

# AMS & CO.

## CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLATINUM INDUSTRIES LIMITED (Formerly known as Platinum Industries Private Limited)

#### Report on the Audit of the Interim Standalone Financial Statements

##### Opinion

We have audited the accompanying interim standalone financial statements of PLATINUM INDUSTRIES LIMITED (the "Company"), which comprise the Balance Sheet as at September 30, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "interim standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard 34 "Interim financial Reporting" ("IndAS 34") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit/(loss), total comprehensive income/(loss), changes in equity and its cash flows for the period ended on that date.

##### Basis for Opinion

We conducted our audit of the interim standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the interim standalone 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 interim standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the interim standalone financial statements.

##### Responsibilities of Management and Those Charged with Governance for the Interim Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these interim standalone





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financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 interim standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Interim Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the interim standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these interim standalone 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 interim standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**302, Rainbow Chamber, Near MTNL Tel. Exchange, S.V. Road, Kandivali (W.), Mumbai - 400 067**

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

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

We also 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.

For A M S & Co.

Chartered Accountants

Firm Reg No: 130878W



Ashok Kumar Puri

Partner

Mem. No. : 128996

UDIN: 23128996BGQYQJ4720



Date: 17<sup>th</sup> November, 2023

Place: Mumbai

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES

		(Rs. in Millions)	
Particulars	Note No.	As at September 30, 2023	As at March 31, 2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	3	147.95	146.55
Capital Work-in-progress	3A	41.29	31.41
Right to use assets	4	25.65	18.24
Financial assets			
Investments	5	106.20	109.60
Other financial assets	6	5.48	4.36
Deferred Tax Assets (Net)	17	1.88	2.07
		<b>328.45</b>	<b>312.23</b>
<b>CURRENT ASSETS</b>			
Inventories	7	148.35	175.83
Financial assets			
Trade receivables	8	364.21	332.92
Cash and cash equivalents	9	10.43	17.29
Bank Balance other than Cash and cash equivalents	10	241.96	92.56
Loans	11	-	-
Other financial assets	12	0.57	2.10
Other Current Assets	13	45.51	49.17
		<b>811.03</b>	<b>669.87</b>
		<b>1,139.48</b>	<b>982.10</b>
<b>Total Assets</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	14	402.53	402.53
Other Equity		410.48	177.17
Total Equity		<b>813.01</b>	<b>579.70</b>
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	15	4.71	10.44
Lease Liabilities	16	14.81	11.03
Deferred Tax Liabilities (Net)	17	-	-
Provisions	18	4.69	5.65
		<b>24.21</b>	<b>27.12</b>
<b>CURRENT LIABILITIES</b>			
Financial liabilities			
Borrowings	19	69.87	163.85
Lease Liabilities	16	8.52	5.02
Trade Payables	20		
Total outstanding dues to micro enterprise and small enterprise		17.57	3.56
Total outstanding dues to creditors other than micro enterprise and small enterprise		123.06	125.19
Other Financial Liabilities	21	35.26	26.68
Other Current Liabilities	22	3.13	0.03
Provisions	23	3.91	6.34
Current Tax Liabilities (Net)	24	40.94	44.61
		<b>302.26</b>	<b>375.28</b>
		<b>1,139.48</b>	<b>982.10</b>
<b>Total Equity and Liabilities</b>			

Significant accounting policies  
Notes to the Standalone Ind AS financial statements

As per our report of even date


For AMS & Co.  
Chartered Accountants  
Firm's Registration Number : 130878W  
  
Ashok Kumar Puri  
(Partner)  
Membership No. 128996



Place : Mumbai  
Date : 17th November, 2023


For and on behalf of the Board of Directors  
PLATINUM INDUSTRIES LIMITED

Krishna Rana  
Chairman & Managing Director  
DIN : 02071912

  
Narendra Raval  
Chief Financial Officer

Place : Mumbai  
Date : 17th November, 2023

  
Parul Rana  
Director  
DIN : 07546822

  
Krishnan Bhalaji  
Chief Executive Officer

  
Bhagyashree Mallawat  
Company Secretary  
A51488



STANDALONE STATEMENT OF PROFIT AND LOSS

		(Rs. in Millions)	
Particulars	Note No	Period ended September 30, 2023	Year ended March 31, 2023
<b>INCOME</b>			
Revenue from Operations	25	1,198.14	2,342.08
Other Income	26	4.59	5.86
<b>Total Income</b>		<b>1,202.73</b>	<b>2,347.94</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	27	668.42	1,189.37
Purchases of Stock-in-Trade		42.07	286.87
Changes in inventories of Finished Goods and Stock -in- process	28	(1.27)	(11.44)
Employee Benefits Expenses	29	44.54	73.23
Finance Costs	30	13.67	19.95
Depreciation and Amortisation Expense	31	8.52	11.12
Other Expenses	32	120.62	287.54
<b>Total Expenses</b>		<b>896.57</b>	<b>1,856.64</b>
<b>Profit Before Tax</b>		<b>306.16</b>	<b>491.30</b>
<b>Tax Expenses</b>			
Current Tax		77.50	129.36
Deferred Tax Expense/(Credit)		(1.02)	(0.01)
<b>Profit for the Year (A)</b>		<b>229.68</b>	<b>361.96</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
- Remeasurement of post employment benefit obligation		4.83	-2.33
- Income tax effect on above		-1.21	0.59
<b>Other comprehensive income for the year, net of tax (B)</b>		<b>3.62</b>	<b>(1.74)</b>
<b>Total comprehensive income for the year (A+B)</b>		<b>233.30</b>	<b>360.21</b>
<b>Earnings per share (of Rs. 1 each)</b>	33		
- (in Rs.) Basic		5.71	9.00
- (in Rs.) Diluted		5.71	9.00
(not annualised for the period ended 30th September, 2023)			
Significant accounting policies	1-2		
Notes to the Standalone Ind AS financial statements	3-50		

As per our report of even date

For AMS & Co.  
Chartered Accountants  
Firm's Registration Number : 130878W

  
Ashok Kumar Puri  
(Partner)  
Membership No. 128996

Place : Mumbai  
Date : 17th November, 2023



For and on behalf of the Board of Directors  
PLATINUM INDUSTRIES LIMITED

Krishna Rana  
Chairman & Managing Director  
DIN : 02071912


  
Narendra Raval  
Chief Financial Officer

  
Krishnan Bhalaji  
Chief Executive Officer

Place : Mumbai  
Date : 17th November, 2023



  
Parul Rana  
Director  
DIN : 07546822

  
Bhagyashree Mallawat  
Company Secretary  
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STANDALONE CASH FLOW STATEMENT

	(Rs. In Millions)	
PARTICULARS	Period ended September 30, 2023	Year ended March 31, 2023
<b>A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit before tax as per Statement of Profit and Loss	306.16	491.30
<b>Adjustment for :</b>		
Depreciation and amortisation	8.52	11.12
Loss on sale / discard of fixed assets	-	-
Interest income	(4.73)	(4.42)
Share of Profit / (Loss) in Partnership Firm	3.39	4.83
Finance Cost	13.67	19.95
Provision for expected credit loss	3.08	1.36
Consultancy and Management fees (Share based payments)	-	-
Notional interest on financial assets carried at amortised cost	(0.11)	(0.14)
Gain / (loss) on discontinuing leasehold premises	-	-
Unrealised foreign exchange gain / loss	(0.94)	(0.58)
<b>Operating profit before working capital changes</b>	<b>329.04</b>	<b>523.44</b>
<b>Adjusted for :</b>		
Increase/Decrease in Trade Receivables	(33.64)	111.11
Increase/Decrease in Inventories	27.48	(20.94)
Increase/Decrease in Other financial assets	0.40	7.95
Increase/Decrease in Other Assets	3.67	30.18
Increase/Decrease in Trade Payables	12.09	(142.22)
Increase/Decrease in Other financial liabilities	8.59	0.62
Increase/Decrease in Other Liabilities	3.10	(0.55)
Increase/Decrease in Provisions	1.43	1.09
<b>Cash generated from operations</b>	<b>352.16</b>	<b>510.68</b>
Direct Taxes paid (incl TDS net off refund recd)	(81.16)	(122.45)
<b>Net cash from operating activities (A)</b>	<b>271.00</b>	<b>388.24</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property Plant and equipment (including Capital Work in Progress)	(14.73)	(120.52)
Leasehold improvements	(1.08)	(2.15)
Sales of Property Plant and equipment	-	-
Investment in Subsidiary	0.00	(114.23)
Loans	-	4.60
Bank Balance other than Cash and cash equivalents	(149.40)	(51.45)
Interest received	4.73	4.42
<b>Net cash used in investing activities (B)</b>	<b>(160.48)</b>	<b>(279.34)</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Distribution of Profits	-	-
Interest Paid	(12.76)	(18.56)
Payment of Lease liabilities	(4.91)	(5.88)
Proceeds from long-term borrowings	8.00	8.42
Repayment of long-term borrowings	(13.53)	(1.91)
Proceeds from / Repayment of short-term borrowings (net)	(94.18)	(74.63)
<b>Net cash used in / (from) financing activities (C)</b>	<b>(117.38)</b>	<b>(92.57)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(6.86)</b>	<b>16.33</b>
Cash & Cash Equivalents (Opening Balance)	17.29	0.96
Cash & Cash Equivalents (Closing Balance)	<b>10.43</b>	<b>17.29</b>



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STANDALONE CASH FLOW STATEMENT

(Rs. In Millions)

The above Cash Flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS-7) on "Cash Flow Statements" as notified by the Companies (Accounting Standard) Rules, 2006.

Significant accounting policies

1-2

Notes to the Standalone Ind AS financial statements

3-50

As per our report of even date

For AMS & Co.

Chartered Accountants

Firm's Registration Number : 130878W



Ashok Kumar Puri  
(Partner)

Membership No. 128996

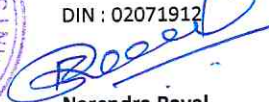
Place : Mumbai

Date : 17th November, 2023



For and on behalf of the Board of Directors  
PLATINUM INDUSTRIES LIMITED

Krishna Rana  
Chairman & Managing Director  
DIN : 02071912



Narendra Raval  
Chief Financial Officer

Place : Mumbai

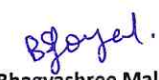
Date : 17th November, 2023



  
Krishnan Bhalaji  
Chief Executive Officer



Parul Rana  
Director  
DIN : 07546822

  
Bhagyashree Mallawat  
Company Secretary  
A51488

## STATEMENT OF CHANGES IN EQUITY

## A) Equity share capital

Particulars	Number	Rs. in Millions
Balance as at the 31 March 2022	10,52,645	10.53
Changes in equity share capital for the Year ended 31 March 2023	3,92,00,303	392.00
Balance as at the 31 March 2023	4,02,52,948	402.53
Changes in equity share capital for the period ended 30 September 2023	-	-
Balance as at the 30 September 2023	4,02,52,948	402.53

## B) Other equity

Particulars	Securities Premium	Reserves and surplus	Other comprehensive income	Total Other Equity
		Retained Earnings	Remeasurement of post employment benefit obligation (net of taxes)	
Balance as at 31 March 2022	-	190.80	0.05	190.85
On issue of shares for a consideration other than cash	17.81			17.81
On issue of bonus shares		(391.70)		(391.70)
Total comprehensive Income/(Loss) for the period	-	361.96	(1.74)	360.21
Balance as at 31 March 2023	17.81	161.06	(1.69)	177.17
Total comprehensive Income/(Loss) for the period	-	229.68	3.62	233.31
Balance as at 30 September 2023	17.81	390.74	1.93	410.48

Significant accounting policies

Notes to the Standalone Ind AS financial statements

1-2

3-50

As per our report of even date attached

For AMS &amp; Co.

Chartered Accountants

Firm's Registration Number : 130878W

Ashok Kumar Puri  
(Partner)

Membership No. 128996

Place : Mumbai

Date : 17th November, 2023

For and on behalf of the Board of Directors  
PLATINUM INDUSTRIES LIMITEDKrishna Rana  
Chairman & Managing Director  
DIN : 02071912Narendra Raval  
Chief Financial OfficerParul Rana  
Director  
DIN : 07546822Krishnan Bhalaji  
Chief Executive OfficerBhagyashree Mallawat  
Company Secretary  
A51488

Place : Mumbai

Date : 17th November, 2023

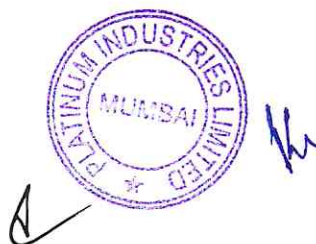


Notes to the Standalone Ind AS financial statements

Note 3 : Property, plant and equipment & Capital work-in-progress

(Rs. in Millions)

Particulars	Land	Plant & Machinery	Motor Car	Office Equipments	Computer	Total
<b>Cost or deemed cost (gross carrying amount):</b>						
Balance as at 31 March 2022	-	37.95	12.07	1.09	1.19	52.30
Additions	79.66	16.36	9.83	0.73	0.64	107.22
Disposals	-	-	-	-	-	-
Balance as at 31 March 2023	79.66	54.31	21.90	1.82	1.83	159.52
Additions	-	2.91	1.27	0.29	0.39	4.85
Disposals	-	-	-	-	-	-
Balance as at 30 September 2023	79.66	57.22	23.17	2.11	2.22	164.37
<b>Accumulated depreciation</b>						
Balance as at 31 March 2022	-	3.93	2.89	0.50	0.59	7.92
Depreciation for the year	-	2.10	2.29	0.27	0.39	5.05
Deletions / Adjustments	-	-	-	-	-	-
Balance as at 31 March 2023	-	6.03	5.18	0.77	0.98	12.97
Depreciation for the period	-	1.31	1.71	0.18	0.25	3.46
Deletions / Adjustments	-	-	-	-	-	-
Balance as at 30 September 2023	-	7.35	6.89	0.95	1.23	16.42
<b>Carrying amounts (net)</b>						
At 31 March 2023	79.66	48.28	16.72	1.04	0.85	146.55
As at 30 September 2023	79.66	49.87	16.28	1.15	0.98	147.95



PLATINUM INDUSTRIES LIMITED (Formerly known as PLATINUM INDUSTRIES PRIVATE LIMITED)  
CIN - U24299MH2020PLC341637

Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

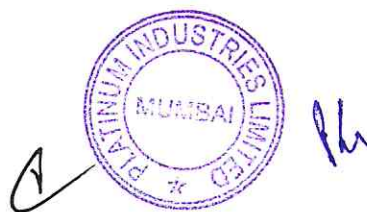
Note 3A : Capital Work-in-Progress

Particulars	As at September 30, 2023	As at March 31, 2023
Projects in progress	41.29	31.41
	41.29	31.41

Capital Work-in-Progress aging schedule

Particulars	Amount in CWIP for a period of				As at 30th September 2023
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	9.88	31.41	-	-	41.29
Total	9.88	31.41	-	-	41.29

Particulars	Amount in CWIP for a period of				As at 31st March 2023
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Projects in progress	31.41	-	-	-	31.41
Total	31.41	-	-	-	31.41





Notes to the Standalone Ind AS financial statements

Note 4 : Right to use assets

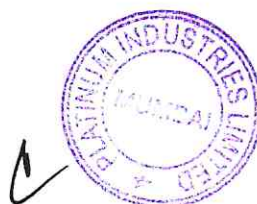
(Rs. in Millions)

Particulars	Leasehold Premises	Leasehold Improvements	Total
<b>Cost or deemed cost (gross carrying amount):</b>			
Balance as at 31 March 2022	26.01	2.88	28.89
Additions	-	2.15	2.15
Disposals	-	-	-
Balance as at 31 March 2023	26.01	5.03	31.04
Additions	11.40	1.08	12.48
Disposals	-	-	-
Balance as at 30 September 2023	37.41	6.11	43.52
<b>Accumulated amortisation expenses</b>			
Balance as at 31 March 2022	6.01	0.72	6.73
Amortisation expenses	5.30	0.77	6.07
Disposals/Adjustments	-	-	-
Balance as at 31 March 2023	11.31	1.49	12.80
Amortisation expenses	4.55	0.52	5.07
Disposals/Adjustments	-	-	-
Balance as at 30 September 2023	15.86	2.01	17.87
<b>Carrying amounts (net)</b>			
At 31 March 2023	14.70	3.54	18.24
As at 30 September 2023	21.55	4.10	25.65



Notes to the Standalone Ind AS financial statements

		(Rs. in Millions)	
Note	Particulars	As at September 30, 2023	As at March 31, 2023
5	<b>Investments</b>		
	19,990 (P.Y.19,990 ) equity shares of Platinum Global Additives Pvt. Ltd.	0.20	0.20
	1,49,990 (P.Y.Nil ) equity shares of Platinum Oleo Chemicals Pvt. Ltd.	1.50	1.50
	M/s. Platinum Polymers & Additives (Partnership firm)	91.77	95.17
	Platinum Stabilizers Egypt LLC	12.73	12.73
	<b>TOTAL</b>	<b>106.20</b>	<b>109.60</b>
	<b>Details of partnership firm - M/s. Platinum Polymers &amp; Additives</b>		
	<b>Partners (PSR)</b>		
	Platinum Industries Pvt. Ltd. (60%)	91.77	95.17
	Misal Pravin Jain (13.33%)	25.17	25.93
	Manila Jain (13.34%)	34.67	35.43
	Bela R Jain (13.33%)	34.67	35.43
6	<b>OTHER FINANCIAL ASSETS</b>		
	<i>Unsecured, Considered good</i>		
	Receivable from Govt. authorities	-	-
	Advance against Land *	-	-
	Security Deposits	5.48	4.36
	<b>TOTAL</b>	<b>5.48</b>	<b>4.36</b>
	* includes stamp duty and registration charges		
7	<b>INVENTORIES</b>		
	Raw Materials	109.04	145.33
	Work-in-process	3.41	4.91
	Finished goods	28.03	24.42
	Stock in Trade	-	0.83
	Consumables	0.57	0.35
	Goods in transit	7.31	
	<b>TOTAL</b>	<b>148.35</b>	<b>175.83</b>
8	<b>TRADE RECEIVABLES</b>		
	Considered Good - Unsecured	377.36	342.98
	Less : Provision for expected credit loss	13.15	10.06
	<b>TOTAL</b>	<b>364.21</b>	<b>332.92</b>
9	<b>CASH AND CASH EQUIVALENTS</b>		
	<b>Balances with banks</b>		
	- In Current Account	9.69	17.24
	<b>Cash in hand</b>	0.74	0.05
	<b>TOTAL</b>	<b>10.43</b>	<b>17.29</b>
10	<b>BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS</b>		
	<b>Balances with banks</b>		
	- In Fixed Deposit Account*	241.96	92.56
	<b>TOTAL</b>	<b>241.96</b>	<b>92.56</b>
	* includes Rs. 4.32 millions (31.03.2023 : Rs. 6.48 millions) lien against bank guarantee		
	* includes Rs. 32.00 millions (31.03.2023 : Rs. 32.00 millions) as collateral to Bank of Maharashtra		
	* includes Rs. 15.00 millions (31.03.2023 : Rs. 15.00 millions) lien against overdraft facility and for Forward, TOM & SPOT to Kotak Mahindra Bank Ltd.		



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Notes to the Standalone Ind AS financial statements

		(Rs. in Millions)	
Note	Particulars	As at September 30, 2023	As at March 31, 2023
11	<b>LOANS</b>		
	<i>Unsecured, considered good</i>		
	Inter-Corporate Deposits (to Subsidiary)	-	-
	<b>TOTAL</b>	<b>-</b>	<b>-</b>
12	<b>OTHER FINANCIAL ASSETS</b>		
	<i>Unsecured, considered good</i>		
	Export Incentive Receivable & licences	0.57	2.10
	<b>TOTAL</b>	<b>0.57</b>	<b>2.10</b>
13	<b>OTHER CURRENT ASSETS</b>		
	<i>Unsecured, considered good</i>		
	Advance to suppliers	22.97	15.80
	Prepaid Expenses	1.53	2.15
	Share issue expenses	19.10	8.82
	Balance with Government Authorities	1.74	22.27
	Other advances / receivables	0.17	0.13
	<b>TOTAL</b>	<b>45.51</b>	<b>49.17</b>
15	<b>LONG TERM BORROWINGS</b>		
	<b>Secured Loans</b>		
	<b>Vehicle Loans</b>		
	From Banks & Financial Institutions	7.17	12.70
	Less : Current maturity	(2.46)	(2.26)
		<b>4.71</b>	<b>10.44</b>
	<b>TOTAL</b>	<b>4.71</b>	<b>10.44</b>

**Vehicle loans from Banks & Financial Institutions**

Vehicle Loan from HDFC Bank Ltd. amounting to Rs. 7.17 Millions (Rs. Nil as at 31.03.2023) carries interest rate ranging at 9.96%. The loan is secured by car financed. The tenure of loan is of 36 months. Repayment of the loan has commenced from June, 2023.

Vehicle Loan from HDFC Bank Ltd. amounting to Rs. Nil (Rs. 7.68 Millions as at 31.03.2023) carries interest rate ranging at 8.28%. The loan is secured by car financed. The tenure of loan is of 55 months. Repayment of the loan has commenced from July, 2022.

Vehicle Loan from BMW Financial Services amounting to Rs. Nil (Rs. 4.47 Millions as at 31.03.2023) carries interest rate ranging at 9.90%. The loan is secured by car financed. The tenure of loan is of 48 months. Repayment of the loan has commenced from March 2021.

Vehicle Loan from HDFC Bank Ltd. amounting to Rs. Nil (Rs. 0.55 Millions as at 31.03.2023) carries interest rate ranging at 9.52%. The loan is secured by car financed. The tenure of loan is of 55 months. Repayment of the loan has commenced from December 2019.

Vehicle Loan from HDFC Bank Ltd. amounting to Rs. Nil (Rs. Nil as at 31.03.2023) carries interest rate ranging at 9.10%. The loan is secured by car financed. The tenure of loan is of 60 months. Repayment of the loan has commenced from August 2018.

16 **LEASE LIABILITIES**

Non-Current	14.81	11.03
Current	8.52	5.02
<b>TOTAL</b>	<b>23.33</b>	<b>16.05</b>





Notes to the Standalone Ind AS financial statements

		(Rs. in Millions)	
Note	Particulars	As at September 30, 2023	As at March 31, 2023
17	<b>DEFERRED TAX LIABILITIES / (ASSETS) (NET)</b>		
	<b>(a) Deferred Tax Liability</b>		
	Related to Property, Plant and Equipment	3.29	3.09
		3.29	3.09
	<b>(b) Deferred Tax Assets</b>		
	Provision for Expected Credit Loss	3.31	2.53
	Carry forward of losses & 35D	-	-
	Right of Use Assets	0.50	0.43
	Amortisation of security deposits	0.03	0.01
	Disallowance under Section 43B of the Income Tax Act, 1961	1.33	2.19
		5.17	5.16
	<b>TOTAL</b>	<b>-1.88</b>	<b>-2.07</b>
18	<b>PROVISIONS</b>		
	<b>Provision for Employee Benefits</b>		
	Gratuity	4.39	5.27
	Leave Encashment	0.30	0.38
	<b>TOTAL</b>	<b>4.69</b>	<b>5.65</b>
19	<b>BORROWINGS</b>		
	<b>Secured Loans</b>		
	Cash credit facility from bank	7.81	36.29
	<b>Unsecured Loans</b>		
	Inter-Corporate Deposits		
	- From Related Parties	59.60	125.30
	- Others	-	-
	Current Maturities of long-term Borrowings	2.46	2.26
	<b>TOTAL</b>	<b>69.87</b>	<b>163.85</b>

**Cash credit facility**

Cash Credit Facility from Bank of Maharashtra amounting to Rs. 7.81 Millions (Rs. 36.29 Millions as at 31.03.2023, Rs.73.74 Millions as at 31.03.2022, Nil as at 01.04.2021) carries interest rate of 8.80% p.a. The Credit facility is Secured by hypothecation of Raw Materials, Stock In Process, Finished Goods, Books Debts, and mortgage of Bunglow No. 31 , Building type E 11, Dariyalal CHS, Silver Sand Bunglows, Juhu Tara Road, Juhu, Mumbai 400 049, personal guarantee of directors of the company and FDR of Rs 320 Millions as collateral.

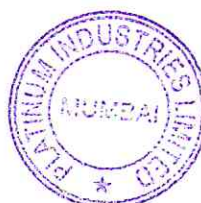
The following is the summary of the differences between Current Assets declared with Bank of Maharashtra and as per Audited financial statements as at 30.09.2023:

Particulars	As per Balance Sheet
Inventory	148.35
Trade Receivable	355.29
Trade Payable ( For Raw Materials)	91.62

Note : The statement of current assets and liabilities submitted with bank was on the basis of unaudited financials. Differences were mainly due to subsequent accounting and reconciliation related to period ended 30th September, 2023.



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Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

Note	Particulars	As at September 30, 2023	As at March 31, 2023
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The following is the summary of the differences between Current Assets declared with Bank of Maharashtra and as per Audited financial statements as at 31.03.2023:

Particulars	As per Balance Sheet
Inventory	175.83
Trade Receivable	308.48
Trade Payable ( For Raw Materials)	89.46

Note : The statement of current assets and liabilities submitted with bank was on the basis of unaudited financials. Differences were mainly due to subsequent accounting and reconciliation related to year ended 31st March, 2023.

**Over Draft facility**

Over Draft Facility from Kotak Mahindra Bank Ltd. amounting to Rs. Nil /-(PY Rs Nil/-) carries interest rate of FD rate plus 1% p.a. The Credit facility is secured against FDR of Rs 13 Millions as collateral.

**Unsecured Loans**

**- From Related Parties**

Rs. 59.60 millions (Rs. 125.30 Millions as at 31.03.2023) carries interest rate of 10.00% p.a. The Loans are unsecured in nature and repayable on demand.

**20 TRADE PAYABLES**

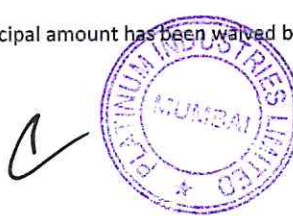
a) Dues to Micro and Small Enterprises	17.57	3.56
b) Dues to others	123.06	125.19
<b>TOTAL</b>	<b>140.63</b>	<b>128.74</b>

\*Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of amounts payable to such enterprises as at March 31, 2022 has been made based on the information available with the Company. The Company has not received any claim for interest from any supplier under this Act. The information has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on such information provided by the Management.

Particulars	As at September 30, 2023	As at March 31, 2023
The principal amount remaining unpaid to any supplier as at the end of accounting year;	17.57	3.56
The interest due and remaining unpaid to any supplier as at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
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 to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Interest paid or payable by the Company on the aforesaid principal amount has been waived by the concerned suppliers.



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Notes to the Standalone Ind AS financial statements

		(Rs. in Millions)	
Note	Particulars	As at September 30, 2023	As at March 31, 2023
<b>21</b>	<b>OTHER FINANCIAL LIABILITIES</b>		
	Interest accrued but not due	16.15	11.59
	Statutory Dues Payable	13.80	10.53
	Payable to employees	4.87	4.17
	Creditors for Capital Goods	-	-
	Other payables	0.45	0.39
	<b>TOTAL</b>	<b>35.26</b>	<b>26.68</b>
<b>22</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Advance from Customers	3.13	0.03
	<b>TOTAL</b>	<b>3.13</b>	<b>0.03</b>
<b>23</b>	<b>PROVISIONS</b>		
	Provision for expenses	3.31	3.28
	<b>Provision for employee benefits</b>		
	-Gratuity	0.57	3.02
	-Leave Encashment	0.03	0.04
	<b>TOTAL</b>	<b>3.91</b>	<b>6.34</b>
<b>24</b>	<b>CURRENT TAX LIABILITIES (NET)</b>		
	Provision for Income Tax	40.94	44.61
	<b>TOTAL</b>	<b>40.94</b>	<b>44.61</b>



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Notes to the Standalone Ind AS financial statements

14 Equity Share Capital

a. Details of Authorised, Issued and Subscribed Share Capital

Particulars	As at September 30, 2023	As at March 31, 2023
<b>Authorised Capital</b> 6,00,00,000 Equity Shares of Rs.10/- each (31.03.2023 : 6,00,00,000)	600.00	600.00
<b>Issued, Subscribed and Paid up</b> 4,02,52,948 Equity Shares of Rs.10/- each (31.03.2023 : 4,02,52,948)	402.53	402.53
	<b>402.53</b>	<b>402.53</b>

b. Terms & Conditions

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

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

c. Reconciliation of number of shares

Particulars	As at September 30, 2023		As at March 31, 2023	
	Number	Rs. In Millions	Number	Rs. In Millions
Shares outstanding at the beginning of the year*	4,02,52,948	402.53	10,52,645	10.53
Shares Issued during the year / period for a consideration other than cash	-	-	30,777	0.31
Bonus Shares Issued during the year / period	-	-	3,91,69,526	391.70
Shares redeemed during the year / period	-	-	-	-
<b>Total</b>	<b>4,02,52,948</b>	<b>402.53</b>	<b>4,02,52,948</b>	<b>402.53</b>

\* Equivalent number of shares of erstwhile LLP

d. Details of shares held by promoter

Particulars	As at September 30, 2023		As at March 31, 2023	
	Number	%	Number	%
Parul Rana	1,36,44,150	33.90	1,36,44,150	33.90
Krishna D Rana	2,53,42,880	62.96	2,53,42,980	62.96
<b>Total</b>	<b>3,89,94,830</b>	<b>96.87</b>	<b>3,89,94,930</b>	<b>96.87</b>

e. Shareholders having more than 5 % shareholding

Name of Shareholder	As at September 30, 2023		As at March 31, 2023	
	No of Equity shares held	%	No of Equity shares held	%
Parul Rana	1,36,44,150	33.90	1,36,44,150	33.90
Krishna D Rana	2,53,42,880	62.96	2,53,42,980	62.96



Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

Note	Particulars	Period ended September 30, 2023	Year ended March 31, 2023
<b>25</b>	<b>REVENUE FROM OPERATION</b>		
	Sale of products*	1,197.08	2,340.56
	Other Operating Revenue - Export incentives/benefits	1.06	1.52
	<b>TOTAL</b>	<b>1,198.14</b>	<b>2,342.08</b>
	* Industrial Chemical & related products		
<b>26</b>	<b>OTHER INCOME</b>		
	Gain on foreign exchange fluctuation	3.10	5.88
	Interest on Fixed Deposits	4.73	2.54
	Interest on intercorporate deposits	-	1.88
	Interest on VAT refund	-	-
	Liabilities no longer required written back	-	-
	Share of Profit / (Loss) in Partnership Firm	-3.39	-4.83
	Miscellaneous income	0.03	0.26
	Notional interest on financial assets carried at amortised cost	0.11	0.14
	Gain / (loss) on discontinuing leasehold premises	-	-
	<b>TOTAL</b>	<b>4.59</b>	<b>5.86</b>
<b>27</b>	<b>COST OF MATERIALS CONSUMED</b>		
	Opening stock of raw materials	145.33	135.44
	Add: Purchases	632.12	1,199.25
	Less: Closing Stock of raw materials	109.04	145.33
	<b>TOTAL</b>	<b>668.42</b>	<b>1,189.37</b>
<b>28</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK -IN- PROCESS</b>		
	At the beginning of the year		
	Finished Goods	24.42	13.25
	Stock-in- process	4.91	1.24
	Stock in Trade	0.83	4.24
		30.16	18.73
	At the end of the year		
	Finished Goods	28.03	24.42
	Stock-in- process	3.41	4.91
	Stock in Trade	-	0.83
		31.44	30.16
	<b>TOTAL</b>	<b>-1.27</b>	<b>-11.44</b>
<b>29</b>	<b>EMPLOYEE BENEFIT EXPENSES</b>		
	Salaries, Wages and Allowances	25.22	46.93
	Remuneration to directors	16.50	21.31
	Contribution towards Provident Fund and ESIC	0.52	0.38
	Gratuity	1.41	1.67
	Leave encashment	-0.00	0.13
	Staff welfare expenses	0.88	2.80
	<b>TOTAL</b>	<b>44.54</b>	<b>73.23</b>



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Notes to the Standalone Ind AS financial statements

		(Rs. in Millions)	
Note	Particulars	Period ended September 30, 2023	Year ended March 31, 2023
<b>30</b>	<b>FINANCE COST</b>		
	Interest On		
	Vehicle Loan	1.04	1.01
	Cash Credit Facility	0.41	1.89
	Inter-Corporate Deposits	5.06	12.88
	Lease obligation	0.91	1.39
	Statutory dues	-	0.05
	Income Tax	4.77	1.84
	Bank Charges & other borrowing cost	1.49	0.90
	<b>TOTAL</b>	<b>13.67</b>	<b>19.95</b>
<b>31</b>	<b>DEPRECIATION</b>		
	On Property Plant and Equipment	3.46	5.05
	Amortisation of Right to use of Assets	5.07	6.07
	<b>TOTAL</b>	<b>8.52</b>	<b>11.12</b>
<b>32</b>	<b>OTHER EXPENSES</b>		
	Rent	0.27	0.67
	Power and Fuel	7.91	14.91
	Repairing & maintenance		
	- Building	0.08	0.96
	- Plant & Equipments	1.03	4.00
	- Others	0.59	0.96
	Research and Development Expenses	13.02	22.72
	Freight & forwarding charges	29.02	65.40
	Insurance expenses	0.73	0.87
	Security charges	0.31	0.69
	Electricity charges	0.31	0.41
	Printing and stationery	0.12	0.57
	Communication expenses	0.22	0.38
	Commission	40.10	127.88
	Sales Promotion expenses	8.19	23.26
	Travelling & conveyance	4.84	10.78
	Legal & Professional Fees	4.80	5.22
	Director sitting fees	0.85	0.01
	Auditor's remuneration	0.76	0.55
	CSR Expenditure	2.00	2.73
	Provision for expected credit loss	3.08	1.36
	Loss on sale / discard of fixed assets	-	-
	Donation	0.26	0.46
	Miscellaneous expenses	2.14	2.77
	<b>TOTAL</b>	<b>120.62</b>	<b>287.54</b>
	<b>Payment to Auditors</b>		
	As Auditor	0.40	0.55
	For taxation matter	-	-
	For Certification and other services	0.36	-
		<b>0.76</b>	<b>0.55</b>





Notes to the Standalone Ind AS financial statements

		(Rs. in Millions)	
Note	Particulars	Period ended September 30, 2023	Year ended March 31, 2023
<b>33</b>	<b>EARNINGS PER SHARE (BASIC &amp; DILUTED)</b>		
	Net profit after tax (Rs. In Millions)	229.68	361.96
	Net profit after tax attributable to Equity Share holders for Basic EPS (Rs. In Millions)	229.68	361.96
	No. of equity shares outstanding (In Nos)	4,02,52,948	4,02,52,948
	Weighted average no. of equity shares outstanding for Basic EPS (In Nos) *	4,02,52,948	4,02,24,532
	<b>Basic Earning Per Share of Rs. 10 Each (In Rs.)</b>	<b>5.71</b>	<b>9.00</b>
	<b>Diluted Earning Per Share of Rs. 10 Each (In Rs.)</b>	<b>5.71</b>	<b>9.00</b>
	* adjusted for 3,91,69,526 bonus shares		
	(not annualised for the period ended 30th September, 2023)		



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Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

34 Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a. List of related parties

**Key Management Personnel**

Krishna Dushyant Rana	Chairman & Managing Director (from 20.12.2022)
Parul Krishna Rana	Director
Bhavna Mehta	Director (upto 19.12.2022)
Dushyant Rana	Director (up to 01.04.2023)
Anup Singh	Director (from 14.04.2023)
Radhakrishnan Ramachandra Iyer	Independent Director (from 24.03.2023)
Vijay Ronjan	Independent Director (from 24.03.2023)
Samish Dalal	Independent Director (from 24.03.2023)
Robin Banerjee	Independent Director (from 06.09.2023)
Krishnan Bhalaji	Chief Executive Officer (from 23.03.2023)
Narendra Raval	Chief Financial Officer (from 23.03.2023)
Bhagyashree Mallawat	Company Secretary

**Relatives of Key Management Personnel**

Rahul Mehta	Relative of Director
Geeta Rana	Relative of Director

**Subsidiaries**

Platinum Global Additives Pvt. Ltd.  
Platinum Stabilizers Egypt LLC  
Platinum Oleo Chemicals Pvt. Ltd.  
Platinum Polymers & Additives (Partnership Firm)

**Enterprises over which the Key Managerial personnel & their relatives have significant influence;**

DBR Plastics Private Limited  
DBR Chemicals Private Limited  
First Orgacon Private Limited  
Rivaan Plastchem Private Limited  
Addplast Chemicals LLC  
Platinum Organics Ltd.



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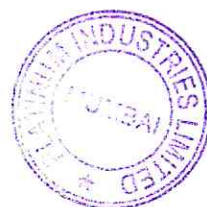
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Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

b. Transactions with related parties :

Name of the Party	Nature of Transaction	Period ended September 30, 2023	Year ended March 31, 2023
Krishna Rana	Remuneration	9.00	4.06
	Salary	-	7.94
Parul Rana	Loan taken	-	-
	Loan repaid	-	-
	Purchase of Shares of Subsidiary Company	-	-
	Remuneration	7.50	14.40
Dushyant Rana	Remuneration	-	1.52
	Salary	-	2.74
Geeta Rana	Salary	-	1.20
Bhavna Mehta	Loan taken	-	-
	Loan repaid	-	-
	Salary	0.18	-
	Remuneration	-	0.26
Anup Singh	Remuneration	0.83	-
Radhakrishnan Ramachandra Iyer	Director Siting Fees	0.35	-
Vijay Ronjan	Director Siting Fees	0.25	-
Samish Dalal	Director Siting Fees	0.25	0.01
Rahul Mehta	Salary	-	0.03
Krishnan Bhalaji	Salary	3.01	3.78
Narendra Raval	Salary	1.00	0.25
	Professional Fees	-	0.35
Bhagyashree Mallawat	Salary	0.36	0.27
Addplast Chemicals LLC	Purchases	-	17.55
	Sales	4.72	-
DBR Plastics Private Limited	Purchases	-	-
	Sales	-	-
	Loan taken	-	1.50
	Loan repaid	65.70	38.00
	Interest on Loan	4.53	11.55
DBR Chemicals Private Limited	Purchases	-	-
	Loan repaid	-	-
First Orgacon Private Limited	Loan taken	-	-
	Loan repaid	-	5.65
	Purchase	-	-
Rivaan Plastchem Private Limited	Sales	1.50	57.13
	Purchases	4.99	43.95
	Commission Paid	-	10.05
	Loan Given	-	45.31
	Interest on Loan	-	1.52
	Loan repaid	-	46.83
Platinum Stabilizers Egypt LLC	Investment in Subsidiary Company	-	12.73
Platinum Oleo Chemicals Pvt. Ltd.	Investment in Subsidiary Company	-	1.50
	Reimbursement of Rent & other expenses	2.04	-
	Reimbursement of Deposit Given	1.00	-
	Loan Given	-	0.50
	Loan repaid	-	0.50
	Loan Given	-	22.79
Platinum Global Additives Pvt. Ltd.	Interest on Loan	-	0.35
	Loan repaid	-	27.63
	Purchases	-	8.32
	Sales	15.98	177.52
Platinum Polymers & Additives	Sales	42.78	151.67
	Purchases	52.78	35.92
	Share of Profit / (Loss)	-3.39	-4.83
	Investment	-	100.00



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Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

c. Balance Outstanding of related parties :

Name of the Party	Receivable / Payable	As at September 30, 2023	As at March 31, 2023
Krishna Rana	Remuneration Payable	0.95	0.10
	Salary Payable	-	-
Parul Rana	Payable	-	-
	Remuneration Payable	0.27	-
Dushyant Rana	Remuneration Payable	-	0.19
	Salary Payable	-	-
Geeta Rana	Salary Payable	-	0.21
	Remuneration Payable	-	0.03
Bhavna Mehta	Salary Payable	0.03	-
	Remuneration Payable	0.15	-
Rahul Mehta	Salary Payable	-	-
Samish Dalal	Director Siting Fees Payable	0.11	0.01
Narendra Raval	Salary Payable	0.13	0.05
Krishnan Bhalaji	Salary Payable	0.36	0.42
Bhagyashree Mallawat	Salary Payable	0.06	0.05
	Loan Payable	59.60	125.30
DBR Plastics Private Limited	Interest Payable	16.08	11.55
	Trade Receivables	-	-
DBR Chemicals Private Limited	Trade Payable	-	-
	Advance received	-	4.40
	Advance given	-	-
First Orgacon Private Limited	Loan Payable	-	-
	Trade Payable	-	-
Rivaan Plastchem Private Limited	Trade Receivable	-	5.69
Platinum Oleo Chemicals Pvt. Ltd.	Other Payable	0.20	-
Platinum Polymers & Additives	Trade Receivable	0.32	29.10
	Trade Payable	10.71	-
Platinum Global Additives Pvt. Ltd.	Receivable	-	-
	Loan Receivable	-	-



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Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

- 35 In the opinion of the Management, the Current Assets, Loans and advances are approximately of the value stated in the balance sheet if realized in the ordinary course of the business and the provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 36 Some of the balances of Trade Receivables, Trade Payables and Loans and Advances [given/taken] are subject to confirmations from the respective parties and reconciliations / adjustments arising there from, if any.

37 Contingent Liabilities

Particulars	As at September 30, 2023	As at March 31, 2023
a) Bank Guarantee	43.20	43.20
b) Capital Commitment	-	-
<b>TOTAL</b>	<b>43.20</b>	<b>43.20</b>

38 Information pursuant to para 5(viii) of the General Instructions to the Statement of Profit and Loss

(a). Value of Imports on C.I.F Basis:

Particulars	Period ended September 30, 2023	Year ended March 31, 2023
Raw Materials	145.77	435.07
Stock in Trade	-	-
<b>TOTAL</b>	<b>145.77</b>	<b>435.07</b>

(b). Earnings in foreign currency (on accrual basis):

Particulars	Period ended September 30, 2023	Year ended March 31, 2023
Export on F.O.B basis	108.37	129.71
<b>TOTAL</b>	<b>108.37</b>	<b>129.71</b>

(c). Consumption of raw materials:

Particulars	Period ended September 30, 2023	Year ended March 31, 2023
	<b>Amount</b>	<b>Amount</b>
Imported	159.85	407.66
Indigenous	508.56	781.70
<b>Total</b>	<b>668.42</b>	<b>1,189.37</b>
	<b>Percentage</b>	<b>Percentage</b>
Imported	23.92%	34.28%
Indigenous	76.08%	65.72%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>



Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

(d). Expenditure in foreign currency (on accrual basis):

Particulars	Period ended September 30, 2023	Year ended March 31, 2023
Technical consultancy	12.78	22.02
Advertising	-	1.10
Commission	1.11	-
Salary	1.65	-
Ocean Freight	1.84	-
<b>TOTAL</b>	<b>17.38</b>	<b>23.11</b>

(e). Unhedged foreign currency outstanding

As at September 30, 2023

Nature of Payment	Currency	Exchange Rate	Foreign Currency
Receivable	USD	83.09	6,15,161
Payable	USD	83.09	1,71,266
Payable	Euro	87.96	28,272

As at March 31, 2023

Nature of Payment	Currency	Exchange Rate	Foreign Currency
Receivable	USD	82.11	4,53,581
Payable	USD	82.11	2,42,135

39 Segment Reporting :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company operates only in one Business Segment i.e. "Heat Stabilizers & related products", hence does not have any reportable Segments as per Ind AS 108 "Operating Segments".

Information about the extent of reliance on its major customers :

Revenues from transactions with a single external customer amount to 10 per cent or more of an entity's revenues :

Particulars		Period ended September 30, 2023	Year ended March 31, 2023
Customer 1	Rs. In Millions	521.61	893.02
	% of Entities Revenue	43.57%	38.15%
Customer 2	Rs. In Millions	149.72	297.14
	% of Entities Revenue	12.51%	12.70%
Customer 3	Rs. In Millions	161.10	293.13
	% of Entities Revenue	13.46%	12.52%
Customer 4 (Related Party)	Rs. In Millions	1.50	57.13
	% of Entities Revenue	0.13%	2.44%



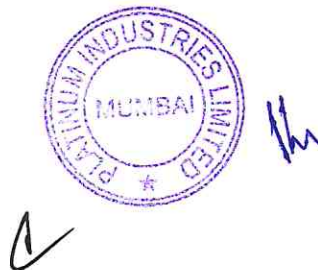


Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

40 CSR expenditure

Particulars	Period ended September 30, 2023	Year ended March 31, 2023
(a) amount required to be spent by the company during the year	5.09	2.72
(b) amount of expenditure incurred	2.00	2.73
(c) shortfall at the end of the year	NA	-
(d) total of previous years shortfall	-	-
(e) reason for shortfall,	NA	NA
(f) nature of CSR activities	Donation to a Trust for medical relief	Donation to a Trust for helping needy, poor and handicapped people.
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA



Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

**41 Additional regulatory information required by schedule III to the companies act, 2013**

- 1 The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- 2 The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- 3 The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- 4 Utilisation of borrowed funds and share premium
  - I 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.
  - II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- 5 There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- 6 The Company has not traded or invested in crypto currency or virtual currency during the year.
- 7 The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.



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Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

Note 8A : Trade Receivables

As at 30.09.2023

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed trade receivables- considered good	357.63	8.88	-	-	-	366.51
b) Undisputed trade receivables- which have significant increase in credit risk	-	-	3.83	7.01	-	10.84
c) Undisputed trade receivables- credit impaired	-	-	-	-	-	-
d) Disputed trade receivables- considered good	-	-	-	-	-	-
e) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
f) Disputed trade receivables- credit Impaired	-	-	-	-	-	-

As at 31.03.2023

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
a) Undisputed trade receivables- considered good	319.48	16.02	6.59	-	-	342.10
b) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	0.41	0.47	0.88
c) Undisputed trade receivables- credit impaired	-	-	-	-	-	-
d) Disputed trade receivables- considered good	-	-	-	-	-	-
e) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
f) Disputed trade receivables- credit Impaired	-	-	-	-	-	-



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Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

Note 20A : Trade Payables

As at 30.09.2023

Particulars	Outstanding for the following periods from due date of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	17.57	-	-	-	17.57
(ii) Others	123.06	-	-	-	123.06
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

As at 31.03.2023

Particulars	Outstanding for the following periods from due date of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.56	-	-	-	3.56
(ii) Others	120.57	3.86	-	0.76	125.19
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-



Notes to the Standalone Ind AS financial statements

42 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A. Defined benefit obligations and short-term compensated absences

Contribution to Defined Contribution Plan, recognised and charged off for the year are as under :

Particulars	(Rs. In Millions)	
	Period ended September 30, 2023	Year ended March 31, 2023
Employer's Contribution to		
- Provident Fund	0.39	0.23
- ESIC	0.13	0.15

B. Defined Benefit Plan

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

Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	30-Sep-23	31-Mar-23	30-Sep-23	31-Mar-23
<b>a. Reconciliation of opening and closing balances of Defined Benefit obligation</b>				
Defined Benefit obligation at beginning of the year	8.29	4.49	0.42	0.27
Current Service Cost	1.17	1.39	0.19	0.16
Interest Cost	0.24	0.28	0.00	0.02
Past Service Cost - (Vested benefits)		-		-
Actuarial (gain)/loss	(4.75)	2.13	-0.08	0.20
Benefits paid		-	-0.21	-0.23
<b>Defined Benefit obligation at year end</b>	<b>4.95</b>	<b>8.29</b>	<b>0.32</b>	<b>0.42</b>
<b>b. Reconciliation of fair value of assets and obligations</b>				
Fair value of plan assets at year end	-	-	-	-
Present value of obligation at year end	4.95	8.29	0.32	0.42
<b>Amount recognised in Balance Sheet</b>	<b>4.95</b>	<b>8.29</b>	<b>0.32</b>	<b>0.42</b>
- Current	0.57	3.02	0.03	0.04
- Non- Current	4.38	5.27	0.29	0.38



Notes to the Standalone Ind AS financial statements

Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	30-Sep-23	31-Mar-23	30-Sep-23	31-Mar-23
<b>h. Actuarial assumptions</b>				
Mortality Table (L.I.C.)	IALM 2012-14 (Ultimate)		IALM 2012-14 (Ultimate)	
Rate of Interest (per annum)	7.14%	7.16%	7.15%	7.16%
Salary growth Rate (per annum)	10%	10%	10%	10%
Expected Average Remaining Service	7.76	7.31	7.26	7.49
Employee Attrition Rate [Past Service (PS)]	PS : 0 to 42 : 10%		PS : 0 to 42 : 10%	

i. Sensitivity Analysis

DR: Discount Rate	Gratuity		Leave Encashment	
	PVO DR +1%	PVO DR -1%	PVO DR +1%	PVO DR -1%
30-Sep-23	4.61	5.35	0.30	0.36
31-Mar-23	7.87	8.77	0.39	0.46
31-Mar-22	4.17	4.85	0.24	0.29
<b>ER: Salary Escalation Rate</b>				
30-Sep-23	5.19	4.75	0.36	0.30
31-Mar-23	8.58	8.03	0.45	0.39
31-Mar-22	4.74	4.26	0.29	0.24
<b>j. Expected Payout</b>				
Expected Outgo First	0.57	3.01	0.03	0.04
Expected Outgo Second	0.49	0.54	0.03	0.03
Expected Outgo Third	0.48	0.55	0.03	0.03
Expected Outgo Fourth	0.47	0.54	0.03	0.03
Expected Outgo Fifth	0.49	0.57	0.03	0.03
Expected Outgo Six to Ten Years	2.19	2.77	0.13	0.17

The estimated future salary increases takes into account inflation, seniority, promotion and other retirement factors including supply and demand in the employment market. The above information is certified by the actuary.





Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

43 Tax Expenses

(a) Amount recognised in the statement of profit and loss

Particulars	30-Sep-23	31-Mar-23
<b>Current tax expense (A)</b>		
Current year	77.50	129.36
<b>Deferred tax expense (B)</b>		
Origination and reversal of temporary differences	-1.02	-0.01
<b>Tax expense (A+B)</b>	<b>76.48</b>	<b>129.35</b>

(b) Amounts recognised in other comprehensive income

Particulars	Period ended 30 September 2023		Year ended 31 March 2023	
	Before tax	Tax (expense)	Before tax	Net of tax (expense)
Items that will not be reclassified to profit or loss				
Remeasurement of post employment benefit obligation	4.83	(1.21)	-2.33	0.59
	<b>4.83</b>	<b>-1.21</b>	<b>-2.33</b>	<b>0.59</b>
				<b>-1.74</b>

(c) Reconciliation of effective tax rate

Particulars	30-Sep-23	31-Mar-23
<b>Profit/(loss) before tax</b>	<b>306.16</b>	<b>491.30</b>
Tax using the Company's domestic tax rate (25.17%, For estwhile LLP till 08.07.2020: 34.94%)	89.15	143.07
<b>Tax effect of:</b>		
Effect of expenses that is non-deductible in determining taxable profit	-12.68	-13.72
<b>Tax expense as per statement of profit and loss</b>	<b>76.48</b>	<b>129.35</b>
Effective tax rate	<b>24.98%</b>	<b>26.33%</b>



Notes to the Standalone Ind AS financial statements

(d) Movement in deferred tax balances (Rs. in Millions)

Particulars	Net balances at 31 March 2023	Recog-nised in the statement of profit and loss	Recog-nised in OCI	Balance at 30 September 2023		
				Net	Deferred tax asset	Deferred tax liabilities
Related to Property, Plant and Equipment	-3.09	-0.20		-3.29	-	3.29
Provision for Expected Credit Loss	2.53	0.78		3.31	3.31	-
Right of Use Assets	0.43	0.07		0.50	0.50	-
Amortisation of security deposits	0.01	0.02		0.03	0.03	-
Disallowance under Section 43B of the Income Tax Act, 1961	2.19	-0.86		1.33	1.33	-
Tax assets (liabilities) before set-off	2.07	-0.19	-	1.88	5.17	3.29
Set-off of deferred tax liabilities					-3.29	
Net deferred tax assets/ (liabilities)					1.88	
Particulars	Net balances at 31 March 2022	Recog-nised in the statement of profit and loss	Recog-nised in OCI	Balance at 31 March 2023		
				Net	Deferred tax asset	Deferred tax liabilities
Related to Property, Plant and Equipment	-2.21	-0.88		-3.09	-	3.09
Provision for Expected Credit Loss	2.19	0.34		2.53	2.53	-
Right of Use Assets	0.30	0.14		0.43	0.43	-
Amortisation of security deposits	0.00	0.00		0.01	0.01	-
Disallowance under Section 43B of the Income Tax Act, 1961	1.20	1.00		2.19	2.19	-
Tax assets (liabilities) before set-off	1.47	0.60	-	2.07	5.16	3.09
Set-off of deferred tax liabilities					-3.09	
Net deferred tax assets/ (liabilities)					2.07	



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Notes to the Standalone Ind AS financial statements

44. Leases

Effective April 1, 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective approach. On adoption of the new standard IND AS 116 resulted in recognition of 'Right of Use' assets and a lease liability. The cumulative effect of applying the standard was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets :

Particulars	As at September 30, 2023	As at March 31, 2023
Opening carrying value of Rights to use Assets	14.70	20.00
Addition	11.40	-
Depreciation	(4.55)	(5.30)
Deletion	-	-
Closing Balance	21.55	14.70

The following is the break-up of current and non-current lease liabilities :

Particulars	As at September 30, 2023	As at March 31, 2023
Current lease liabilities	8.52	5.02
Non-Current lease liabilities	14.81	11.03
Closing Balance	23.33	16.05

The following is the movement in lease liabilities during the year / period :

Particulars	As at September 30, 2023	As at March 31, 2023
Opening balance of lease liabilities	16.05	20.68
Addition	11.40	-
Finance cost accrued during the period	0.91	1.39
Payment of lease liabilities	(5.02)	(6.02)
Deletion	-	-
Closing Balance	23.33	16.05

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis :

Particulars	As at September 30, 2023	As at March 31, 2023
- Less than one year	10.38	11.45
- Later than one year but not later than five years	15.68	37.57
- Later than five years	-	-
TOTAL	26.06	49.02





Notes to the Standalone Ind AS financial statements

45 Financial instruments – Fair values and risk management :

Accounting classification and fair values

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

30-Sep-23	Note No.	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets	5	-	-	106.20	-	-	-	-
	11	-	-	-	-	-	-	-
	8	-	-	364.21	-	-	-	-
	9	-	-	10.43	-	-	-	-
	10	-	-	241.96	-	-	-	-
	6&12	-	-	6.05	-	-	-	-
		-	-	728.85				
Financial liabilities	15&19	-	-	74.58	-	-	-	-
	16	-	-	23.33	-	-	-	-
	20	-	-	140.63	-	-	-	-
	21	-	-	35.26	-	-	-	-
		-	-	273.81				



Notes to the Standalone Ind AS financial statements

31-Mar-23	Note No.	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
<b>Financial assets</b> Investments Loans Trade receivables Cash and cash equivalents Bank Balance other than Cash and cash equivalents Other financial assets	5	-	-	109.60	-	-	-	-
	11	-	-	-	-	-	-	-
	8	-	-	332.92	-	-	-	-
	9	-	-	17.29	-	-	-	-
	10	-	-	92.56	-	-	-	-
	6&12	-	-	6.45	-	-	-	-
		-	-	<b>558.81</b>				
<b>Financial liabilities</b> Borrowings Lease Liabilities Trade payables Other financial liabilities	15&19	-	-	174.29	-	-	-	-
	16	-	-	16.05	-	-	-	-
	20	-	-	128.74	-	-	-	-
	21	-	-	26.68	-	-	-	-
		-	-	<b>345.76</b>				



Notes to the Standalone Ind AS financial statements

B) Financial risk management

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

- a. credit risk ;
- b. liquidity risk ; and
- c. market risk

**Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

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

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**a. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

**Trade receivables**

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Company continues regular follow up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings. The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum. The Company also takes security deposits, advances, post dated cheques etc from its customers, which mitigate the credit risk to an extent.

**Investments in companies**

The Company has made investments in subsidiary. The Company does not perceive any credit risk pertaining to investments made in such related entities.

**Cash and cash equivalents**

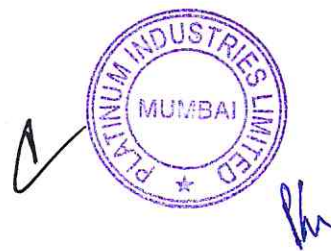
The Company held cash and cash equivalents with credit worthy banks of Rs. 17.29 Millions as at 31 March, 2023; Rs. 0.96 Millions as at 31 March 2022; Rs. 9.48 Millions as at 01 April 2021 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

**Exposure to credit risk**

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	Rs. In Millions
Balance as at 31 March 2022	8.70
Impairment loss recognised	1.36
Balance as at 31 March 2023	10.06
Impairment loss recognised	3.08
Balance as at 30 September 2023	13.15

The Company has no other financial assets that are past due but not impaired.





Notes to the Standalone Ind AS financial statements

B) Financial risk management

b. Liquidity risk

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

Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

Particulars	(Rs. in Millions)			
	Contractual cash flows			
	One year or less	1 - 5 years	More than 5 years	Total
<b>As at 30 September 2023</b>				
<b>Non - derivative financial liabilities</b>				
Borrowings	69.87	4.71	-	74.58
Lease liabilities	8.52	14.81	-	23.33
Trade payables	140.63	-	-	140.63
Other financial liabilities	35.26	-	-	35.26
	<b>254.29</b>	<b>19.52</b>	<b>-</b>	<b>273.81</b>
<b>As at 31 March 2023</b>				
<b>Non - derivative financial liabilities</b>				
Borrowings	163.85	10.44	-	174.29
Lease liabilities	5.02	11.03	-	16.05
Trade payables	128.74	-	-	128.74
Other financial liabilities	26.68	-	-	26.68
	<b>324.30</b>	<b>21.47</b>	<b>-</b>	<b>345.76</b>

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and bank deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

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



Notes to the Standalone Ind AS financial statements

B) Financial risk management

Exposure to interest rate risk:

The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from banks.

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

(Rs. in Millions)		
Particulars	30 September 2023	31 March 2023
<b>Fixed-rate instruments:</b>		
Financial asset (Bank deposits)	241.96	92.56
Financial liabilities (Borrowings)	66.77	138.00
	<b>308.73</b>	<b>230.56</b>
<b>Variable-rate instruments:</b>		
Financial liabilities (Borrowings)	7.81	36.29
	<b>7.81</b>	<b>36.29</b>

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	30 September 2023	31 March 2023
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	0.04	0.18
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	0.04	0.18

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

The Company is exposed to currency risk on account of its operating activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in USD & EURO. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities:

USD		
Particulars	30 September 2023	31 March 2023
<b>Financial assets</b>		
Trade Receivables	6,15,161	4,53,581
<b>Net exposure for assets</b>	<b>6,15,161</b>	<b>4,53,581</b>
<b>Financial liabilities</b>		
Trade Payables	1,71,266	2,42,135
<b>Net exposure for liabilities</b>	<b>1,71,266</b>	<b>2,42,135</b>
<b>Net exposure (Assets - Liabilities)</b>	<b>4,43,895</b>	<b>2,11,446</b>



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Notes to the Standalone Ind AS financial statements

B) Financial risk management

Particulars	EURO	
	30 September 2023	31 March 2023
<b>Financial assets</b>		
Trade Receivables	-	-
<b>Net exposure for assets</b>	-	-
<b>Financial liabilities</b>		
Trade Payables	28,272	-
<b>Net exposure for liabilities</b>	28,272	-
<b>Net exposure (Assets - Liabilities)</b>	-28,272	-
<b>Sensitivity analysis</b>		

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

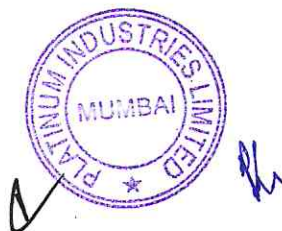
Impact of movement on Profit or (loss) and Equity :

USD		
Effect in INR - Millions (before tax)	30 September 2023	31 March 2023
<b>1% movement</b>		
Strengthening	-0.37	-0.17
Weakening	0.37	0.17

EURO		
Effect in INR - Millions (before tax)	30 September 2023	31 March 2023
<b>1% movement</b>		
Strengthening	0.02	-
Weakening	-0.02	-

Commodity and other price risk

The Company is not exposed to the commodity risk.





Notes to the Standalone Ind AS financial statements

(Rs. in Millions)

46 Capital Management

The Company manages the capital structure by a balanced mix of debt and equity. Necessary adjustments are made in the capital structure considering the factors vis-a-vis the changes in the general economic conditions, available options of financing and the impact of the same on the liquidity position. Higher leverage is used for funding more liquid working capital needs and conservative leverage is used for long-term capital investments. The Company calculates the level of debt capital required to finance the working capital requirements using traditional and modified financial metrics including leverage/gearing ratios and asset turnover ratios.

As of balance sheet date, leverage ratios is as follows:

Particulars	As at 30 September 2023	As at 31 March 2023
Total borrowings	74.58	174.29
Less: Cash and cash equivalents	10.43	17.29
<b>Adjusted net debt</b>	<b>64.15</b>	<b>157.00</b>
<b>Total Equity</b>	<b>813.01</b>	<b>579.70</b>
<b>Adjusted net debt to adjusted equity ratio (times)</b>	<b>0.08</b>	<b>0.27</b>



Notes to the Standalone Ind AS financial statements

47 The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	30 September 2023		31 March 2023	
	In FCY	Rs. In Millions	In FCY	Rs. In Millions
Trade Payables-USD	1,71,266.29	14.23	2,42,135.36	19.88
Trade Payables-EURO	28,272.00	2.49	-	-



Notes to the Standalone Ind AS financial statements

48 Analytical Ratios :

Sr.No.	Particulars	Numerator	Denominator	30-Sep-23	31-Mar-23	% Change	Reasons for change more than 25%
1	Current Ratio	Current assets	Current liabilities	2.63	1.78	50.32	Due to increase in current assets and decrease in current liabilities
2	Debt – Equity Ratio	Total Debt	Shareholder's Equity	0.09	0.30	-69.49	Due to decrease in Debt
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	11.45	10.96	4.42	NA*
4	Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	32.98%	92.68%	-59.70%	NA*
5	Inventory Turnover Ratio	Revenue	Average Inventory	7.39	14.16	-47.81	NA*
6	Trade receivables turnover ratio	Revenue	Average Trade Receivable	3.44	6.02	-42.90	NA*
7	Trade payables turnover ratio	Purchases and other expenses	Average Trade Payables	5.90	8.87	-33.45	NA*
8	Net capital turnover ratio	Revenue	Working Capital	2.35	7.95	-70.38	NA*
9	Net profit ratio	Net Profit	Revenue	0.19	0.15	24.04	NA*
10	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	35.11%	66.39%	-31.28%	NA*
11	Return on Investment(ROI)	Income generated from investments	Time weighted average investments	-	-	-	NA*

\* The numbers for six months period ended 30 September 2023 are not comparable to that of the year ended 31 March 2023 and hence not explained.





Notes to the Standalone Ind AS financial statements

- 49 The Company was incorporated on 09th July 2020 by conversion of LLP, accordingly financial information for the period from 1st April, 2019 to 8th July, 2020 of the erstwhile LLP has been restated and disclosed. Class of the Company was changed from private limited to public limited w.e.f. 2nd June 2023.
- 50 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date

For AMS & Co.

Chartered Accountants

Firm's Registration Number : 130878W



Ashok Kumar Puri  
(Partner)

Membership No. 128996

Place : Mumbai

Date : 17th November, 2023



For and on behalf of the Board of Directors  
PLATINUM INDUSTRIES LIMITED

Krishna Rana  
Chairman & Managing Director  
DIN : 02071912



Narendra Rawal  
Chief Financial Officer

Place : Mumbai

Date : 17th November, 2023



Parul Rana  
Director  
DIN : 07546822



Krishnan Bhalaji  
Chief Executive Officer



Bhagyashree Mallawat  
Company Secretary  
A51488

## **Notes to the Interim Standalone Financial Statements**

### **1. Corporate information**

**PLATINUM INDUSTRIES LIMITED** (Formerly known as PLATINUM INDUSTRIES PRIVATE LIMITED) ('the Company') is a company domiciled in India and registered under applicable companies Act. The Company is engaged in the business of Heat Stabilizers & related products – PVC and CPVC additives.

The Company has converted from a Private Limited Company to a Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the Shareholders of the Company held on 31<sup>st</sup> March, 2023 and consequently the name of the Company has changed to Platinum Industries Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai on 2<sup>nd</sup> June, 2023.

The registered office of the Company is located at Solitaire Corporate Park, 4th Floor, Building No 8, Unit 841, Guru Hargovindji Rd, Chakala, Andheri East, Mumbai, Maharashtra 400093.

The interim standalone financial statements are approved for issue in accordance with a resolution of the board of directors on 17<sup>th</sup> November, 2023.

### **2. Significant accounting policies**

#### **2.1 Basis of accounting, preparation and principles of standalone Financial Statements:**

The interim standalone financial statements of Platinum Industries Limited ('the Company') in compliance with Indian Accounting Standards (IndAS) 34 Interim Financial Reporting have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('the Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

#### **2.2 Basis of measurement**

The Interim Standalone Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities measured at fair value; and
- Defined Benefit plans – plan assets measured at fair value.
- Contingent consideration

The Interim Standalone Financial Statements are presented in Indian Rupees "INR" and all values are stated as INR Millions, except when otherwise indicated.





## Notes to the Interim Standalone Financial Statements

### 2.3 Summary of significant accounting policies

#### a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Companies) that are classified as held for sale in accordance with Ind AS 105 Noncurrent Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

Business combinations under common control are accounted in accordance with Appendix C of IND AS 103 as per the pooling of interest method and the Ind AS Transition Facilitation Company Clarification Bulletin 9 (ITFG 9). ITFG 9 clarifies that, the carrying values of assets and liabilities as appearing in the interim standalone financial statements of the entities being combined shall be recognised by the combined entity.

As per Appendix C, Business Combinations of Entities under Common Control of Ind AS 103, Business Combinations, in case of common control business combinations, the assets and liabilities of the combining entities are reflected at their carrying amounts.





### **Notes to the Interim Standalone Financial Statements**

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.



## **Notes to the Interim Standalone Financial Statements**

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

### **b. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### **c. Foreign currencies**

**Functional and presentation currency**





## **Notes to the Interim Standalone Financial Statements**

The functional currency of the Company and its subsidiaries is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The Company's interim standalone financial statements are presented in INR, which is also the parent company's functional currency.

### **Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting, such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.

- Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially





## **Notes to the Interim Standalone Financial Statements**

recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Company uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit and loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Any goodwill or fair value adjustments arising in business combinations/ acquisitions, which occurred before the date of transition to Ind AS (1 April 2016), are treated as assets and liabilities of the entity rather than as assets and liabilities of the foreign operation. Therefore, those assets and liabilities are non-monetary items already expressed in the functional currency of the parent and no further translation differences occur.

Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

### **d. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- Financial assets include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, security deposits, investments in equity and debt securities;
- Financial liabilities include long-term and short-term loans and borrowings, lease liabilities, derivative financial liabilities, bank overdrafts and trade payables

#### **Financial assets:**

#### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through OCI, or fair value through profit or loss.



## **Notes to the Interim Standalone Financial Statements**

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss and transactions costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

### **Subsequent measurement**

The subsequent measurement of financial assets depends on their classification as follows:

#### **i) Financial assets at amortised cost:**

A financial asset is classified as "financial asset at amortised cost" (amortised cost) under IND AS 109 Financial Instruments if it meets both the following criteria:

- (1) The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows, and
- (2) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified date (the 'SPPI' contractual cash flow characteristics test).

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

#### **ii) Financial assets at fair value through other comprehensive income (FVTOCI):**

All equity investment in scope of IND AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 Business Combinations applies are classified as fair value through profit or loss. For all other equity instruments, the Company may make irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such





## Notes to the Interim Standalone Financial Statements

election on an instrument-to-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument through fair value through other comprehensive income (FVTOCI), then all fair value changes in the instruments excluding dividends, are recognised in OCI and is never recycled to statement of profit and loss, even on sale of the instrument.

Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI

### iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, e.g., derivative instruments, financial assets designated upon initial recognition at fair value through profit or loss, e.g., debt or equity instruments, or financial assets mandatorily required to be measured at fair value, i.e., where they fail the SPPI test. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets with cash flows that do not pass the SPPI test are required to be classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

### De-recognition of financial assets

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

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





**Notes to the Interim Standalone Financial Statements**

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

**Financial liabilities and equity instruments:**

a) Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities at 'FVTPL' or 'other financial liabilities'.

**Initial recognition and measurement**

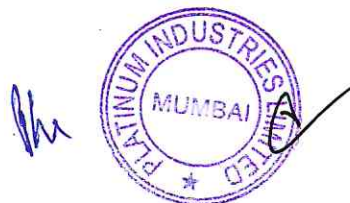
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Subsequent measurement**

The subsequent measurement of financial liabilities depends on their classification as follows:

**i) Financial liabilities measured at amortized cost**

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Amortised cost is calculated by taking into account any discount or



## **Notes to the Interim Standalone Financial Statements**

premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **ii) Financial liabilities at fair value through profit or loss (FVTPL)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Gains or losses on liabilities held for trading are recognized in statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

### **De-recognition of financial liabilities**

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

### **Offsetting of financial instruments**

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

### **Impairment of financial assets**

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, deposits and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### **e. Revenue recognition**





## **Notes to the Interim Standalone Financial Statements**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However, sales tax/ value added tax (VAT)/ Goods and Service (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

No element of financing is deemed present as the majority of sales are on cash basis and credit sales are made with normal credit period consistent with market practice.

### **Income from trading sales**

Revenue from sale of goods is recognised when the goods are delivered to customers, all significant contractual obligations have been satisfied and the collection of the resulting receivable is reasonably expected. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of customer returns, trade allowance, rebates, goods and services tax and amount collected on behalf of third parties.

### **Income from sale of service**

Revenue from sale of services is recognized in accordance with the terms of the relevant agreements and is net of goods and service tax (GST), where applicable as accepted and agreed with the customers.

### **Interest income**

Interest income on financial assets at amortised cost is recognised using the effective interest method. Effective interest is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

### **Dividend income**

Dividend income is recognised when the Company's right to receive the payment is established by the reporting date.

### **Contract balances-**

### **Trade receivables**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in point (d) above.





**Notes to the Interim Standalone Financial Statements**

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**f. Taxes**

Tax expense comprises of current tax and deferred tax.

**Current income tax**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in India where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**Deferred tax liabilities are recognised for all taxable temporary differences, except:**

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination



**Notes to the Interim Standalone Financial Statements**

and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**g. Property, plant and equipment**

**Recognition and measurement**

All items of property, plant and equipment except Freehold Land are initially measured at cost and subsequently it is measured at cost less accumulated depreciation and impairment losses, if any. Freehold Land Cost is carried at cost, net of accumulated impairment loss, if any. comprises of purchase price and all costs incurred to bring the assets to their current location and condition for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly Any subsequent cost incurred is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work in progress comprises cost of property, plant and equipment (including related expenses), that are not yet ready for their intended use at the reporting date and it is carried at cost less accumulated impairment losses





## **Notes to the Interim Standalone Financial Statements**

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and carrying amount of the assets and are recognised in the statement of profit and loss when the asset is derecognised.

On transition to IND AS, the Company has elected to continue with the carrying value of all its property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

### **Depreciation on Property, plant and equipment**

Depreciation is calculated on the straight line basis over the estimated useful lives of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The Company has used the following life to provide depreciation on its property, plant and equipment.

The rates of depreciation are equal to the corresponding rates prescribed in Schedule II to the Companies Act, 2013. Depreciation on addition / disposals during the year has been provided on pro rata.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **h. 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 amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised 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.

On transition to IND AS, the Company has elected to continue with the carrying value of all its Intangible Assets measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.





**Notes to the Interim Standalone Financial Statements**

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, 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.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**Amortisation of intangible assets**

Amortisation is calculated on the straight-line basis over the estimated useful lives of the assets. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

There are no intangible assets with indefinite useful lives.

**i. Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessee**

The Company's lease asset classes primarily consist of leases for buildings, Plant and Equipment and Computers. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

**Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost



## **Notes to the Interim Standalone Financial Statements**

of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Leasehold land - Over the shorter of the lease term and the estimated useful lives of the assets

### **Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note k Impairment of non-financial assets.

### **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as an operating expense in the statement of profit and loss.

## **j. Inventories**

### **Basis of valuation**

Inventories other than scrap materials are valued at lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

### **Method of valuation:**





**Notes to the Interim Standalone Financial Statements**

Cost of raw materials, packing materials and traded goods are determined by using weighted average method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**k. Impairment of Non-financial assets**

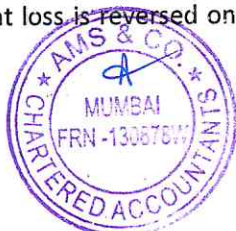
The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to





## **Notes to the Interim Standalone Financial Statements**

determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

### **I. Provisions**

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### **m. Retirement and other employee benefits**

#### **Defined benefit plan**

In accordance with applicable laws in India, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") for every employee who has completed 5 years or more of service on departure at 15 days salary (last drawn salary) for each completed year of service. The Gratuity Plan provides for a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment based on last drawn salary and tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date using projected unit credit method.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs



## **Notes to the Interim Standalone Financial Statements**

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

### **Defined contribution plan**

The Company makes contributions to the Provident Fund scheme, a defined contribution benefit scheme. These contributions are deposited with Government administered fund and recognised as an expense in the period in which the related service is performed. There is no further obligation on the Company on this defined contribution plan.

### **Compensated absences**

Accumulated leave, is expected to be utilized within the next 12 months, and are treated as short-term employee benefit. The Company treats the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. It is measured on the basis of an actuarial valuation done by an independent actuary on the projected unit credit method at the end of each financial year.

### **n. Share-based payments**

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

### **Equity-settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised in employee benefit expenses, together with a corresponding increase in retained earnings in equity, over the period in which the service conditions and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best





## **Notes to the Interim Standalone Financial Statements**

estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions. No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When an award is modified, at minimum, the cost of the original award is recognised as if it had not been modified (i.e. at the original grant date fair value, spread over the original vesting period, and subject to the original vesting conditions). This applies unless the award does not vest because of failure to satisfy a vesting condition (other than a market condition) that was specified at grant date. When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where a modification is made after the original vesting period has expired, and is subject to no further vesting conditions, any incremental fair value is recognised immediately. If the modification decreases the fair value of the equity instruments granted (e.g. by increasing the exercise price or reducing the exercise period), the decrease in value is effectively ignored and the entity continues to recognise a cost for services as if the awards had not been modified. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

### **Cash-settled transactions**

A liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefit expenses (see Note 32). The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using a binomial model, further details of which are given in Note 40. The approach used to account for





**Notes to the Interim Standalone Financial Statements**

vesting conditions when measuring equity-settled transactions also applies to cash-settled transactions.

**o. Cash and cash equivalents**

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

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

**p. Contingencies**

A contingent liability is:

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because:

- (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- (ii) The amount of the obligation cannot be measured with sufficient reliability.

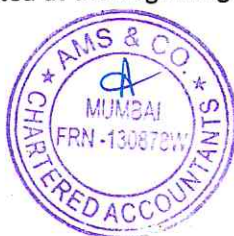
Contingent liabilities are recognised when virtually certain on the balance sheet of the Company, except for contingent liabilities assumed in a business combination that are present obligations arising from past events and which the fair values can be reliably determined.

**Contingent liabilities recognised in a business combination**

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

**q. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders of the parent by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit/(loss) attributable to ordinary equity holders of the parent using the weighted-average number of equity shares considered for deriving basic earnings per share and weighted average number of dilutive equivalent shares outstanding during the period, except where the results would be anti-dilutive. Dilutive potential shares are deemed converted at the beginning of the period, unless issued at later date.



## **Notes to the Interim Standalone Financial Statements**

Ordinary shares that will be issued upon the conversion of mandatorily convertible instruments are included in the calculation of basic earnings per share from the date the contract is entered into.

### **r. Fair value measurement**

The fair value of the financial instruments is included at 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. Management of the Company have assessed that the fair values of cash and cash equivalents, restricted cash, trade receivables (not subject to provisional pricing), trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

There have been no transfers between fair value levels during the reporting period.

### **s. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker being Chief Financial Officer. The Managing Director assesses the financial performance and position of the Company as a whole, and makes strategic decisions.

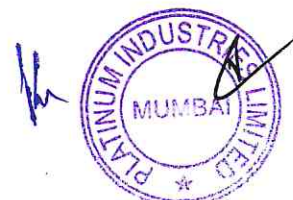
### **t. Cash Flow**

Ind AS 7 requires to exclude non-cash transaction relating to investing and financing activities from the statement of cash flow. However, such transactions should be disclosed elsewhere in the financial statements.

Cash and cash equivalents consist of cash on hand and balances with banks which are unrestricted for withdrawal and usage.

### **u. Exceptional items**

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs),



**PLATINUM INDUSTRIES LIMITED (Formerly known as PLATINUM INDUSTRIES PRIVATE LIMITED)**  
CIN - U24299MH2020PLC341637

**Notes to the Interim Standalone Financial Statements**

should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's result and require separate disclosure in accordance with Ind AS.

