PKF SRIDHAR & SANTHANAM LLP

Chartered Accountants

Independent Auditors' Report

To the Members of Ultra Fresh Modular Solutions Limited.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Ultra Fresh Modular Solutions Limited ("the Company"), which comprise the balance sheet as at 31 March 2023, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and Loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Board of Directors for Financial Statements

The Company's Management and Board of Directors are 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 state of

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affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting

records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management and Board of Directors are 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 with reference to the financial statements 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 and Board of Directors 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- 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

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
(c) The Balance Sheet, the Statement of Profit and Loss (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 accounts.
(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.
(e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
(f) With respect to the adequacy of the internal financial controls with reference to the financial statements 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 Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its financial statements - Refer Note 36 the financial statements.

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 during the year ended 31 March 2023 - Refer Note 49 to the financial statements.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 53 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, 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

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(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 54 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, 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 such audit procedures that we have 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 (a) and (b) contain any material misstatement.

v. The Company has not paid/declared any dividend during the financial year. Accordingly, reporting on compliance with the provisions of Section 123 of the Act is not applicable; and

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 relating to maintenance of audit trail is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) of the Act, which are required to be commented upon by us.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

PKF SRIDHAR & SANTHANAM LLP
Firm Regn. No.: 003990S/S200018
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Athiyan R
Partner
Membership No. 237588
UDIN:

Place: Bangalore
Date:

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Ultra Fresh Modular Solutions Limited ("the Company") on the financial statements as of and for the year ended 31 March 2023.

i.

(a)

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at Balance Sheet date.

In respect of immovable properties of land and building that have been taken on lease and disclosed as leasehold lands / buildings under property, plant & equipment / right of use assets in the financial statements, the lease agreements are in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence this clause is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.

ii.

(a) The inventory, except goods in transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are not 10% or more in the aggregate for each class of inventory.

(b) Based on our audit procedures & according to the information and explanation given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

iii.

(a) Based on our audit procedures & according to the information and explanation given to us, the Company has made not made 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

(b) Based on our audit procedures and according to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the Company's interest

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(c) Based on our audit procedures and according to the information and explanation given to us, there are no loans and advances in the nature of loans as of the balance sheet date. Hence, there are no amounts overdue for more than ninety days in respect of loans given.

(d) Based on our audit procedures and according to the information and explanation given to us, there are no loans and advances in the nature of loans as of the balance sheet date. Hence, there are no amounts overdue for more than ninety days in respect of loans given.

(e) Based on our audit procedures and according to the information and explanation given to us, there is no loans or advance in the nature of loan and hence the question of the loan has been renewed or extended or fresh loans granted to settle the overdues of existing loan given to the same parties does not arise. Accordingly, paragraph 3(iii)(e) of the Order is not applicable.

(f) Based on our audit procedures and according to the information and explanation given to us, the Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, paragraph 3(iii)(f) of the Order is not applicable.

iv. Based on our audit procedures & according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under section 185 and 186 of the Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.

v. Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and 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 thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Central Government has specified maintenance of cost records under Sub-Section (1) of Section 148 of the Act in respect of the products/services of the Company. It should be noted that the criteria outlined in Section 148 do not apply to the Company, making the requirement for maintenance of cost records applicable to the Company.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues as applicable with the appropriate authorities, except for a slight delay in a few cases of Goods and Service Tax, provident fund, employees' state insurance and tax deducted at source. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, 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 based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2023, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below

Name of the Statute	Nature of Dues	Forum Where dispute is pending	Period to which amount relates	Amount (INR)
Income Tax Act 1961	Tax Demand	Income Tax Department	AY 2006-07	1,03,677
			AY 2013-14	6,03,290

viii. Based on our audit procedures and as per the information and explanations given by the management, no amount

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has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

ix.

(a) Based on our audit procedures and as per the information and explanations given by the management, the Company have not taken any loans therefore the question of making default in repayment of loans or other borrowings or in the repayment of interest does not arise, accordingly, paragraph 3(ix)(a) of the order is not applicable to the company.

(b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender. Accordingly, paragraph 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanation given to us and the record of the company examined by us, there were no term loan. Accordingly, Paragraph 3(ix) (c) of the order is not applicable.

(d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilized for long-term purposes.

(e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures, or associate companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries, joint ventures, or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.

x.

(a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the question of whether the requirements of section 42 and section 62 of the Act have been complied with and the funds raised have been used for the purposes for which the funds were raised does not arise. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company.

xi.

(a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no material 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 Companies Act has been filed by secretarial auditor or by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no whistleblower complaints were received during the year by the Company.

xii. The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.

xiii. Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the Indian accounting standard Related Party Disclosures (Ind AS 24).

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xiv.

a) In our Opinion and based on our examination, the Company is not required to have an internal audit system as per the provisions of the Companies Act 2013.Accordingly 3(xiv)(a) of the order is not applicable.
b) In our opinion and based on our examination, there is no Internal Audit team and therefore issue of Internal report does not arises, Accordingly Paragraph 3(xiv)(b) of the order is not applicable.

xv. On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi.

(a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).

(b) Based on our audit procedures and according to the information and explanations given to us, 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, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) Based on our audit procedures and 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 and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on our audit procedures and according to the information and explanations given to us, the Company has incurred cash losses of Rs 99,155 (000's) in the current financial year and Rs 1,07,361(000's) in the immediately preceding financial year.

xviii. There has been resignation of the statutory auditors during the year, and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the 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.

(a) In our opinion and based on our examination, the company does not comply with the criteria stipulated in Section 135 of the Companies Act 2013. Consequently, the company is not required to transfer the unspent amount to funds specified in Schedule VII. Therefore, Paragraph 3(xx)(a) of the order is not applicable to the company.

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(b) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to transfer unspent amount under sub-section (5) of section 135 of the Companies Act, as the section 135 of the companies Act is not applicable to the company.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

PKF SRIDHAR & SANTHANAM LLP
Firm Regn. No.: 003990S/S200018
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Athiyan R
Partner
Membership No. 237588
UDIN: 23117595BGXVMG2429

Place: Bangalore
Date: 20th May 2023

Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date

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

We have audited the internal financial controls with reference to financial statements of Ultra Fresh Modular Solutions Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Managements and Board of Directors' Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 "Guidance Note"). 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, 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 were 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, 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 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 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

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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.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Registration No.003990S/S200018

PKF SRIDHAR & SANTHANAM LLP
Firm Regn. No.: 003990S / S200018
BANGALORE

Athiyan R
Partner
Membership No. 237588
UDIN: 23117595BGXVMG2429

Place: Bangalore
Date: 20th May 2023

Ultrafresh Modular Solutions Limited
Balance Sheet as at March 31, 2023
(in Indian Rupees (Thousands), unless otherwise stated)

Particulars	Note no.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3A	44,974	4,290
Investment Property	3B	-	5,643
Right of use assets	3C	37,602	-
Other Intangible Assets	3D	8,206	1,064
Financial assets			
(i) Investments	4	100	100
(ii) Other Financial Assets	5	3,342	3,007
Deferred tax assets (net)	6	31,747	955
Other non-current assets	7	-	20,000
Total non-current assets		1,25,971	35,059
Current assets			
Inventories	8	52,548	4,452
Financial assets			
(i) Investments		-	-
(ii) Trade receivables	9	6,088	1,959
(iii) Cash and cash equivalents	10	38,111	99,947
(iv) Other financial assets	11	868	-
Current tax assets (net)	12	227	467
Other current assets	13	6,922	1,837
Total current assets		1,04,764	1,08,662
Total assets		2,30,735	1,43,721
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	10,448	8,648
Other equity	15	56,830	46,169
Total equity		67,278	54,817
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	16	31,547	-
(ii) Deposits	16	4,500	2,500
Provisions	17	6,628	2,825
Other Non Current liabilities			
Total non-current liabilities		42,675	5,325
Current liabilities			
Financial liabilities			
(i) Borrowings			
(ii) Lease liabilities	18	7,032	-
(iii) Trade payables			-
Total outstanding dues of micro enterprises and small enterprises	19	115	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		35,185	48,863
		-	-
(iv) Other financial liabilities	20	12,880	7,517
Other current liabilities	21	63,940	26,777
Provisions	17	1,630	423
Total current liabilities		1,20,782	83,580
Total liabilities		1,63,457	88,905
Total equity and liabilities		2,30,735	1,43,722

The accompanying notes are an integral part of these financial statement

As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018

PKF SRIDHAR & SANTHANAM LLP Firm Regn. No.: 003990S/S200018 BANGALORE

Athiyan R
Partner
Membership No. 237588

Place: Bangalore
Date: 20-May-2023

For and on behalf of the Board of Directors of
Ultrafresh Modular Solutions Limited
CIN :U74899DL1992PLC051235

ULTRAFRESH MODULAR SOLUTIONS LTD. MUMBAI

Dhruv Dinesh Trigunayat
Director
DIN:06527045

Mumbai
20-May-23

Poonam Sharma
Director
DIN:00074445

Mumbai
20-May-23

Ultrafresh Modular Solutions Limited
Statement of Profit and Loss For the year ended ended March 31, 2023
(in Indian Rupees (Thousands), unless otherwise stated)

	Note no.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	22	2,30,485	1,42,061
Other income	23	1,768	2,986
Total income		**2,32,253**	**1,45,047**
Expenses			
Cost of materials consumed	24	1,33,109	96,083
Changes in inventories of finished goods and work in progress	25	(17,317)	44,105
Employee benefits expense	26	1,23,849	66,525
Finance costs	27	2,382	197
Depreciation and amortization expense	28	16,406	1,989
Other expenses	29	91,767	45,492
Total expenses		**3,50,196**	**2,54,391**
Loss before tax		**(1,17,943)**	**(1,09,344)**
Tax expense			
Current tax	6	-	-
Deferred tax	6	(30,718)	(15)
Total income tax expense		**(30,718)**	**(15)**
Loss after tax		**(87,225)**	**(1,09,330)**
Other comprehensive income	30		
Items that will not be reclassified to profit or loss		-	-
Remeasurements of defined benefit plan actuarial gains/(losses)		(289)	48
Tax expense on Above		75	
Items that will be reclassified to profit or loss		-	-
		(214)	**48**
Total comprehensive income For the year ended		**(87,439)**	**(1,09,282)**
Earnings per equity share			
Basic and diluted earnings per share	31	(96)	(139)

The accompanying notes are an integral part of these financial statement
As per our report of even date

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

PKF SRIDHAR & SANTHANAM LLP
Firm Regn. No.: 003990S/S200018
BANGALORE

Athiyan R
Partner
Membership No. 237588

Place: Bangalore
Date: 20-May-2023

ULTRAFRESH MODULAR SOLUTIONS LTD.
MUMBAI

For and on behalf of the Board of Directors of
Ultrafresh Modular Solutions Limited
CIN :U74899DL1992PLC051235

Dhruv Dinesh Trigunayat	**Poonam Sharma**
Director	Director
DIN:06527045	DIN:00074445
Mumbai	Mumbai
20-May-23	20-May-23

Statement of Cash Flows For the year ended March 31, 2023
(in Indian Rupees (thousands), unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Loss before tax	(1,17,943)	(1,09,345)
Adjustments:		
Warranty Expenses	-	2,825
Depreciation and amortization expense	11,101	1,989
Depreciation on Right to use asset	5,305	-
Provision for Doubtful Debts	190	43
Bad Debts Written off	2,000	-
Finance costs	-	197
Other Non Cash adjustments	-	(3,387)
Dividend Income	(20)	(15)
AdvanceeWritten back	(100)	
Rental Income	-	(1,560)
Profit on sale of asset	(32)	-
Actuarial Gain/(Loss) on Defined contribution Plan	(289)	-
Operating loss before working capital changes	**(99,788)**	**(1,09,254)**
Changes in working capital:		
(Increase)/Decrease in Inventories	(48,096)	43,583
(Increase)/Decrease in loans and trade receivables	(4,319)	5,778
(Increase)/Decrease in other Current Assets	(5,085)	992
(Increase)/Decrease in other financial and non-financial assets	(868)	-
Increase/(Decrease) in trade payables	(13,563)	15,211
Increase/(Decrease) in provisions	5,010	808
Increase/(Decrease) in other financial liabilities and non-financial liabilities	12,395	2,160
Increase/(Decrease) in Other current liabilities	37,263	9,425
Cash used in operations	**(1,17,051)**	**(31,298)**
Income tax paid	242	-
Net cash flow used in operating activities (A)	**(1,16,809)**	**(31,298)**
B. Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress	(33,480)	(2,663)
Sale of property, plant and equipment	228	(193)
Rental Income	-	1,560
Purchase of Current Investment	-	5,178
Other Non-Current Assets	(335)	(21,727)
Capital Advances	-	
Net cash flow used in investing activities (B)	**(33,587)**	**(17,844)**
C. Cash flow from financing activities		
Proceeds from Issue of fresh equity shares	99,900	1,68,125
Loan From Directors (net)	-	(22,997)
Dividend Income	20	15
Interest and Finance expenses	(2,382)	(197)
Lease payments on right of use assets	(8,978)	
Net cash flow from in financing activities (C)	**88,560**	**1,44,946**
Net increase in cash and cash equivalents (A+B+C)	**(61,836)**	**95,804**
Cash and cash equivalents at the beginning of the year	99,947	4,143
Cash and cash equivalents at the end of the year	**38,111**	**99,947**

Notes :

1 The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows"

2. Components of cash and cash equivalents	As at 31st March 2023	As at 31st March 2022
Cash and cash equivalents comprise		
Cash on hand	12,909	10,118
Balance with banks in current accounts	202	229
Fixed Deposit	25,000	89,600
Total cash and bank balances at end of the year	**38,111**	**99,947**

The accompanying notes are an integral part of these financial statement
Note 1: Previous years figures are restated wherever required

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

PKF SRIDHAR & SANTHANAM LLP Firm Regn. No.: 003990S/S200018 BANGALORE

Athiyan R
Partner
Membership No. 237588
Place: Bangalore
Date: 20-May-2023

For and on behalf of the Board of Directors of
Ultrafresh Modular Solutions Limited
CIN :U74899DL1992PLC051235

Dhruv Dinesh Trigunayat
Director
DIN:06527045
Mumbai
20-May-23

Poonam Sharma
Director
DIN:00074445
Mumbai
20-May-23

ULTRAFRESH MODULAR SOLUTIONS LTD. MUMBAI

Ultrafresh Modular Solutions Limited
Statement of changes in Equity.
(in Indian Rupees (Thousands), unless otherwise stated)

(a) Equity share capital

Equity shares of ₹10 each issued, subscribed and fully paid	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	7,448	5,687
Changes during the year	3,000	1,761
Changes in equity share capital due to prior period errors	-	-
Balance at the end of the year	10,448	7,448
Equity shares of ₹10 each issued, subscribed and ₹/Sh Paid Up		
Balance at the beginning of the year	1,200	-
Changes during the year	(1,200)	1,200
Changes in equity share capital due to prior period errors	-	-
Balance at the end of the year	-	1,200
Total	10,448	8,648

Note 1: During the year company made call of Rs 6/Share on partly paid up shares for converting it into fully paid-up

(b) Other equity

Particulars	Attributable to the equity shareholders		
	Reserves and Surplus		
	Retained earnings	Securities premium	Other comprehensive income
Balance at 01 April 2021	(10,060)	-	395
Profit/(Loss) for the year	(1,09,330)	-	
Other comprehensive income for the year (net of taxes)	(48)	-	48
Changes in equity share capital due to prior period errors	-	-	
Transfer during the year		1,65,165	
Balance at 31 March 2022	(1,19,438)	1,65,165	443
Profit/(Loss) for the year	(87,439)	-	
Other comprehensive income for the year (net of taxes)	289	-	(289)
Changes in equity share capital due to prior period errors	-		-
Transfer during the year		98,100	
Balance at 31 March 2023	(2,06,588)	2,63,265	154

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

For and on behalf of the Board of Directors of
Ultrafresh Modular Solutious Limited
CIN :U74899DL1992PLC051235

PKF SRIDHAR & SANTHANAM LLP Firm Regn. No.: 003990S/S200018 BANGALORE

ULTRAFRESH MODULAR SOLUTIONS LTD. MUMBAI

Athiyan R
Partner
Membership No. 237588
Place: Bangalore
Date: 20-May-2023

Dhruv Dinesh Trigunayat
Director
DIN:06527045
Mumbai
20-May-23

Poonam Sharma
Director
DIN:00074445
Mumbai
20-May-23

Ultrafresh Modular Solutions Limited
Notes forming part of the financial statement
(in Indian Rupees (Thousands), unless otherwise stated)

Note 3A : Property, plant and equipment

Particulars	Land	Building	Plant & Machinery	Electrical Installations	Tools & Equipment	Office Equipments	Furniture and Fixtures	Motor Vehicles	Computer & Accessories	Total
At cost or deemed cost										
As at April 1, 2021	-	-	4,465	-	1,713	2,805	7,182	9,502	6,111	31,777
Additions	-	-	-	-	11	-	821	-	1,086	1,918
Disposals/transfers	-	-	-	-	-		(193)		-	(193)
As at March 31, 2022	-	-	4,465	-	1,724	2,805	7,810	9,502	7,197	33,502
Additions	-	-	31,793	216	118	815	8,394	-	2,853	44,189
Transfer / Reclassification from Investment property	1,937	10,683	-	-	-	-	-	-	-	12,620
Disposals/transfers	-	-	-	-	-	-	(479)	(1,444)	-	(1,923)
As at March 31, 2023	1,937	10,683	36,258	216	1,842	3,620	15,725	8,058	10,050	88,388
Accumulated depreciation										
As at April 1, 2021	-	-	4,045	-	1,706	2,275	5,064	9,120	5,658	27,868
Depreciation charge For the year ended	-	-	71	-	7	206	584	94	435	1,397
Disposals/adjustments	-	-	-	-	-	-	(52)	-		(52)
As at March 31, 2022	-	-	4,115	-	1,713	2,481	5,596	9,214	6,093	29,213
Depreciation charge For the year ended	-	352	4,101	40	29	417	2,236	24	1,719	8,919
Transfer / Reclassification from Investment property	-	6,977	-	-	-	-	-	-	-	6,977
Disposals/adjustments	-	-	-	-	-	-	(305)	(1,391)	-	(1,695)
As at March 31, 2023	-	7,329	8,217	40	1,742	2,898	7,527	7,847	7,812	43,414
Net carrying amount										
As at March 31, 2023	1,937	3,353	28,041	177	99	722	8,198	210	2,238	44,974
As at March 31, 2022	-	-	349	-	11	324	2,214	288	1,104	4,289

a. There are no capital commitments for the acquisition of Property, plant and equipments.

b. During the current year company has reclassified its investment property to PPE at its carrying value on date of reclassification.

Note 3B :Investment Property

Particulars	Land	Building	Total
At cost or deemed cost			
As at April 1, 2021	1,937	10,683	12,620
Additions	-	-	-
Disposals/transfers	-	-	-
As at March 31, 2022	1,937	10,683	12,620
Additions	-	-	
Transfer/Reclassification from investment property to PPE	(1,937)	(10,683)	(12,620)
Disposals/transfers			
As at March 31, 2023	0	(0)	(0)
Accumulated depreciation			
As at April 1, 2021	-	6,588	6,588
Depreciation charge For the year ended	-	389	389
Disposals/adjustments	-	-	-
As at March 31, 2022	-	6,977	6,977
Depreciation charge For the year ended			
Transfer/Reclassification from Investment property to PPE	-	(6,977)	(6,977)
Disposals/adjustments	-	-	-
As at March 31, 2023		-	-
Net carrying amount			
As at March 31, 2023	0	0	0
As at March 31, 2022	1,937	3,706	5,643

Note 1 :During the year company has started using the Land & Building for its own production. Hence reclassified as Investment property

Note 3C :Right to use Asset

Particulars	Building Lease
At cost or deemed cost	
As at April 1, 2021	-
Additions	-
Disposals/transfers	
As at March 31, 2022	-
Additions	42,907
Disposals/transfers	-
As at March 31, 2023	42,907
Accumulated depreciation	
As at April 1, 2021	-
Depreciation charge For the year ended	
Disposals/adjustments	-
As at March 31, 2022	-
Depreciation charge For the year ended	5,305
Disposals/adjustments	-
As at March 31, 2023	5,305
Net carrying amount	
As at March 31, 2023	37,602
As at March 31, 2022	-

Note 1: During the current year company has entered an lease arrangement for Bangalore premises for a period of 9 years, lock in period is 3 years, the lease term is considered as 9 years, company has incurred substantial cost amounting to Rs 2,753 (Thousand) for lease hold improvements/Interior works

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BANGALORE

ULTRAFRESH MODULAR SOLUTIONS LTD.
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Note 3D :Intangibles

Particulars	Software's	Technical Know how	Total
At cost or deemed cost			
As at April 1, 2021	1,267	-	1,267
Additions	745	-	745
Disposals, transfers	-	-	-
As at March 31, 2022	2,012	-	2,012
Additions	493	8,830	9,323
Disposals, transfers	-		-
As at March 31, 2023	2,505	8,830	11,335
Accumulated depreciation			
As at April 1, 2021	744		744
Depreciation charge For the year ended	203		203
Disposals/adjustments	-	-	-
As at March 31, 2022	947	-	947
Depreciation charge For the year ended	609	1,573	2,182
Disposals/adjustments	-		
As at March 31, 2023	1,557	1,573	3,129
Net carrying amount			
As at March 31, 2023	948	7,258	8,206
As at March 31, 2022	1,064		1,064

Note 1: Technical Knowhow represents acquired technical [illegible]

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ULTRAFRESH MODULAR SOLUTIONS LTD.
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Ultrafresh Modular Solutions Limited
Notes forming part of the financial statement
(in Indian Rupees (Thousands), unless otherwise stated)

Note 4 : Investments

Particulars	As at March 31 2023	As at March 31 2022
Investments in Equity Shares.		
Other than Subsidiaries (Unquoted @ Fair Value through PL)		
Shivalik Solid Waste Management Limited	100	100
(10,000 Shares Fully Paid @ Rs. 10 each)		
Total	100	100

Note 5 : Other Non Current Financial Asset

Particulars	As at March 31 2023	As at March 31 2022
FD having maturity > 12 months	75	-
Security Deposits (Against rent and others)	3,267	3,007
Total	3,342	3,007

** The amount of security deposits have been reclassified as the same was earlier grouped under Other non current assets

Note 6 : Deferred tax assets (net)

A. Components of Deffered Tax Assets and Liabilities

Particulars	As at March 31 2023	As at March 31 2022
Deffered Tax Liabilities		
Depreciation/Amortisation on Intangible asset	(166)	-
Lease accounting ROU Asset	(9,777)	-
OCI	(40)	
Deffered Tax Assets		
Depreciation and Amortization on Tangible assets (ie PPE)	938	955
Ind as 116 Lease accounting Lease Liability	10,030	
Provision for Warranty	734	-
Provision for compensated leave	989	
Security Deposit Differential ROU	269	-
Trade Receivable	380	-
Provision for Gratuity	696	-
Provision for Bonus	464	-
Unabsorbed Depreciation	2,788	-
Business Loss	24,442	-
Others		
Deferred tax assets (net)	31,747	955

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BANGALORE

ULTRAFRESH MODULAR SOLUTIONS LTD.
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B .Movement of deferred tax assets/ (liabilities)

Particulars	As at March 31 2023	As at March 31 2022
Deferred tax assets/ (liabilities) in relation to		
Opening Balance	955	940
Timing difference in depreciation and amortisation on Intangible	(166)	-
Timing difference in OCI	(40)	-
Timing difference in depreciation and amortisation on PPE	(17)	15
Timing difference in right of use asset	(9,777)	-
Timing difference in lease liability	10,030	-
Timing difference in Provision for Warranty	734	-
Timing difference in Provision for Compensated Leave	989	-
Timing difference in security deposit given	269	-
Timing difference in Expected Credit Loss	380	-
Timing difference in Provision for Gratuity	696	-
Timing difference in Provision for Bonus	464	-
Timing difference in Unabsorbed Depreciation	2,786	-
Timing difference in Business Loss	24,442	-
Closing Balance	31,747	955

C. Reconciliation of Tax expenses

Particulars	As at March 31 2023	As at March 31 2022
Loss Before tax	(1,17,943)	(1,09,344)
Enacted tax rates in India	26%	26%
Tax using the Company's domestic tax rate :	(30,665)	(28,430)
Effect of:		
Deferred Tax not recognised on losses	-	28,415
Others	(53)	-
Tax expenses recognized	(30,718)	(15)

Note 7 : Other non current assets

Particulars	As at March 31 2023	As at March 31 2022
(Unsecured, considered good)		
Capital advances	-	20,000
Advances Other than Capital Advances	-	-
Total	-	20,000

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Note 8 : Inventories

Particulars	As at March 31 2023	As at March 31 2022
(Valued at lower of cost and net realisable value unless otherwise stated)		
Raw material	31,302	523
Stock in transit	374	-
Work-in-progress	6,457	-
Finished goods	14,415	3,929
Total	52,548	4,452

Notes:

a. The mode of valuation of inventories has been stated in note 2.

b) There is no charge on the above inventory

Note 9 : Trade receivables

Particulars	As at March 31 2023	As at March 31 2022
(At amortised cost)		
Unsecured		
Trade receivables - considered good (Refer note below)	6,088	1,959
Trade Receivables which have significant increase in Credit Risk	198	-
Trade Receivables - credit impaired	1,263	1,271
Trade receivables (gross)	**7,549**	**3,230**
Less: Impairment allowance for trade receivables	(1,461)	(1,271)
Total	6,088	1,959
Further classified as		
Receivable from related parties* (refer note 35)	-	-
Receivable from others	7,549	3,230
	7,549	3,230

Note :

a. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person

b.Trade receivables are usually non-interest bearing and are on in general trade terms of 0 - 60 days.

c. The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables. The Company tracks changes in expected credit loss on trade receivables based on overdue outstanding exposure, expected default rate and basis exposure is secured/unsecured. ECL impairment loss allowance (or reversal) recognised during the period is recognised in the Statement of Profit and Loss.

d. The net carring value of trade receivables is considered a reasonable approximation of fair value

e. Ageing Analysis of trade receivables as on March 31, 2023

Particulars	Outstanding for following periods from due date of Invoice						Total
	Not due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables – considered good	-	5,224	325	539	-	-	6,088
(ii) Undisputed Trade- Which has significant increase in credit	-	1	114	83	-	-	198
(iii)Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good		-	-	-	-	-	-
(v)Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	100	-	180	-	983	1,263
Total	-	5,325	439	802	-	983	7,549

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f. Ageing Analysis of trade receivables as on March 31, 2022

Particulars	Outstanding for following periods from due date of Invoice						Total
	Not due	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	more than 3 years	
(i) Undisputed Trade receivables – considered good	-	1,807	152	-	-	-	1,959
(ii) Undisputed Trade- Which has significant increase in credit	-	-	-	-	-	-	-
(iii)Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good			-	-			-
(v)Disputed Trade Receivables – which have significant increase in credit risk					-	-	-
(vi) Disputed Trade Receivables – credit impaired				-	-	1,271	1,271
Total	-	1,807	152	-	-	1,271	3,230

g. Movement in expected credit loss

Particulars	As at March 31 2023	As at March 31 2022
Expected credit loss allowance		
At the beginning of the period/year	1,271	284
Provision made during the period / year	190	987
(Utilised) / (reversed) during the period / year	-	
At the end of the period / year	1,461	1,271

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Note 10 : Cash and cash equivalents

1 For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Balance Sheet as follows.

Particulars	As at March 31 2023	As at March 31 2022
Balance with banks :		
Current accounts	12,909	10,118
Cash on hand	202	229
Fixed deposits (with original maturity of less than 3 months)	25,000	89,600
Total	38,111	99,947

Note: There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period.

Note 11 : Other current financial assets

Particulars	As at March 31 2023	As at March 31 2022
Other Current financial assets		
Accured Interest on FD	238	-
Security Deposits (against rent and others)	630	
Total	868	-

Note 12 : Current tax assets (net)

Particulars	As at March 31 2023	As at March 31 2022
Advance income tax and TCS (net of provision-Nil)	227	467
Total	227	467

Note 13 : Other current assets

Particulars	As at March 31 2023	As at March 31 2022
Advance to contractors, suppliers	841	1,188
GST Receivable	4,747	-
Advance to Employees Unsecured, considered good;	230	257
Prepaid expenses	712	-
Others	392	392
Total	6,922	1,837

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ULTRAFRESH MODULAR SOLUTIONS LTD.
MUMBAI

Ultrafresh Modular Solutions Limited
Notes forming part of the financial statement
(in Indian Rupees (Thousands), unless otherwise stated)

Note 14 : Equity share capital

A. Equity shares

Particulars	As at March 31, 2023	As at March 31, 2022
(a)(i) Authorised share capital:		
20,00,000 Equity Shares of Rs. 10/- each with voting rights	20,000	20,000
	20,000	20,000
(ii) Issued, subscribed and paid up share capital:		
10,44,783 Equity Shares of Rs 10/- each (PY 7,44,783 & 300,000 Partly paid up @Rs 4/share)	10,448	8,648
Total	10,448	8,648

(b) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at March 31, 2023		As at March 31 2022
	Number of shares	Amount	Amount
At the beginning of the period			7,448
7,44,783 Equity shares of Rs 10/each fully paid up	7,44,783	7,448	
3,00,000 Equity shares of Rs 10/ each @ Rs 4 each paid up	3,00,000	1,200	
Add: Issued during the period	-	-	
Call on 3,00,000 Partly paid up shares @ Rs 6/share (PY Rs 4/Share)	3,00,000	1,800	1,200
Outstanding at the end of the period	10,44,783	10,448	8,648

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

	As at March 31, 2023		As at March 31 2022
Name of shareholder	Number	% of holding	% of holding
1. TTK Prestige Limited	5,32,860	51%	41%
2. Dinesh Sharma	1,58,702	15%	18%
3. Poonam Sharma	1,79,388	17%	21%
4. Dhruv Dinesh Trigunayat	67,184	6%	8%
5. Other	1,06,649	10%	12%
Total	10,44,783	100%	100%

(d) Shareholding of promoters & promoter group

Shares held by promoters at the end of the period	No. of shares	% of total shares	% Change during the year FY 22-23	% Change during the year FY 21-22
Dinesh Sharma	1,58,702	15.19%	(0.0316)	-29.51%
Poonam Sharma	1,79,388	17.17%	(0.0357)	-7.85%
Dhruv Dinesh Trigunayat	67,184	6.43%	(0.0134)	-4.04%

(e) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

(f) The Company has only one class of Equity Shares having a par value of ₹10/- per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the unlikely event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, in proportion to the number of equity shares held by the shareholders.

(g) Company has not issued any bonus shares or shares for consideration other than in Cash since last 5 years

(h) No Shares are reserved for issue under option and contracts/commitments for the sale of shares/disinvestment.

(i) No calls are unpaid by any director or officer of company during the year.

(j) During the current year TTK Prestige Limited has obtained an controling stake in the company, resulting into the company being the subsidiary of TTK Prestige limited.

(k) Company has issued 3,00,000 fresh equity shares to TTK Prestige limited with pursant to share issue agreement date 25-11-2021. During the current year, Company has called up the balance amount of Rs 333/Share and has been received by the company,ie Rs 6/Share towards unpaid face value and Rs 327/Share towards balance share premium.

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Note 15: Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium reserve	2,63,265	1,65,165
Retained earnings - P&L	(2,06,588)	(1,19,438)
Retained earnings - OCI	153	442
Total Other Equity	56,830	46,169

(a) Securities premium reserve

Securities premium account represents the premium on issue of shares. The account is utilised in accordance with the provisions of the Companies Act, 2013.

(b) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

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Ultrafresh Modular Solutions Limited
Notes forming part of the financial statement
(in Indian Rupees (Thousands), unless otherwise stated)

Note 16 : Non Current Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
a)Deposits		
Security Deposits	4,500	2,500
b) Lease liability (Refer note 32)	31,547	-
Total	36,047	2,500

Note 17 : Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Long term provisions:		
Provision for Gratuity: (Refer Note 33)	-	-
Provision for Compensated Absences	3,803	-
Provision for Warranty	2,825	2,825
Total (A)	6,628	2,825
Short term provisions:		
Provision for employee benefits:		
Provision for Gratuity (Refer Note 33)	806	423
Provision for Incentive	824	-
Total (B)	1,630	423
Grand total (A+B)	8,258	3,248

Particulars	As at March 31, 2023	As at March 31, 2022
At the beginning of the year	3,248	470
Created during the year	5,666	3,202
Utilised during the year	(656)	(424)
At the end of the year	8,258	3,248

Note 18 : Current Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings		
Lease liability (refer note 32)	7,032	-
Total	7,032	-

Note 19 : Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables other than acceptances:		
Payable For Goods	24,555	45,643
Payable For Expenses	10,745	3,257
(i) Total outstanding dues of micro enterprises and small enterprises (refer note : 40)	115	-
(ii)Total outstanding dues of creditors other than micro enterprises and small enterprises	35,185	48,900
Total	35,300	48,900

Note:
a. Trade payables are non interest bearing and in general having the credit terms of 60 days to 90 days.

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b. Ageing Analysis for Trade creditors

As on March 31,2023

Particulars	Outstanding for following periods from due date of						
	Unbilled Dues	Payables not due	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i) MSME	-	-	115	-	-	-	115
(ii) Others	-	-	35,040	80	32	33	35,185
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-	-

As on March 31,2022

Particulars	Outstanding for following periods from due date of						
	Unbilled Dues	Payables not due	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i) MSME	-		-	-	-	-	-
(ii) Others	-	-	48,900	-	-	-	48,900
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-	-

c. 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.

d.Trade payables due to related parties are disclosed in note no. 34

Note 20 : Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Employee Related Liabilities	9,749	5,709
Employee Bonus and Incentives	3,131	1,808
Provision for Expenses	-	-
Total	12,880	7,517

Note 21 : Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable.	2,024	317
Provision for Warranty	-	
Advance Collected from Customers	60,978	25,375
Other Current Liabilities	938	1,048
Total	63,940	26,740

Ultrafresh Modular Solutions Limited
Notes forming part of the financial statement
(in Indian Rupees (Thousands), unless otherwise stated)

Note 22 : Revenue from operations

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Sale of products	2,28,056	1,41,227
Sale of services	2,429	544
Other Operating Revenue	-	290
Total	2,30,485	1,42,061

Sale of services (ie design services) is reclassified from other revenue to revenue from operations

Note 22.1 : Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers refer (note 38) for segment information

Segment	For the year ended March 31 2023	For the year ended March 31 2022
Sale of goods		
Revenue from external customers	2,30,485	1,42,061
Total revenue from contracts with customers		
India	2,30,485	1,41,771
Outside India	-	-
Total revenue from contracts with customers	2,30,485	1,41,771

Note 22.2 : Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Revenue as per contracted price (goods and services)	2,31,207	1,42,491
Less: Adjustments		
Rebate and discount	(722)	(720)
Revenue from contracts with customers	2,30,485	1,41,771

Note 22.3 Contract liabilities such as advance from customers and liability for schemes and discounts are given below:

Particulars	As at 31st March 2023	As at 31st March 2022
Advance from customers	60,978	25,375
Provision for Warranty	2,825	2,825

Note 22.4: Performance obligations

Performance obligation is satisfied at a point of time upon completion of each performance obligation under contract with customer ie Design, delivery and Installation of the product , payment terms are generally due/Received prior to Dispatch of goods/ Services

Incase of Projects, Performance obligations depends upon the nature of contracts with different customers

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Note 23 : Other income

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Rental Income	-	1,560
Dividend Income	20	15
Interest on Fixed Deposit	1,241	88
Miscellaneous income	227	805
Discount Received	61	28
Profit on sale of Asset	32	-
Premium on Sale of Shares	-	490
Advance Written back	100	-
Interest unwinding on fair valuation of security deposit given	87	-
Total	1,768	2,986

Note 24 : Cost of materials consumed

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Raw material		
Opening inventory	523	-
Add: Purchases	1,63,888	96,606
Less: Closing inventory	(31,302)	(523)
Total raw material consumed	1,33,109	96,083

Note 1: Opening Balance of Raw material is reclassified. In previous year it was fully shown as finished goots

Note 25 : Changes in inventories of finished goods & work in progress

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Closing stock:		
Finished goods	14,415	3,929
Work-in-progress	6,457	-
Goods in Transit (FG)	374	
	21,246	3,929
Opening stock:		
Finished goods	3,929	48,035
Work-in-progress	-	-
	3,929	48,035
Changes in Inventories of finished goods & work-in-progress	(17,317)	44,105

Note 26 : Employee benefits expense

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Salaries, wages,bonus,allowance, and other benefits	1,04,775	58,078
Contribution to gratuity & compensated absences (refer note no. 33)	4,990	377
Contribution to provident and other funds	6,328	2,916
Staff Welfare expenses	2,528	954
Director Remuneration	5,228	4,200
Total	1,23,849	66,525

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Note 27 : Finance costs

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Interest expense:		
On borrowings	-	3
On lease liabilities	2,382	-
Bank Charges	-	194
Total	2,382	197

Note 28: Depreciation and amortization expense

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Depreciation on property, plant and equipment	8,919	1,989
Depreciation on right-of-use assets	5,305	-
Amoritisation on Intangible assets	2,182	-
Total	16,406	1,989

Note 29 : Other expenses

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
I. Operating expenses consists of the following :		
I. Operating expenses consists of the following :		
Repairs Others	1,859	360
Sales Promotion Expenses	8,246	2,207
II. General expenses consists of the following :		
Leave & License fees	7,490	5,342
Vehicle maintenance	352	-
Rates & Taxes	10	147
Car Hire Charges	345	-
Installation Expenses	11,498	7,619
Commission Charges	894	732
Electricity & Water Exp	3,661	509
Postage & Courier Exp	753	235
Subscription Charges	1,196	284
Office Expenses	1,190	811
Freight Outward	11,594	5,740
Insurance Charges	58	41
Advertising and Publicity	12,883	2,430
Printing And Stationery Expenses	2,069	1,329
Travelling & Conveyance Expenses	13,367	4,771
Expected Credit Loss	190	1,033
Repairs to Computers	711	823
Sundry Balance Write Off	2,000	43
Interest & Penalty	7	2
Loss on Sale of Shares / Extinguishment	-	256
Charitable & Donation Contribution	34	6
Professional & Consultancy Fees	8,319	7,140
Training & Development Expenses	1,207	15
Warranty Expenses	-	2,825
Miscellaneous Expenses	111	16
Communication Charges	399	261
Bank Charges	295	-
Packing Charges	529	65
Payment Made to Auditors	500	450
Total	91,767	45,492

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Note 29.1 : Auditor's remuneration included in legal and professional charges (excluding GST)

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Payments to Auditors:		
For Statutory Audit Fees	500	450
Total	500	450

Note 30. Other Comprehensive Income

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Opening amount recognized in OCI	-	-
Actuarial (gain) / loss on liabilities	263	41
Actuarial gain / (loss) on assets	26	6
Closing amount recognized in OCI	289	47

Note 31. Earnings per share

Basic loss per share amounts are calculated by dividing the loss for the year ended attributable to equity holders by the weighted average number of equity shares outstanding during the period

Diluted loss per share amounts are calculated by dividing the loss attributable to equity holders by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income/loss and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31 2023	For the year ended March 31 2022
Loss attributable to the equity holders	(87,225)	(1,09,330)
Earnings used in the calculation of basic earnings per share	(87,225)	(1,09,330)
Earnings used in the calculation of diluted earnings per share	(87,225)	(1,09,330)

Particulars	For the year ended March 31 2023 No of Shares	For the year ended March 31 2022 No of Shares
Weighted average number of equity shares for the purposes of basic earnings per share (refer note a below)	9,09,495	7,86,536
Effect of dilution:	-	-
Convertible preference shares	-	-
Weighted average number of equity shares adjusted for the effect of dilution	9,09,495	7,86,536

Particulars	For the year ended March 31 2023 (Rs. per share)	For the year ended March 31 2022 (Rs. per share)
Basic loss per share	(96)	(139)
Diluted earnings per share (refer note c below)	(96)	(139)

Notes:

Loss per share of FY 21-22 is restated considering the weightage for the time period were such shares were existing.

Company has issue 3,00,000 No of Equity shares to TTK prestige limited with pursant to share subscription agreement dated 25th Nov 2021

On the above shares company has called up Rs 6 Face value (Partly paid previously) on 1st Jan 2023.

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Note no 32 : Ind As 116 related Disclosures (Right-of-use assets and lease liabilities)

Company as a lessee during the period / year

The Company has lease contracts for offices/ facilities. The lease term of the office facilities is generally 1-10 years. The Company also has certain leases of offices with lock in period under lease terms of 12 months or less or low value. The Company applies the leases of low value assets and short term leases recognition exemptions for these leases

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	As at 31 March 2023	As at 31 March 2022
Building		
Opening balance	-	-
Additions	42,907	-
Depreciation during the year	(5,305)	-
Other adjustments	-	
Closing balance	37,602	-

The carrying amounts of lease liabilities recognised and the movements during the period / year is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Building		
Opening balance	-	-
Additions	41,786	-
Accretion of interest	2,382	-
Payment of lease liabilities	(5,590)	-
Closing balance	38,579	-

The break-up of current and non-current lease liabilities is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities		
Current portion	7,032	-
Non-current portion	31,547	-
	38,579	-

The effective interest rate for lease liabilities is 8.7%.

The following amounts are recognised in the statement of profit and loss

Particulars	As at 31 March 2023	As at 31 March 2022
Depreciation expense of right of use assets	5,305	-
Interest expense on lease liabilities	2,382	-
Expense relating to leases of low-value assets/short term leases (included in other expenses)	7,490	5,342
Total amount recognised in the Statement of Profit and Loss	15,177	5,342

The Company had total cash outflows for leases of ₹ 12,980 thousand during the period/ years ended 31 March 2023 (31 March 2022: ₹ 5,342 thousand).

Maturity Analysis of lease liabilities (Without Discounting)

Particulars	As at 31 March 2023	As at 31 March 2022
Not later than 1 year	10,062	-
Later than 1 year and not later than 5 years	26,279	-
Later than 5 years	8,950	-
	45,291	-

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Note 33 : Employee benefits

(a) Gratuity

i) Description of the Plan:

The Company has covered its gratuity liability by a Group Gratuity Policy named 'New Group Gratuity Cash Accumulation plan issued by LIC of India. Under the plan, an employee at retirement is eligible for benefit, which will be equal to 15 days salary for each completed year of service. Thus, it is a defined benefit plan and the aforesaid insurance policy is plan asset.

Disclosure According to Ind-AS 19

This section provides the Report under IND AS 19 in respect of Gratuity Plan.

Assumptions

Particulars	March 31, 2023	March 31, 2022
Discount Rate	7.49% Per Annum	6.92% per annum
Rate of increase in Compensation levels	8% Per Annum	5.00% per annum
Rate of Return on Plan Assets	6.92% Per Annum	6.53% per annum
Average future service (in Years)	23.91 Years	24.51 Years

Service Cost — Rs in (000's)

Particulars	March 31, 2023	March 31, 2022
Current Service Cost	937	346
Past Service Cost (including curtailment Gains/Losses)	-	-
Gains or losses on Non Routine settlements	-	-
Total	937	346

Net Interest Cost

Particulars	March 31, 2023	March 31, 2022
Interest Cost on Defined Benefit Obligation	102	73
Interest Income on Plan Assets	72	42
Net Interest Cost (Income)	29	31

Changes in Present Value of Obligations

Particulars	March 31, 2023	March 31, 2022
Opening of defined benefit obligations	1,470	1,112
Service cost	937	346
Interest Cost	102	73
Benefit Paid	(95)	-19
Actuarial (Gain)/Loss on total liabilities:	263	-41
- due to change in financial assumptions	408	-36
- due to change in demographic assumptions	-	0
- due to experience variance	(146)	-5
Closing of defined benefit obligation	2,677	1,470

Changes in Fair Value of Plan Assets

Particulars	March 31, 2023	March 31, 2022
Opening fair value of plan assets	1,047	643
Asset Transfer (In/Out)	-	0
Actual Return on Plan Assets	47	48
Employer Contribution	872	375
Benefit Paid	(95)	-19
Closing fair value of plan assets	1,870	1,047

Actuarial (Gain)/Loss on Plan Assets

Particulars	March 31, 2023	March 31, 2022
Expected Interest Income	72	42
Actual Income on Plan Asset	47	48
Actuarial gain /(loss) on Assets	(26)	6

Other Comprehensive Income

Particulars	March 31, 2023	March 31, 2022
Opening amount recognized in OCI outside P&L account	-	-
Actuarial gain / (loss) on liabilities	(263)	41
Actuarial gain / (loss) on assets	(26)	6
Closing amount recognized in OCI outside P&L account	(289)	48

The amount to be recognized in Balance Sheet.

Particulars		March 31, 2023	March 31, 2022
Present Value of Obligations (Current Liability)	[A]	2,677	1,470
Fair value of plan assets (Current Asset)	[B]	1,870	1,047
Net Obligations	[A-B]	806	423
Amount not recognized due to asset limit		0	0
Net defined benefit liability / (assets)		806	423

Expense recognized in Profit and loss statement.

Particulars	March 31, 2023	March 31, 2022
Service cost	937	346
Net Interest Cost	29	31
Expenses Recognized in the statement of Profit & Loss	966	377

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Major categories of plan assets (as percentage of total plan assets)

Item	March 31, 2023	March 31, 2022
Government of India Securities	0%	0%
State Government Securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of Listed Companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Fund Managed by Insurer	100%	100%
Bank Balance	0%	0%
Other Investments	0%	0%
Total	**100%**	**100%**

Change in Net defined obligations

Particulars	March 31, 2023	March 31, 2022
Opening of Net defined benefit liability	423	470
Service cost	937	346
Net Interest Cost	29	31
Re-measurements	288	(48)
Contribution paid to fund	(872)	(375)
Closing of Net defined benefit liability	**806**	**423**

Reconciliation of expense in profit and loss statement.

Particulars	March 31, 2023	March 31, 2022
Present Value of Obligation as at the end of the year	2,677	1,470
Present Value of Obligation as at the beginning of the year	(1,470)	(1,112)
Benefit Paid	95	19
Actual Return on Assets	(47)	(48)
OCI	(288)	48
Expenses Recognised in the Statement of Profit and Loss	966	377

Reconciliation of liability in Balance Sheet

Particulars	March 31, 2023	March 31, 2022
Opening net defined benefit liability / (asset)	423	470
Expense charged to profit and loss account	966	377
Amount recognized outside profit & loss account	-	-
Employer Contributions	(872)	(375)
OCI	288	(48)
Closing net defined benefit liability / (asset)	**806**	**423**

Sensitivity analysis

Following table shows the sensitivity results on liability due to change in the assumptions:

Item	Impact %	Impact (Absolute)	March 31, 2022
Base Liability		2,677	1,470
Increase Discount Rate by 0.50%	-3.43%	(92)	1,426
Decrease Discount Rate by 0.50%	3.67%	98	1,517
Increase Salary Inflation by 1.00%	7.47%	200	1,568
Decrease Salary Inflation by 1.00%	-6.69%	(179)	1,381
Increase Withdrawal Rate by 5.00%	-7.49%	(200)	1,446
Decrease Withdrawal Rate by 5.00%	9.34%	250	1,464

Maturity Profile of defined benefit obligation (value on undiscounted basis)

Particulars	March 31, 2023	March 31, 2022
Year 1	238	146
Year 2	163	119
Year 3	172	129
Year 4	289	137
Year 5	316	213
After 5th Year	4,105	1,764
Total	**5,283**	**2,508**

Comparison with last year figures

Particulars	March 31, 2023	March 31, 2022
Fair Value of Plan Assets	1,870	1,047
Present value of obligation	2,677	1,470
Net asset/ (liability) recognised in balance sheet	(806)	(423)
OCI	(288)	48
Expense to be recognized in the Profit and loss statement	966	377

Particulars	March 31, 2023	March 31, 2022
Total No of employees	318	182
Total Monthly Salary (In 000') (Basic Salary)	2,657	1,368
Average Monthly Salary (Absolute)	8,356	7,518
Average Age (Age last birthday) (In years)	34	33
Average Past service	2	3
Average Future Service	24	25

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Note No. 34: Accounting Ratios

Ratio	Numerator	Denominator	FY 22-23 Numerator	FY 22-23 Denominator	Current Period	FY 21-22 Numerator	FY 21-22 Denominator	Previous Period	% variance	Reason for variance (+/- >25%)
Current Ratio	Current Assets	Current Liabilities	1,04,764	1,20,782	0.87	1,08,662	83,580	1.30	-33%	Note 1
Debt -equity Ratio	Total Borrowing	Shareholder's Equity	NA	NA	NA	NA	NA	NA	NA	NA
Debt Service Coverage Ratio	Earnings available for debt service = Net Profit after taxes + Non-cash operating	Debt Service = Principal Repayments	NA	NA	NA	NA	NA	NA	NA	NA
Return On Equity	Net Profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	(87,225)	67,278	-130%	(1,09,330)	54,817	-199.44%	-35%	Note 2
Inventory Turnover Ratio	Sales	Average Inventory = (Opening + Closing balance/2)	2,30,485	28,500	8.09	1,42,061	26,244	5.41	49%	Note 3
Trade Receivables Turnover Ratio	Net Credit Sales = Gross credit sales - Sales return	Average Accounts Receivable = (Opening + Closing balance/2)	2,30,485	5,390	42.76	1,42,061	5,484	25.91	65%	Note 4
Trade Payables Turnover Ratio	Net Credit Purchases = Gross credit purchases - Purchase return	Average Trade Payables	1,63,888	42,100	3.89	96,606	41,276	2.34	66%	Note 5
Net Capital Turnover Ratio	Net Sales = Total sales - Sales returns	Average Working Capital = (Current assets - Current liabilities)/2	2,30,485	4,532	50.86	1,42,061	25,082	5.66	798%	Note 6
Net Profit Ratio	Net Profit = Net profit shall be after tax	Net Sales = Total sales - Sales returns	(87,225)	2,30,485	-38%	(1,09,330)	1,42,061	-76.96%	-51%	Note 7
Return On Capital Employed	Earnings before interest & taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-1,15,561	1,09,953	-105.10%	(1,09,344)	60,141	-181.81%	-42%	Note 8
Return On Investment	Return on investment	Average Investments	NA	NA	NA	NA	NA	NA	Na	Na

Note 1 : There has been a decline in the current ratio on account of investment of temporarily available cash and due to increase in advance from customers

Note 2 : There is an improvement in return on equity due to recognition of deffered tax in the current period amounting to Rs 30,792 thousands.

Note 3 : These is an increase in inventory turnover ratio due to increase in the sales amount which is more than as compared to the increase in average inventory holding

Note 4 : Receivables turnover ratio is increasing because of increase in sales and efficiency in collection.

Note 5 : Trade payable turnover ratio is increased due to increase in business volumes.

Note 6 : The Net capital turnover ratio is decreased as the proceeds from issue of shares being utilised for business and correposnding increase in the indirect tax receiveable on account of that.

Note 7 : The Net profit ratio has strengthen due to recognition of DTA and increase in business volumes.

Note 8 : Increase in Return on capital employed indicates improved profitabilty and efficency in utilizing capital as compared to last year

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Note 35: Related Party Disclosure

Names of related parties with whom transactions have taken place during the year and description of relationship

Description of Relationship	Name of the Party
Non Executive Director	Dinesh Sharma
Executive Director	Poonam Sharma Dhruv Dinesh Trigunayat
Enterprises over which Directors exercise Control (Common Djrectorship)	D Sharma & Sons (HUF) Shri Balaji Industries Ultrapure Envirocare Pvt Ltd ION Exchange Enviro Farms Limited ION Exchange India Limited
Holding Company	TTK Prestige Ltd

(a) Summary of the transactions with the above-related parties

Rs (In thousands)

Particulars	Directors		Enterprises over which Directors exercise Control		Holding Company	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Sales	-	-	1,990	-	-	-
Purchases	-	-	52,601	86,155	8,304	-
Asset Purchase	-	-	40,000	-	-	-
Remuneration	5,228	4,200	-	-	-	-
Expenses	500	525	6,494	4,192	1,131	-
Loan Paid	-	22,925	-	-	-	-
Capital Advances paid	-	-	-	20,000	-	-

(b) Balances Outstanding

Particulars	Directors		Enterprises over which Directors exercise Control		Holding Company	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Amount due to the Company against supplies	-	-	-	-	-	-
Amount Owed by Company against Purchases	-	-	-	45,450	860	-
Other Current Liabilities	963	45	313	20,000	1,018	-

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(c) Related Parties with whom transactions have taken place during the year

Entity	Nature of Transactions	2022-23		2021-22	
		Expense	Income	Expense	Income
Dinesh Sharma	Loan Paid	-	-	11,029	-
Poonam Sharma	Rent	500	-	525	-
	Remuneration	2,100	-	1,800	-
	Loan Paid	-	-	11,896	-
Dhruv Dinesh Trigunayat	Remuneration	3,128	-	2,400	-
D Sharma & Sons (HUF)	Rent	1,200	-	950	-
Shri Balaji Industries	Sales	-	1,174	-	-
	Purchases	52,601	-	86,155	-
	Asset Purchase	40,000	-	-	-
	Rent	-	-	-	-
	Capital Advance paid	-	-	20,000	-
ION Exchange Enviro Farms Limited	Rent	5,010	-	3,242	-
ION Exchange India Limited	Electricity Expense	268	-	-	-
	Repairs and Maintenance Exepnse	16	-	-	-
Ultrapure Envirocare Pvt Ltd	Sales	-	816	-	-
TTK Prestige Ltd	Purchases	8,304	-	-	-
	Royalty	1,131	-	-	-

(d) Party-wise Outstanding balances

Entity	Nature of Balances	2022-23		2021-22	
		Receivable	Payable	Receivable	Payable
Poonam Sharma	Remuneration	-	400	-	-
	Rent	-	-	-	45
Dhruv Dinesh Trigunayat	Remuneration	-	563	-	-
D Sharma & Sons (HUF)	Rent	-	216	-	-
Shri Balaji Industries	Purchases	-	-	-	45,450
	Capital Advance	-	-	-	20,000
ION Exchange India Limited	Expenses	-	97	-	-
TTK Prestige Ltd	Purchases	-	860	-	-
	Royalty	-	1,018	-	-

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Poonam Sharma

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36. Contingent Liabilities

The company has not made any provision as at balance sheet date as no litigation and proceedings are pending which may Material effect on the financial position of the company, other than, disputes disclosed as under:

36.1 There is an outstanding demand raised by Income Tax Department for AY 2006-07, 2013-14 of Rs. 1,03,677/- & Rs. 6,03,290/- respectively and company has disputed the same.

36.2 There is an outstanding demand relating to Tax Deducted at Source raised by TRACES for prior years Rs. 2,45,143/- and company has disputed.

37. Capital Commitments:

The estimated amount of contracts remaining to be executed on capital account and not provided for is Nil

38. Segment Reporting

Company is having single segment and therefore no further information is provided in respect of segment Reporting.

39. The Company has not entered into any foreign currency transactions during the period. Hence, no exposure on foreign currency arises. Further, the Company has not entered into any foreign currency or other derivative instruments during the period.

40. Based on the information available, there are no over dues to micro & small enterprises as defined under the definition of Micro, Small, Medium Enterprises Development Act, 2006.

Particulars	31-Mar-23	31-Mar-22
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	115	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of the accounting year.		-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

41.Title deeds of all the immovable properties are held in the name of the Company.

42.The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.

43.No proceedings have been initiated during the year or are pending against the Company as on March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

44. The Company has not been sanctioned any working capital limits in excess of Rs 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets

45.The Company has not accepted any deposit or amounts which are deemed to be deposits

46.The Company has not defaulted on the repayment of any loans or in the payment of interest thereon to any lender.

47.No material uncertainty exists as on the date of the audit report indicating that the 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.

48.Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.

49 There are no amounts due and outstanding to be credited to investor's education and protection fund

50. Company's Risk Management Policy

The Company's activities expose it to a variety of financial risks viz. market risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

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A) Management of liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to treet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions.

As an Practice management accept 50% advance from customer before start of production and after confirmation, the advance amount collected helps the company to manages its cash flow and liquity.

B) Management of market risk

The Company's size and operations result in it being exposed to the market interest rate risks that arise from its use of financial instruments. The interest rate risk may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimizing returns. The Company's exposure is nil as company doesn't have any borrowing which could affect the company.

C) Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instruments fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans given to related parties and project deposits.

Company is not majorily exposed to these risk , as company collects 100% amount before delivering the product to customer, However only credit terms are given for project contracts.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs 15,162 Thousand and Rs 4,966 thousand as of March 31, 2023 and March 31, 2022 respectively, being the total of the carrying amount of balances and Trade receivables, other financial assets and excluding the investments. The Company's exposure to customers is diversified and there is only one customers (Receivable amount- 811 thousand) who contributes to more than 10% of outstanding accounts receivable as of March 31, 2023.

51. The company does not foresee any material loss on its long term contracts. The company does not have any derivative contracts.

52. Company has not traded or invested in Crypto Currency or virtual currency during the financial year.

53. There are no reportable events occuring after the reporting date.

54. 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.

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

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

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

56. The company does not have any 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 provision of the Income Tax Act, 1961).

57. No Scheme of Arrangements has been approved by the competent Authority in terms of section 230 to 247 of the companies Act, 2013.

58. The Company has complied with the number of Layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules,2017.

59. The company is not declared willful defaulter by any bank or financial institutions or other lender

60. During the current year company has not entered any transaction with Struck off companies as notified by MCA

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61. Financial instruments

a. Derivative financial instruments - None

b. Financial instruments by category

The carrying value and fair value of financial instruments by each category as at Mar 31, 2023 were as follows:

	Financial assets/ liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Total carrying value	Total fair value
Asset					
Investments	-	100	-	100	100
Security Deposits	9,074	-	-	9,074	9,074
Trade Receivables	6,088	-	-	6,088	6,088
Cash and cash equivalents	38,111	-	-	38,111	38,111
	53,273	100	-	53,373	53,373
Liabilities					
Deposits	4,500	-	-	4,500	4,500
Lease liabilities	38,579	-	-	38,579	38,579
Trade Payables	35,300				
	78,379	-	-	43,079	43,079

The carrying value and fair value of financial instruments by each category as at Mar 31, 2022 were as follows:

	Financial assets/liabilities at amortised cost	Financial assets/liabilities at FVTPL	Financial assets/liabilities at FVTOCI	Total carrying value	Total fair value
Asset					
Investments		100	-	100	100
Security Deposits	3,007		-	3,007	3,007
Trade Receivables	1,959	-	-	1,959	1,959
Cash and cash equivalents	99,947	-	-	99,947	99,947
	1,04,913	100	-	1,05,013	1,05,013
Liabilities					
Deposits	2,500	-	-	2,500	2,500
Lease liabilities	-			-	-
Trade Payables	48,863			48,863	48,863
	51,363	-	-	51,363	51,363

c. Details of financial assets pledged as collateral- Nil

d. Fair value measurement of financial instruments measured at fair value on recurring basis:

Particulars	Mar 31, 2023			Mar 31, 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets						
Investment	-	-	100	-	-	100

Level 1 - unadjusted quoted prices in active market for identical assets and liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - unobservable outputs for the assets and liabilities

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e. Interest income/(expense), gain/(losses) recognised on financial assets and liabilities

Particulars	Mar 31, 2023	Mar 31, 2022
(a) Financial assets at amortised cost		
Interest income	1,328	88
(b) Financial asset at FVTPL		
Dividend Income	20	15
(c) Financial liabilities at amortised cost		
Interest expenses on lease liabilities	2,382	-

f .Maturitity profile of financial instruments

Particulars	Upto 1 year	1 year - 3 years	More than 3 years	Total
Asset				
Investments	-	-	100	100
Security Deposits	630	1,259	1,118	3,007
Trade Receivables	6,088	-	-	6,088
Cash and cash equivalents	38,111	-	-	38,111
Liabilities				
Deposits	-	-	4,500	4,500
Lease liabilities	7,032	14,432	17,115	38,579
Trade Payables	48,863	-	-	48,863

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No.: 003990S/S200018

PKF SRIDHAR & SANTHANAM LLP
Firm Regn. No.: 003990S/S200018
BANGALORE

Athiyan R
Partner
Membership No. 237588

Place: Bangalore
Date: 20-May-2023

For and on behalf of the Board of Directors of
Ultrafresh Modular Solutions Limited
CIN :U74899DL1992PLC051235

Dhruv Dinesh Trigunayat
Director
DIN:06527045

Mumbai
20-May-23

Poonam Sharma
Director
DIN:00074445

Mumbai
20-May-23

ULTRAFRESH MODULAR SOLUTIONS LTD.
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Ultrafresh Modular Solutions Limited
CIN: U74899DL1992PLC051235
NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

1. CORPORATE INFORMATION

Ultra fresh modular limited ("the Company") was incorporated on 3rd December 1992. the company is an subsidiary company of TTK Prestige ltd (W.e.f FY 22-23). The company is dealing in Business of design, development, sourcing, sales & marketing of Modular Kitchens & Kitchen Appliances. Company is domiciled and incorporated in India having its registered office at C-15L & C-15R, First Floor, Mansarover Garden, New Delhi - 110015.

2. BASIS OF PREPARATION

2.1 Presentation of financial statements

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. For all periods and including the period ended March 31, 2023 the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities which have been measured at fair value (refer accounting policy regarding fair value).

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

All amounts have been rounded-off to the nearest thousands unless otherwise indicated.

2.2 Use of Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described 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 that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Useful lives of property, plant and equipment

The cost of property, plant and equipment are depreciated on a Written down value (WDV) of property, plant and equipment's estimated economic useful lives given in Schedule II of companies act 2013. Management estimates the useful lives of these property, plant and equipment to within the life mentioned under Schedule II of companies act 2013

b) Intangible asset

The cost of Software s are depreciated on Written down value (WDV) basis, considering the useful life as 5 years and Technical Know how is depreciated considering the useful life as 10.42 years on WDV basis

c) Employees benefits plan

The cost of defined benefit gratuity plan as well as the present value of the gratuity obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, expected rates of return of assets, future salary increase and mortality rates. Due to the complexity of the valuation, the underlying assumptions, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d) leases

Identification of lease requires significant judgement. There are lease arrangements which are cancellable only at the option of the lessee which have been recognised as Right of Use Assets and lease liabilities on grounds of materiality and exercisability.

e) Discounting of lease payments and deposits

The lease payments and deposits are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses applicable incremental borrowing rate .

f. Taxation:

Significant judgement is involved in determining the Deffered tax asset for the company which includes forecasting of cashflow of the company which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets is based on the projected cashflows of the company.

g. Provision for Warranty

The estimates for product warranty obligations are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences

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2.2 **Statement of compliance**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act as amended thereto.

2.3 **Functional and presentation currency**

The financial statements are presented in Indian Rupees (INR) which is the currency of the primary economic environment in which the Company operates (the "functional currency"). The values are rounded to the nearest thousands, except where otherwise indicated.

2.4 **Historical cost convention**

The financial statements have been prepared under the historical cost convention on the accrual basis except for certain financial instruments and plan assets of defined benefit plans, which are measured at fair values at the end of each reporting period as explained in the accounting policies below.

2.5 **Use of Estimates and Judgements**

In the application of the Company's accounting policies, the Management of the Company are required to make judgments. The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis at each balance sheet date. 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 and future periods.

2.6 **First Time Adoption of Ind AS**

This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April, 2020 and the financial statements as at and for the year ended 31st March 2021.

2.7 **Fair Value Measurement**

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

• In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are 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

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

At each reporting date, the company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed in line with the Company's accounting policies. For this analysis, the company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

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

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2.8 **Revenue Recognition**

Performance obligation and transaction price (Fixed and variable)

At inception of the contract, the Company assesses the goods or services promised in a contract with a customer and identifies each promise to transfer to the customer as a performance obligation which is either:

(a) a goods or services (or a bundle of goods or services) that is distinct; or

(b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer

Performance obligation is satisfied at a point of time as the contract doesn't create a right for entity to recover the amount for the work completed up to the date of cancellation of contract other than to forfeit the amount which is already received as an advance under the contract.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of sale of products and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of the outflow. Revenue is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

a) Sale of product

The Company recognises revenue on the sale of products, net of discounts, sales incentives and rebates granted when control of the goods is transferred to the customer.

The performance obligation in case of sale of products is satisfied at a point of time i.e. on completion of each performance obligation i e

1) When the design services are completed

2) When the goods are shipped to the customer or on delivery to the customer,

3) When the installation services is completed

4) or any other performance obligation as may be specified in the contract.

Control is considered to be transferred to customer when customer has ability to direct the use of such goods, obtain substantially all the benefits and bears all risks in respect of such goods.

Accumulated experience is used to estimate and accrue for the discounts and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognised where payments are received from the customers before transferring control of the goods being sold

b) Revenue from rendering of Design services

Revenue from sale of design service is recognised, when it is reasonably certain that the significant reversal will not happen in future.

c) Interest Income

Under Ind-AS 109 interest income is recognised using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and fair value through other comprehensive income (FVOCI). The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider expected credit losses

Interest on income tax refund is recognised as and when received.

d) Dividend Income

Dividend income from investments is accounted for when the right to receive the payment is established.

e) Rental income:

Rental income is accounted for on accrual basis.

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2.9 **Income tax**

The income tax expense or credit for the year ended is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses.

(I) Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situatinns in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

(ii) Deferred Tax

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, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. 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 liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

2.10 **Leases**

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Company as lessee-

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

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Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

2.11 Financial Instrument

(i) Date of recognition

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument

(ii) Initial measurement of financial instruments

Recognised financial instruments are initially measured at transaction price, which equates fair value. Financial liabilities, that are contractually obligated, are measured at fair values determined based on discounting the cash flows at market observable yields from highly rated identical assets.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities 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 and loss are recognised immediately in statement of profit and loss.

(iii) Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

• Amortised cost,
• Fair value through other comprehensive income (FVOCI),
• Fair value through profit and loss (FVTPL)

Financial liabilities, other than loan commitments and financial guarantees, are measured at FVTPL when they are derivative instruments or the fair value designation is applied.

2.12 Financial Assets And Liabilities

Financial assets

Based on the business model, the contractual characteristics of the financial assets and specific elections where appropriate, the Company classifies and measures financial assets in the following categories:

- Amortised cost
- Fair value through other comprehensive income ('FVOCI')
- Fair value through profit and loss ('FVTPL')

(a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows ('Asset held 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 ('SPPI') on the principal amount outstanding.

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After initial measurement and based on the assessment of the business model as asset held to collect contractual cash flows and SPPI, such financial assets are subsequently measured at amortised cost using effective interest rate ('EIR') method. Interest income and impairment expenses are recognised in statement of profit and loss. Interest income from these financial assets is included in finance income using the EIR method. Any gain and loss on derecognition is also recognised in statement of profit and loss.

The EIR method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period. The EIR is the rate that exactly discounts estimated future cash flows (including all fees paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(b) Financial assets at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ('Contractual cash flows of assets collected through hold and sell model') and contractual cash flows that are SPPI, are subsequently measured at FVOCI. Movements in the carrying amount of such financial assets are recognised in Other Comprehensive Income ('OCI'), except dividend income which is recognised in statement of profit and loss. Amounts recorded in OCI are not subsequently transferred to the statement of profit and loss. Equity instruments at FVOCI are not subject to an impairment assessment.

(c) Financial assets at fair value through profit or loss

Financial assets, which do not meet the criteria for categorisation as at amortised cost or as FVOCI, are measured at FVTPL. Subsequent changes in fair value are recognised in statement of profit and loss

2.13 Derecognition Of Financial Assets And Liabilities

a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

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

- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI, is recognised in statement of profit and loss.

b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where 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 a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

2.14 Impairment Of Financial Asset

Overview of the Expected credit loss (ECL) principles

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The ECL allowance is based on the credit losses expected to arise over the life of the asset, unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12 month ECL). The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

2.15 Cash And Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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2.16 Property, Plant And Equipment

Property, plant and equipment ("PPE") are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE 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 and other incidental expenses. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.

PPE is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Depreciation is calculated using the written down value method.

2.17 Intangible assets:

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.
Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is derecognized.
Technical Knowhow is amortised @25% at Written down value (WDV) basis.

2.18 Investment Property:

Initial Recognition

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

Derecognition

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

2.19 **Foreign Currency Transactions**

•Initial Recognition: On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

•Subsequent Recognition: As at the reporting date, nonmonetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All nonmonetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were fair value measured. All monetary assets and liabilities in foreign currency are restated at the end of accounting period.

2.20 **Inventory**

Inventories are valued at the lower of cost (computed on a Weighted average basis) or net realizable value. Cost includes the cost of purchase including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts, rebates and benefits are deducted in determining the cost of purchase. Net realizable value represents the estimated selling price for the inventories less all estimated costs of completion and costs necessary to make the sale.

Finished goods and Work in Progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition

2.21 **Provisions, Contingent Liabilities and Contingent Assets**

General: 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.

Warranty: Provisions for warranty-related costs are recognized when the goods are sold to the customer. Initial recognition is based on historical information on Nature, frequency and average cost of warranty claim and management estimates regarding possible incidences . The initial estimate of warranty related costs is revised/remeasured annually.

2.22 **Employee Benefits**

Defined Contribution plan (Provident fund):

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognized as an expense in the Statement of Profit and Loss. The contributions as specified under the law are paid to the provident fund set up by respective Regional Provident fund commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognizes such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the employee.

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Defined Benefit Plan

The Company makes annual contributions to gratuity funds administered by a policy Life Insurance Corporation through premium paid to such policy. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. Re-measurement, comprising actuarial gains and losses ,the effect of the changes to the asset ceiling (if applicable)and the return on plan assets (excluding net interest),is reflected immediately in the Balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognized in Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows

•Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);

•Net interest expense or income; and

•Remeasurement:

The Company presents the first two components of defined benefit costs in Statement Profit and Loss in the line item "Employee Benefits Expenses". Curtailment gains and losses are accounted for as past service costs.

The defined benefit obligation recognized in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

•Compensated Absences:

The Company has a scheme for leave encashment. The Company encourages the employees to avail the leave within 2 year . The unavailed leave for the year lapses on expiry of 2 years.

•Other Employee Benefits:

Other benefits, comprising of Leave Travel Allowances, are determined on an undiscounted basis and recognized based on the likely entitlement thereof. No such scheme

•Termination Benefits:

A liability for a termination benefit is recognized at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognizes any related restructuring costs.

2.23 Earning Per Share

Basic earnings per share is calculated by dividing:

• the profit attributable to owners of the Company

• by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

• the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

• the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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