset.

**Right of Use Asset**

The company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets as follows:.

| Category of Lease | Useful life |
|---|---|
| Leasehold land | 25 |

The company applies Ind AS 36 to determine whether a Right-of-Use asset is impaired and accounts for any identified impairment loss in the Statement of Profit and Loss as described in the note (p) above.

**Lease Liabilities**

For lease liabilities at inception, the company measures the lease liability at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the company recognizes any remaining amount of the re-measurement in the Statement of Profit and Loss.

**(l) 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.

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**(m) Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting

**(n) Operating cycle**

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification .

Based on the nature of products / activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalents the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**(o) 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.

**(p) 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.

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**Note 1.3**
New and amended standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On August 12, 2024 and September 09, 2024, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2024 and Companies (Indian Accounting Standards) Second Amendment Rules, 2024 introducing following changes:
i) Ind AS 117: Insurance Contracts was introduced and Ind AS 104: Insurance Contracts was withdrawn. This was accompanied with consequent amendments in other standards.
ii) The amendments clarify accounting treatment for a seller-lessee involved in sale and leaseback transactions, and introduced some related illustrative examples. The above amendments have been considered by the company in preparation of Financial Statement. The amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**Note 1.4**
**New and amended standards issued but not effective**
The Ministry of Corporate Affairs (MCA), vide notification dated 7th May 2025, has issued amendments to the Companies (Indian Accounting Standards) Rules, 2015. These amendments primarily relate to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates and Ind AS 101 – First-time Adoption of Indian Accounting Standards, and are effective for annual reporting periods beginning on or after 1 April 2025.

These changes provide guidance on assessing currency exchangeability, estimating spot exchange rates when currencies are not exchangeable, and related disclosures.

The Company is evaluating the impact of these amendments. Based on initial assessment, no material impact is expected.

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Note 2
**(a) Property, Plant and Equipment**

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block |
|---|---|---|---|---|---|---|---|---|---|
| | As at 1st April, 2024 | Addition | Disposal | As at 31st March, 2025 | As at 1st April, 2024 | Depreciation for the year | Disposal | As at 31st March, 2025 | As at 31st March, 2025 |
| **Freehold Land** | 9.18 | - | - | 9.18 | - | - | - | - | 9.18 |
| | *6.28* | *2.90* | - | *9.18* | - | - | - | - | *9.18* |
| **Leasehold land** | | | | | | | | | |
| Right of use | - | 4.26 | - | 4.26 | - | 0.17 | - | 0.17 | 4.09 |
| | - | | | | | | | | |
| **Plant and Machinery** | | | | | | | | | |
| Solar Farm -2.64 MW Sanathali | 143.30 | - | - | 143.30 | 4.30 | 5.44 | - | 9.74 | 133.56 |
| | - | *143.30* | - | *143.30* | - | *4.30* | - | *4.30* | *139.00* |
| Wind Farm - 3.30 MW Sanathali | 296.73 | - | - | 296.73 | 8.90 | 11.28 | - | 20.18 | 276.55 |
| | - | *296.73* | - | *296.73* | - | *8.90* | - | *8.90* | *287.83* |
| Total | 449.21 | 4.26 | - | 453.47 | 13.20 | 16.89 | - | 30.09 | 423.38 |
| *Total* | *6.28* | *442.93* | - | *449.21* | - | *13.20* | - | *13.20* | *436.01* |

**Footnote**
(i) For details of pledged assets refer note 12(b), (d) and (f).
(ii) The Company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
(iii) Previous year's figures are in italics.
(iv) The title deeds / lease agreements of immovable properties are held in the name of the Company.

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Note 2
**(b) Capital work in progress**

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Capital work in progress | 281.96 | |
| | 281.96 | - |

The ageing details of capital work in progress is as under:

| | As at 31st March, 2025 | | | | |
|---|---|---|---|---|---|
| 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 | 281.96 | - | - | - | 281.96 |
| Projects Temporarily Suspended | - | - | - | - | - |

| | As at 31st March, 204 | | | | |
|---|---|---|---|---|---|
| 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 | - | - | - | - | - |
| Projects Temporarily Suspended | - | - | - | - | - |

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Note 3

| Other non-current financial assets | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Balances with banks in deposit accounts: | | |
| - Lien marked deposits with banks* | 25.55 | 12.10 |
| | **25.55** | **12.10** |

* These are fixed deposits which are marked as lien against loans taken from financial institutions.

Note 4

| Deferred tax asset (net) | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Deferred tax liabilities:** | | |
| Difference between book balance and tax balance of property, plant and equipment | 43.19 | 27.94 |
| Lease liabilities (net of ROU) | 0.02 | - |
| **Total** | **43.21** | **27.94** |
| **Deferred tax assets:** | | |
| Unabsorbed depreciation and Carried forward losses | 46.68 | 31.22 |
| Unamortised borrowing cost allowed on payment basis | 1.21 | 0.71 |
| **Total** | **47.89** | **31.93** |
| **Deferred tax asset (net)** | **4.68** | **3.99** |

Note 5

| Other non-current assets<br>(unsecured, considered good) | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Capital advance | 9.45 | 146.00 |
| Prepaid common infrastructure facilities charges | 29.03 | 30.34 |
| | **38.48** | **176.34** |

Note 6

| Cash and cash equivalents | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Balances with banks | | |
| Current accounts (Refer note (6a)) | 0.46 | 0.47 |
| | **0.46** | **0.47** |

Note 6(a)
6(a) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.

Note 7

| Other balances with banks | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Balances with banks | | |
| Escrow accounts (Refer Note 7(a)) | 4.54 | 1.14 |
| | **4.54** | **1.14** |

Note 7(a)
The balance in escrow account with IDFC First Bank and Federal Bank Limited has restriction on usage.

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Note 8

| Other financial assets<br>(unsecured, considered good, unless otherwise stated) | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|---|---|---|
| Security deposits | 0.01 | 0.01 |
| Interest Accrued | 0.55 | 0.61 |
| Unbilled Revenue * | 9.01 | 5.72 |
| | 9.57 | 6.34 |

* Classified as financial asset as right to consideration is conditional upon passage of time.

Note 9

| Other current assets<br>(unsecured, considered good) | As at<br>31st March, 2025 | As at<br>31st March, 2024 |
|---|---|---|
| Advances to supplier | 0.14 | - |
| Prepaid expenses | 0.03 | 0.08 |
| Current portion of prepaid common infrastructure facilities charges | 1.33 | 1.33 |
| Balance with government authorities* | 0.00 | - |
| | 1.50 | 1.41 |

*The figures are less than the denomination disclosed, the figures do not appear.

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Note 10
**Equity Share capital**

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Authorised:** | | |
| 3,00,000 (previous year 3,00,000) equity shares of Rs. 10/- each | 3.00 | 3.00 |
| | 3.00 | 3.00 |
| **Issued, subscribed and fully paid-up shares:** | | |
| Equity shares of Rs. 10/- each | | |
| 2,82,537 (previous year 1,91,878) equity shares of Rs. 10/- each | 2.83 | 1.92 |
| | 2.83 | 1.92 |

**Footnotes:**

**10 (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 year ended 31st March, 2025 | | For the year ended 31st March, 2024 | |
|---|---|---|---|---|
| **10 (b) Reconciliation of equity shares at the beginning and at the end of the year:** | No. | Amount | No. | Amount |
| Equity shares outstanding at the beginning of the year | 1,91,878 | 1.92 | 99,790 | 1.00 |
| Equity shares issued during the year - fresh issue | 90,659 | 0.91 | 92,088 | 0.92 |
| Equity shares outstanding at the end of the year | 2,82,537 | 2.83 | 1,91,878 | 1.92 |

| | As at 31st March, 2025 | | As at 31st March, 2024 | |
|---|---|---|---|---|
| **10 (c) Details of shareholders holding more than 5% shares in the Company:** | No. | % of holding | No. | % of holding |
| **Name of the shareholders:** | | | | |
| Clean Max Enviro Energy Solutions Private Limited (Holding Company) | 2,09,076 | 74% | 1,41,989 | 74% |
| Apar Industries Limited | 73,461 | 26% | 49,889 | 26% |
| | 2,82,537 | 100% | 1,91,878 | 100% |

| | As at 31st March, 2025 | | | As at 31st March, 2024 | | |
|---|---|---|---|---|---|---|
| **10 (d) Details of shareholding of promoters** | No. | % of holding | % Change in Holding | No. | % of holding | % Change in Holding |
| **Name of the promoters:** | | | | | | |
| Clean Max Enviro Energy Solutions Private Limited (Holding Company) | 2,09,076 | 74% | Nil | 1,41,989 | 74% | Nil |

Note 11
**Other equity**

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| **(a) Securities premium** | | |
| Opening balance | 290.00 | 144.96 |
| Add: Premium on shares issued during the year - fresh issue | 145.06 | 145.04 |
| **Closing Balance** | 435.06 | 290.00 |

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| **(b) Retained earnings** | | |
| Opening balance | (19.23) | (0.22) |
| Loss for the year | (4.75) | (19.01) |
| **Closing Balance** | (23.98) | (19.23) |
| Total | 411.08 | 270.77 |

**Nature and Purpose of Reserves:**
11(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.

11(b) Retained earnings represent the amount of accumulated losses of the Company.

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**Note 12**

| **Long-term borrowings** (at amortised cost) | **As at 31st March, 2025** | **As at 31st March, 2024** |
|---|---|---|
| **Secured** | | |
| Term loan from others (refer footnote 12(a) to 12(i)) | 327.40 | 243.22 |
| Less: Current maturities of term loan | (12.11) | (8.76) |
| | **315.29** | **234.46** |
| **Unsecured** | | |
| Loan from Related Party (refer footnote 12(j) to 12(k)) | 30.17 | 80.36 |
| | **30.17** | **80.36** |
| | **345.46** | **314.82** |

**Footnote 12**

| 12(a) Details of term loan: | **Loan 1** | **Loan 1** |
|---|---|---|
| (i) Outstanding balance as at year end (including current maturities of long term borrowings) | 166.00 | 122.59 |
| (ii) Rate of interest | Aditya Birla Finance Ltd. Linked with ABFL Long Term Referal Rate | Aditya Birla Finance Ltd. Linked with ABFL Long Term Referal Rate |
| (iii) Terms of repayment of term loan outstanding as at year end | Repayable in 74 Instalments payable quaterly from September 2023 to March 2042 | Repayable in 74 Instalments payable quaterly from September 2023 to March 2042 |

12(b) Security for Loan 1

The Facility (together with all interest, liquidated damages, fees, costs, charges, expenses and all other amounts stipulated and payable to the Lender) shall be secured by:

(i) First pari passu charge by way of mortgage on all immovable properties of the Borrowers/Projects together with all buildings, structures and appurtenances

(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 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 anyletter 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 of rights under all Project Document (incl. but not limited to PPAs)

(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 assistance/ 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) Inter-company agreement between the Borrowers for Cash-Pooling Structure or 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.

(xvi) Unconditional, Irrevocable Corporate Guarantee by from the Promoter (To be valid till Project Stabilization Date and shall fall off after approval of the Lender)

(xvii) Charge over all the Common Infrastructure owned by Hem Urja LLP

The Borrower(s) shall create and perfect the above security on the Project before first drawdown except security on immovable property stipulated in point (1) above which shall be created within 9 months from project COD. In case of delay in perfection of security then Lender shall have the right to levy Further Interest of 1% p.a. towards such non-compliance

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| 12(c) Details of term loan: | **Loan 2** | **Loan 2** |
|---|---|---|
| (i) Outstanding balance as at year end (including current maturities of long term borrowings) | 164.58 | 122.59 |
| (ii) Rate of interest | Federal Bank Ltd. Linked with ABFL Long Term Referal Rate plus spread | Federal Bank Ltd. Linked with ABFL Long Term Referal Rate plus spread |
| (iii) Terms of repayment of term loan outstanding as at year end | Repayable in 74 Instalments payable quaterly from December 2023 to March 2042 | Repayable in 74 Instalments payable quaterly from December 2023 to March 2042 |

12(d) Security for Loan 2

(i) First pari passu charge by way of mortgage on all immovable properties of the Borrowers/Projects together with all buildings, structures and appurtenances thereon and thereunder, 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 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 of rights under all Project Document (incl. but not limited to PPAs)

(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 assistance/ 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) Inter-company agreement between the Borrowers for Cash-Pooling Structure or 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.

(xvi) Unconditional, Irrevocable Corporate Guarantee by from the Promoter (To be valid till Project Stabilization Date and shall fall off after approval of the Lender)

(xvii) Charge over all the Common Infrastructure owned by Hem Urja LLP

The Borrower(s) shall create and perfect the above security on the Project before first drawdown except security on immovable property stipulated in point (1) above which shall be created within 9 months from project COD. In case of delay in perfection of security then Lender shall have the right to levy Further Interest of 1% p.a. towards such non-compliance

12 (e) The Company has not made any delay in Registration of Charges under the Companies Act, 2013.

12 (f) 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:

(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.

12 (g) 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.

12 (h) The Company is not a wilful defaulter under guidelines on wilful defaulters issued by the Reserve Bank of India.

| | | |
|---|---|---|
| 12 (i) The loan balance is net of unamortised borrowing cost of - (Rs in millions) | 3.18 | 1.96 |
| 12 (j) The loan balance includes EIR impact of - (Rs in millions) | 0.33 | 9.66 |

12 (k) The company has no borrowings from banks or financial institutions where it has been obtained on the basis of security of current assets.

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**Note 13**

| **Short-term borrowings** (at amortised cost) | **As at 31st March, 2025** | **As at 31st March, 2024** |
|---|---|---|
| Secured | | |
| Current maturities of term loan | 12.11 | 8.76 |
| Unsecured | | |
| Loan from Related Party (Refer note 13(a)) | 1.41 | 1.44 |
| | **13.52** | **10.20** |

**Note 13(a)**

Short-term borrowings includes 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 14**

| **Trade payables** (at amortised cost) | **As at 31st March, 2025** | **As at 31st March, 2024** |
|---|---|---|
| a) Total outstanding dues of micro and small enterprises (refer note 27) | 0.07 | 0.04 |
| b) Total outstanding dues of creditors other than micro and small enterprises | 6.83 | 4.49 |
| | **6.90** | **4.53** |

**Note 15**

| **Other current financial liabilities** | **As at 31st March, 2025** | **As at 31st March, 2024** |
|---|---|---|
| Payables on purchase of property, plant and equipment | 2.24 | 33.69 |
| Interest Payable | 4.22 | 1.61 |
| | **6.46** | **35.30** |

**Note 16**

| **Other current liabilities** | **As at 31st March, 2025** | **As at 31st March, 2024** |
|---|---|---|
| Statutory obligations | 0.44 | 0.35 |
| | **0.44** | **0.35** |

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**Note 17**
**Revenue from operations**

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Sale of Power | 54.83 | 24.75 |
| | **54.83** | **24.75** |

**Note 18**
**Other Income**

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Interest on fixed deposit | 1.22 | 0.68 |
| Interest on income tax refund | - | 0.02 |
| | **1.22** | **0.70** |

**Note 19**
**Other expenses**

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Rent | 0.04 | 0.04 |
| Legal and professional fees | 1.11 | 0.62 |
| Rates and Taxes | 0.01 | 0.01 |
| Support fees | 0.46 | 0.13 |
| Payments to auditor (refer note 19(a)) | 0.08 | 0.05 |
| Insurance charges | 0.36 | 0.63 |
| Filing and stamp duty charges | 0.04 | 0.05 |
| Miscellaneous expenses* | 0.00 | - |
| | **2.10** | **1.53** |

| 19 (a) Payments to auditor (incl. GST) | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| - Statutory audit | 0.08 | 0.05 |
| - Other fees and services | - | - |
| - Reimbursements | - | - |
| | **0.08** | **0.05** |

*The figures are less than the denomination disclosed, the figures do not appear.

**Note 20**
**Finance costs**

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Interest expense | | |
| - on term loan from bank and others | 30.76 | 13.78 |
| - on delayed payment of taxes* | 0.00 | - |
| - on loans from related party | 2.91 | 1.79 |
| - due to effective interest rate adjustment as per INDAS 109 from bank and others | (0.23) | 6.57 |
| - due to effective interest rate adjustment as per INDAS 109 - related party | 0.55 | 5.56 |
| - on lease liabilities | 0.40 | - |
| Other borrowing cost | - | 0.42 |
| | **34.39** | **28.12** |

*The figures are less than the denomination disclosed, the figures do not appear.

**Note 21**

**Earnings per share (EPS)**

| | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| **Basic and diluted** | | |
| Loss after tax (Rs. In Millions) | (4.75) | (19.01) |
| Weighted average Number of equity shares | 2,18,206 | 1,20,226 |
| Number of equity shares | 2,82,537 | 1,91,878 |
| Earnings per share (in Rs.) (Refer Note 21(a)) | (21.77) | (158.12) |

**Footnote:**
21(a) The Company has not issued any potential convertible instrument.

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**Note 22: Financial Instruments**

**22.1 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.

**Gearing Ratio**
The capital structure of the company consists of net debt and total equity.
The gearing ratio at the end of the year is as follows

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| | (Rs. In Millions) | (Rs. In Millions) |
| Debt (i) | 358.98 | 325.02 |
| Less:Cash and cash equivalents | 0.46 | 0.47 |
| **Net Debt (A)** | **358.52** | **324.55** |
| Total capital (ii) | 413.91 | 272.69 |
| **Captial and Net debt (B)** | **772.43** | **597.24** |
| **Net Debt to Total Capital plus net debt ratio% (A/B)** | **46%** | **54%** |

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings
(ii) Capital is defined as Equity share capital and other equity.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2025 and 31st March 2024.

**22.2 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.

**22.3 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:

**22.3.1 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.

**22.3.2 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.

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**22.3.3 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.

**22.3.4 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.

**22.3.5 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 31st March, 2025** | | | |
| Borrowings | 13.52 | 338.43 | 351.95 |
| Trade payables | 6.90 | - | 6.90 |
| Other current financial liabilities | 6.46 | - | 6.46 |
| Lease liabilities | 0.43 | 9.57 | 10.00 |
| | 27.31 | 348.00 | 375.31 |

| Particulars | Less than 1 year | More than 1 year | Total |
|---|---|---|---|
| **As at 31st March, 2024** | | | |
| Borrowings | 10.20 | 307.12 | 317.32 |
| Trade payables | 4.53 | - | 4.53 |
| Other current financial liabilities | 35.30 | - | 35.30 |
| | 50.03 | 307.12 | 357.15 |

**22.3.6 Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's non current debt obligations with floating interest rates. The Company's external borrowings are at variable floating interest rate of interest and for which the sensitivity analysis have been carried out based on the exposure to interest rates for such borrowings at the end of the reporting periods. The said analysis has been carried on the amount of floating rate non - current borrowings outstanding at the end of the reporting period. A 50 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points and all other variable held constant ,the Company's loss for the year would increase or decrease as follows:

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Total exposure of the company to variable rate of borrowing | 330.59 | 245.18 |
| Impact on loss before tax for the year | 1.65 | 1.23 |

The year end balances are not necessarily representative of the average debt outstanding during the year.

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Note 23 : Income taxes

23.1 The income tax expense for the period can be reconciled to the accounting profit as follows:

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Loss before tax | (5.44) | (22.95) |
| Enacted income tax rate in India | 17.16% | 17.16% |
| Income tax expense calculated at 17.16% | (0.93) | (3.94) |
| Effect of items on which no deferred tax is created in earlier year | 0.24 | - |
| **Income tax expense recognised in Statement of Profit and Loss** | **(0.69)** | **(3.94)** |

Note 23.2
The tax rate used for the year ended 31st March, 2025 and 31st March, 2024 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 23.3 Deferred taxes
The following table provides the details of movment of deferred tax assets and liabilities:

For the year ended 31st March, 2025

| Item of deferred tax asset/(liability) | Opening Balance | (Charge)/Credit in P&L | Closing Balance |
|---|---|---|---|
| **Deferred tax liabilities** | | | |
| Difference between book balance and tax balance of property, plant and equipment | (27.94) | (15.25) | (43.19) |
| Lease liabilities (net of ROU) | - | (0.02) | (0.02) |
| **Deferred tax assets:** | | | |
| Unabsorbed depreciation and Carried forward losses | 31.22 | 15.46 | 46.68 |
| Unamortised borrowing cost allowed on payment basis | 0.71 | 0.50 | 1.21 |
| **Deferred tax assets/(liabilities) (net)** | **3.99** | **0.69** | **4.68** |

For the year ended 31st March, 2024

| Item of deferred tax asset/(liability) | Opening Balance | (Charge)/Credit in P&L | Closing Balance |
|---|---|---|---|
| **Deferred tax liabilities** | | | |
| Difference between book balance and tax balance of property, plant and equipment | - | (27.94) | (27.94) |
| **Deferred tax assets:** | | | |
| Unabsorbed depreciation and Carried forward losses | 0.05 | 31.17 | 31.22 |
| Unamortised borrowing cost allowed on payment basis | - | 0.71 | 0.71 |
| **Deferred tax assets/(liabilities) (net)** | **0.05** | **3.94** | **3.99** |

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**Note 24 : Related Party disclosure**

**(a) Name of the Related Party and Description of relationship**

| | |
|---|---|
| **Ultimate Holding Company** | BGTF One Holdings (DIFC) Limited |
| **Parent company** | Clean Max Enviro Energy Solutions Private Limited |
| **Shareholder** | Apar Industries Limited |
| **Key Management Personnel** | Mr. Viren Shah (Director)<br>Mr. Pramod M.Deore (Director) |
| **Fellow subsidiary with whom the company has related party transaction** | Hem Urja LLP |

**(b) Transactions with related parties during the year**

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Cleanmax Enviro Energy Solutions Private Limited | | |
| Proceeds from issuance of equity shares | 108.01 | 108.01 |
| Short term borrowings taken during the year | 1.80 | 38.57 |
| Short term borrowings repaid during the year | 1.83 | 40.60 |
| Long term borrowings repaid during the year | 50.74 | 5.50 |
| Interest expense | 2.91 | 1.79 |
| Capital advances | 145.96 | 226.30 |
| Payables on purchase of property, plant and equipment and CWIP | 247.59 | 95.71 |
| Operation and maintenance expenses | 4.54 | 3.30 |
| Support Fees | 0.44 | 0.13 |
| Hem Urja LLP | | |
| Operation and maintenance expenses | 0.54 | 0.39 |
| Right to use common infra facility | - | 27.71 |
| Lease Rental Expense | 0.58 | - |
| Apar Industries Limited | | |
| Proceeds from issuance of equity shares | 37.95 | 37.95 |
| Sale of power | 54.83 | |

The above transactions are exclusive of GST.

**(c) Outstanding balances**

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Cleanmax Enviro Energy Solutions Private Limited | | |
| Long term borrowings | 19.96 | 70.70 |
| Short term borrowings | 1.41 | 1.44 |
| Interest payable | 4.22 | 1.61 |
| Capital advances | 9.45 | 146.00 |
| Trade payable | 5.30 | 3.83 |
| Hem Urja LLP | | |
| Trade payable | 1.40 | 0.46 |
| Payables on purchase of property, plant & equipment | - | 32.15 |
| Apar Industries Limited | | |
| Unbilled Revenue | 9.01 | - |

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Note 25 - Key Ratios

a) Current Ratio = Current Assets divided by Current Liabilities

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 | Change (%) |
|---|---|---|---|
| Current Assets | 16.07 | 9.36 | |
| Current Liabilities | 27.75 | 50.38 | |
| Ratio | 0.58 | 0.19 | 205.26% |

The ratio has increased due to increase in current assets and decrease in current liabilities.

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, 2025 | As at 31st March, 2024 | Change (%) |
|---|---|---|---|
| Total debt | 358.98 | 325.02 | |
| Total equity | 413.91 | 272.69 | |
| Ratio | 0.87 | 1.19 | -26.89% |

The ratio has decreased due to equity infusion during the year.

c) Debt Service Coverage Ratio = Earnings available for debt services divided by Total interest and principal repayments

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 | Change (%) |
|---|---|---|---|
| EBIT | 28.23 | 5.17 | |
| Total interest and principal repayments | 93.09 | 398.75 | |
| Ratio | 0.30 | 0.01 | 2900.00% |

The ratio has increased due to decrease in interest and principal payments during the year.

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 year ended 31st March, 2025 | For the year ended 31st March, 2024 | Change (%) |
|---|---|---|---|
| Net loss after tax attributable to owners of the Company | (4.75) | (19.01) | |
| Equity attributable to owners of the Company | 413.91 | 272.69 | |
| Ratio | (0.01) | (0.07) | -85.71% |

Change in ratio is due to increase in equity during the year.

e) Inventory Turnover Ratio = Cost of goods sold divided by average inventory - NA as no Inventory and purchases of goods
The above ratio is not applicable as there is no inventory

f) Trade Receivables turnover ratio = Sales divided by average trade receivables
The above ratio is not applicable as there is no trade receivable.

g) Trade payables turnover ratio = purchases divided by average trade payables

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 | Change (%) |
|---|---|---|---|
| Purchases | 8.11 | 5.55 | |
| Average Trade Payables | 5.72 | 2.29 | |
| Ratio | 1.42 | 2.42 | -41.32% |

The ratio has decreased due to increase in trade payable during the period.

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**h) Net Working Capital Turnover Ratio** = Sales divided **by average Working capital whereas net working capital= current assets - current liabilities**

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 | Change (%) |
|---|---|---|---|
| Sales | 54.83 | 25.45 | |
| Current Assets (A) | 16.07 | 9.36 | |
| Current Liabilities (B) | 27.75 | 50.38 | |
| Net Working Capital (A-B) | (11.68) | (41.02) | |
| Average Working Capital | (26.35) | (26.33) | |
| Ratio | (2.08) | (0.97) | 114.43% |

The ratio has increased due to decrease in current liabilities during the year.

**i) Net profit ratio** = Net **profit/(loss)** after tax divided **by** Net Sales

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 | Change (%) |
|---|---|---|---|
| Net loss after tax | (4.75) | (19.01) | |
| Net Sales | 54.83 | 25.45 | |
| Ratio | (0.09) | (0.75) | -88.00% |

The ratio has decreased due to increase in sales during the year.

**j) Return on Capital employed =Earnings** before **interest and taxes(EBIT) divided by Capital Employed**

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 | Change (%) |
|---|---|---|---|
| Net loss after tax(A) | (4.75) | (19.01) | - |
| Finance Costs (B) | 33.67 | 28.12 | - |
| Total Tax Expense (C) | (0.69) | (3.94) | - |
| EBIT (D) = (A)+(B)+(C) | 28.23 | 5.17 | - |
| Total equity (E) | 413.91 | 272.69 | - |
| Total debt (F) | 358.98 | 325.02 | - |
| Capital Employed (I)=(E )+(F) | 772.89 | 597.71 | - |
| Ratio (D)/(I) | 0.04 | 0.01 | 300.00% |

The ratio is changed due to decrease in losses during the year.

**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.

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## Note 26 - Leases

**Amounts recognised in balance sheet**
The balance sheet shows the following amounts relating to leases:

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Right-of-use assets | 4.09 | - |
| **Total** | **4.09** | - |

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| **Lease liabilities** | | |
| Current | 0.43 | - |
| Non-current | 3.55 | - |
| **Total** | **3.98** | - |

**Movement in right of use assets and lease liabilities**

| Right of use assets | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Opening | - | - |
| Addition/Modification During Year (net) | 4.26 | - |
| Depreciation | (0.17) | - |
| **Closing balance** | **4.09** | - |

| Lease liabilities | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Opening | - | - |
| Addition/Modification During Year (net) | 4.26 | - |
| Finance cost | 0.40 | - |
| Lease liability payments | (17.40) | - |
| **Closing balance** | **3.98** | - |

**Amounts recognised in the statement of profit and loss**
The statement of profit or loss shows the following amounts relating to leases:

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Depreciation charge of right-of-use assets | 0.17 | 1.29 |
| Interest expense (included in finance costs) | 0.40 | - |
| **Total** | **0.57** | **1.29** |

**The undiscounted cash flow payable by the company is as follows:**

| Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Not later than 1 year | 0.43 | - |
| Later than 1 year and not later than 5 years | 1.71 | - |
| Later than 5 years | 7.86 | - |
| **Total Lease Payments** | **10.00** | - |

(Currency: Indian Rupees in Millions)

**Note 27 - 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, 2025 | | | | | | |
| | | | | | | |
| (i) Undisputed Dues - Micro, small and medium enterprise (MSME) | 0.07 | - | - | - | - | 0.07 |
| (ii) Undisputed Dues - Others | - | 2.53 | 4.30 | - | - | 6.83 |
| Total | 0.07 | 2.53 | 4.30 | - | - | 6.90 |

| Trade Payable Ageing Schedule | | | | | | |
|---|---|---|---|---|---|---|
| Particulars | Not due | Less than 1 year | 1 - 2 Years | 2-3 Years | > 3 Years | Total |
| As at 31st March, 2024 | | | | | | |
| | | | | | | |
| (i) Undisputed Dues - Micro, small and medium enterprise (MSME) | 0.04 | | - | - | - | 0.04 |
| (ii) Undisputed Dues - Others | - | 4.49 | - | - | - | 4.49 |
| Total | 0.04 | 4.49 | - | - | - | 4.53 |

The above figures are considered from the date of transaction

**Note 27A**

There are no contingent liabilities and capital commitments as at the 31st March, 2025 and 31st March, 2024.

**Note 28**

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 is only one customer with whom company earnes revenue.

**Note 29**

| Revenue from contracts with customers | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---|---|
| Unbilled Revenue | | |
| Opening | 5.72 | - |
| Revenue recognised during the period | 54.83 | 24.75 |
| Progress bills raised | - | - |
| - Out of opening asset | 5.72 | - |
| - Other than above | 45.82 | 19.03 |
| Closing | 9.01 | 5.72 |

**Note 30**

Reconciliation of movements of liabilities to cash flows arising from financing activities

| Particulars | For the year ended 31st March, 2025 | For the year ended 31st March, 2024 |
|---|---|---|
| Borrowings at the beginning of the period (current and non-current borrowings) | 325.02 | 245.72 |
| Proceeds from non-current borrowings | 96.69 | 454.47 |
| Repayments of non-current borrowings | (62.03) | (384.79) |
| Proceeds from short term borrowing (net) | (0.03) | (2.03) |
| Changes due to effective interest rate | (0.67) | 11.65 |
| **Borrowings at the end of the period (current and non-current borrowings)** | **358.98** | **325.02** |

**Note 31 Corporate Social Responsibility ("CSR")**

Company is not required to spend amounts on account of CSR as per Section 135 of Companies Act, 2013

HSDR & Associates Chartered Accountants MRN-130805 FRN-159352W Mumbai

Clean Max Rudra Private Limited Mumbai

Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814
Notes to the financial statements for the year ended 31st March, 2025
*(Currency: Indian Rupees in Millions)*

**Note 32 : Other Regulatory Disclosures relating to borrowings and loans**

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 33 : 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.
v. The Company has not advanced or loaned or invested funds to any other person(s) or Company(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 Company(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.

**Note 34 : Trade Payble**

34 (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 t 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 2025 | As at 31st March 2024 |
|---|---|---|
| (i) The principal amount remaining unpaid to any supplier as at the end of the accounting period | 0.07 | 0.04 |
| (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 | 0.07 | 0.04 |
| - Interest | - | - |

**Note 35**

(a) Previous years figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.
(b) There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

SDR & Associates
MRN-190806
FRN-159382W
Mumbai
Chartered Accountants

For and on behalf of the Board of
Clean Max Rudra Private Limited
CIN:U40100MH2022PTC381814

Clean Max Rudra Private Limited Mumbai

| | |
|---|---|
| **Pramod Deore** | **Viren Shah** |
| **Director** | **Director** |
| DIN: 08599306 | DIN: 09588566 |
| Place: Mumbai | Place: Mumbai |
| Date: 23 May 2025 | Date: 23 May 2025 |