

INDEPENDENT AUDITOR'S REPORT

To the Members of **Platinum Oleo Chemical Private Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Platinum Oleo Chemical Private Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, 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 "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 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 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 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 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion



thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report.

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



3. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
4. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, are not applicable to the company vide notification no. 583 (E) dated 13th June, 2017 in addition to the principal notification No. G.S.R 464(E) dated 5th June, 2015 issued by ministry of corporate affairs



- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There was no pending litigation which would impact the financial position of the Company.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. Since the Company has not declared / paid any dividend during the period, Section 123 of the Act is not applicable.



- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
3. In our opinion and according to the information and explanations given to us, being a private limited company provisions of section 197 read with Schedule V to the Act are not applicable to the company.

For D Y & Associates

Chartered Accountants

Firm Reg No: 141274W


Devendra Jain

Partner

Mem. No.: 159228



UDIN: 25159228BMLNWF6704

Place: Mumbai

Date: 12th May, 2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Annexure referred to in Paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our Report of even date on the accounts of **Platinum Oleo Chemical Private Limited** for the period ended 31st March 2025.

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

- (i) Since the Company does not hold any Property, Plant and Equipment / Intangible Asset, reporting under clause 3(i) of the Order is not applicable.
- (ii) (a) Since the Company does not hold any Inventory, reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the period, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, and not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties, during the period. Hence paragraph 3 (iii) (a), (b), (c), (d), (e) and (f) of the said Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, section 185 and 186 of the Companies Act, 2013 is not applicable, since the Company does not have any loans, investments, guarantees or security.
- (v) The Company has not accepted any deposit from the public in accordance with the provisions of sections 73 to 76 or amounts which are deemed to be deposits of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 (i) of the Act, for the Company.



- (vii) (a) Accordingly to the records of the Company, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess, Goods and Service Tax and other statutory dues wherever applicable have regularly been deposited with the appropriate authorities. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2025 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause(a) on account of any dispute with the relevant authorities.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961)
- (ix) No loans or borrowings have been taken by the Company during the year. Therefore, paragraph 3(ix) of the Order are not applicable
- (x) (a) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the period. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.
- (b) During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the period.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period and upto the date of this report.
- (c) According to the information and explanations given to us, the Company has not received any whistle blower Complaints during the period.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.



- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required by applicable accounting standards.
- (xiv) Since the Company is not required to have an internal audit system as per provisions of the Companies Act 2013, clause (xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses of Rs. 0.10 millions during the current financial year and Rs. 0.15 millions during the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year. The outgoing auditors have not raised any issues, objections or concerns.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one period from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one period from the balance sheet date, will get discharged by the Company as and when they fall due.



(xx) Section 135 of Companies Act, 2013 is not applicable to company. Hence reporting under clause 3(xx) of the Order is not applicable.

For D Y & Associates

Chartered Accountants

Firm Reg No: 141274W


Devendra Jain

Partner

Mem. No.: 159228



UDIN: 25159228BMLNWF6704

Place: Mumbai

Date: 12th May, 2025

STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Millions)			
Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
NON-CURRENT ASSETS			
Deferred Tax Asset	3	0.25	0.22
Income Tax Assets (Net)	4	0.33	0.40
		0.57	0.62
CURRENT ASSETS			
Financial assets			
Cash and Cash equivalents	5	0.77	0.18
Other financial assets	6	0.01	0.00
Other Current Assets	7	0.18	0.15
		0.96	0.33
Total Assets		1.53	0.95
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	8	1.50	1.50
Other Equity		(0.71)	(0.64)
Total Equity		0.79	0.86
NON-CURRENT LIABILITIES			
		0.00	0.00
CURRENT LIABILITIES			
Financial liabilities			
Trade Payables	9		
Total outstanding dues to micro enterprise and small enterprise		0.00	0.00
Total outstanding dues to creditors other than micro enterprise and small enterprise		0.70	0.01
Other Financial Liabilities	10	0.00	0.03
Provisions	11	0.04	0.04
		0.74	0.08
Total Equity and Liabilities		1.53	0.95
Significant accounting policies	1-2		
Notes to the financial statements	3-24		

As per our report of even date

For D Y & Associates
Chartered Accountants
Firm Reg No: 141274W

Devendra
Devendra Jain
Partner
Mem. No. : 159228

Place: Mumbai

Place : Mumbai
Date : 12th May, 2025



For and on behalf of the Board of Directors
PLATINUM OLEO CHEMICALS PRIVATE LIMITED

Kana
Parul K Rana
Director
DIN : 07546822

Bhavna R. Mehta
Bhavna R Mehta
Director
DIN : 07546873



Place : Mumbai
Date : 12th May, 2025

STATEMENT OF PROFIT AND LOSS

Particulars	Note No	(Rs. in Millions)	
		Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Other Income	12	0.02	-
		0.02	-
EXPENSES			
Other Expenses	13	0.11	0.15
Total Expenses		0.11	0.15
Profit Before Tax		(0.10)	(0.15)
Tax Expenses			
Current Tax		-	-
Deferred Tax Expense/(Credit)		(0.02)	(0.04)
Profit for the Year (A)		(0.07)	(0.11)
Other comprehensive income (OCI)		-	-
Total comprehensive income for the year (A+B)		(0.07)	(0.11)
Earnings per share (of Rs. 10 each)	14		
- (in Rs.) Basic		(0.48)	(0.75)
- (in Rs.) Diluted		(0.48)	(0.75)
Significant accounting policies	1-2		
Notes to the financial statements	3-24		

As per our report of even date

For D Y & Associates
Chartered Accountants
Firm Reg No: 141274W


Devendra Jain
Partner
Mem. No. : 159228



Place : Mumbai
Date : 12th May, 2025

For and on behalf of the Board of Directors
PLATINUM OLEO CHEMICALS PRIVATE LIMITED


Parul K Rana
Director
DIN : 07546822




Bhavna R Mehta
Director
DIN : 07546873

Place : Mumbai
Date : 12th May, 2025

CASH FLOW STATEMENT

(Rs. in Millions)

PARTICULARS	Year ended March 31, 2025	Year ended March 31, 2024
A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit before tax as per Statement of Profit and Loss	(0.10)	(0.15)
Adjustment for :		
Operating profit before working capital changes	(0.10)	(0.15)
Adjusted for :		
Increase/Decrease in Other Assets	(0.03)	(0.04)
Increase/Decrease in Other Financial Assets	(0.01)	1.00
Increase/Decrease in Trade Payables	0.70	(0.25)
Increase/Decrease in Other financial liabilities	(0.03)	0.00
Increase/Decrease in Provisions	(0.01)	0.01
Cash generated from operations	0.52	0.58
Direct Taxes paid (incl TDS net off refund recd)	0.07	(0.40)
Net cash from operating activities (A)	0.59	0.18
B) CASH FLOW FROM INVESTING ACTIVITIES :		
Net cash used in investing activities (B)	-	-
C) CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of equity shares	-	-
Net cash used in / (from) financing activities (C)	-	-
Net Increase in Cash & Cash Equivalents (A+B+C)	0.59	0.18
Cash & Cash Equivalents (Opening Balance)	0.18	-
Cash & Cash Equivalents (Closing Balance)	0.77	0.18

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 financial statements	3-24
As per our report of even date	

For D Y & Associates
Chartered Accountants
 Firm Reg No: 141274W

Devendra
Devendra Jain
Partner
 Mem. No. : 159228



Place : Mumbai
 Date : 12th May, 2025

For and on behalf of the Board of Directors
PLATINUM OLEO CHEMICALS PRIVATE LIMITED

Parul K Rana
Parul K Rana
Director
DIN : 07546822



Place : Mumbai
 Date : 12th May, 2025

Bhavna R Mehta
Bhavna R Mehta
Director
DIN : 07546873

STATEMENT OF CHANGES IN EQUITY

A) Equity share capital

Particulars	Number	Rs. in Millions
Equity Shares of Rs.10 Each fully paid up		
Balance as at 31 March 2023	1,50,000	1.50
Changes in equity share capital for the Period ended 31 March 2024	-	-
Balance as at 31 March 2024	1,50,000	1.50
Changes in equity share capital for the Period ended 31 March 2025	-	-
Balance as at 31 March 2025	1,50,000	1.50

B) Other equity

Particulars	Retained Earnings	Total Other Equity
Balance as at 31 March 2023	(0.52)	(0.52)
Total comprehensive Income/(Loss) for the period	(0.11)	(0.11)
Balance as at 31 March 2024	(0.64)	(0.64)
Total comprehensive Income/(Loss) for the period	(0.07)	(0.07)
Balance as at 31 March 2025	(0.71)	(0.71)

Significant accounting policies

1-2

Notes to the financial statements

3-24

For D Y & Associates

Chartered Accountants

Firm Reg No: 141274W



Devendra Jain

Partner

Mem. No. : 159228




Place : Mumbai

Date : 12th May, 2025

For and on behalf of the Board of Directors

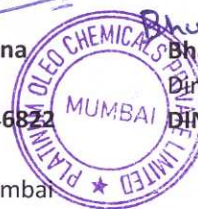
PLATINUM OLEO CHEMICALS PRIVATE LIMITED



Parul K Rana

Director

DIN : 07546872




Bhavna R Mehta

Director

DIN : 07546873

Place : Mumbai

Date : 12th May, 2025

Notes to the financial statements

		(Rs. in Millions)	
Note	Particulars	As at March 31, 2025	As at March 31, 2024
3	Deferred Tax Asset		
	On unabsorbed losses	0.25	0.22
	TOTAL	0.25	0.22
4	Income Tax Assets (Net)		
	Advance Tax & TDS (net of provisions)	0.33	0.40
	TOTAL	0.33	0.40
5	Cash and Cash equivalents		
	Balances with Banks in Current Account	0.77	0.18
	TOTAL	0.77	0.18
6	Other Financial Assets		
	Security Deposits	0.01	-
	TOTAL	0.01	-
7	OTHER CURRENT ASSETS		
	<i>Unsecured, considered good</i>		
	Balance with Government Authorities	0.18	0.15
	TOTAL	0.18	0.15
9	TRADE PAYABLES		
	a) Dues to Micro and Small Enterprises	-	-
	b) Dues to others	0.70	0.01
	TOTAL	0.70	0.01
10	OTHER FINANCIAL LIABILITIES		
	Interest accrued but not due	-	-
	Statutory Dues Payable	0.00	0.03
	TOTAL	0.00	0.03
11	PROVISIONS		
	Provision for expenses	0.04	0.04
	TOTAL	0.04	0.04



Notes to the financial statements

(Rs. in Millions)

8 Equity Share Capital

a. Details of Authorised, Issued and Subscribed Share Capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Capital		
1,50,000 Equity Shares of Rs.10/- each	1.50	1.50
Issued, Subscribed and Paid up		
1,50,000 Equity Shares of Rs.10/- each	1.50	1.50
	1.50	1.50

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 March 31, 2025		As at March 31, 2024	
	Number	Rs. In Millions	Number	Rs. In Millions
Shares outstanding at the beginning of the year	1,50,000	1.50	1,50,000	1.50
Shares Issued during the year	-	-	-	-
Shares redeemed during the year	-	-	-	-
Total	1,50,000	1.50	1,50,000	1.50

d. Details of shares held by promoter

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	%	Number	%
Platinum Industries Limited (Formerly known as Platinum Industries Pvt Ltd)	1,49,990	99.99	1,49,990	99.99
Parul Rana	10	0.01	10	0.01
Total	1,50,000	100.00	1,50,000	100.00

e. Shareholders having more than 5 % shareholding

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No of Equity shares held	%	No of Equity shares held	%
Platinum Industries Limited (Formerly known as Platinum Industries Pvt Ltd)	1,49,990	99.99	1,49,990	99.99



Notes to the financial statements

		(Rs. in Millions)	
Note	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
12	OTHER INCOME		
	Interest on IT Refund	0.02	-
		0.02	-
13	OTHER EXPENSES		
	Legal & Professional Fees	0.01	0.11
	Auditor's remuneration	0.08	0.02
	Miscellaneous expenses	0.02	0.02
	TOTAL	0.11	0.15
	Payment to Auditors		
	As Auditor	0.08	0.02
		0.08	0.02
14	EARNINGS PER SHARE (BASIC & DILUTED)		
	Net profit after tax (Rs. In Millions)	(0.07)	(0.11)
	Net profit after tax attributable to Equity Share holders for Basic EPS (Rs. In Millions)	(0.07)	(0.11)
	No. of equity shares outstanding (In Nos)	1,50,000	1,50,000
	Weighted average no. of equity shares outstanding for Basic EPS (In Nos)	1,50,000	1,50,000
	Basic Earning Per Share of Rs. 10 Each (In Rs.)	(0.48)	(0.75)
	Diluted Earning Per Share of Rs. 10 Each (In Rs.)	(0.48)	(0.75)



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

a. List of related parties

Key Management Personnel

Parul Krishna Rana	Director
Bhavna Mehta	Director

Holding Company

Platinum Industries Limited (Formerly known as Platinum Industries Pvt. Ltd.)

b. Transactions with related parties :

Name of the Party	Nature of Transaction	Year ended March 31, 2025	Year ended March 31, 2024
Platinum Industries Limited	Reimbursement of Rent & other expenses	3.53	3.75
	Reimbursement of Deposit	-	1.00

c. Balance Outstanding of related parties :

Particulars	Receivable /Payable	Year ended March 31, 2025	Year ended March 31, 2024
Platinum Industries Limited	Receivable	-	-

16 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.

17 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.

18 Contingent Liabilities : Nil

19 Additional regulatory Information required by schedule III to the companies act, 2013

- 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.
- The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- 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.



(Rs. in Millions)

Notes to the financial statements

20 Tax Expenses

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

Particulars	31-Mar-25	31-Mar-24
Current tax expense (A)		
Current year	-	-
Deferred tax expense (B)		
Origination and reversal of temporary differences	-0.02	-0.04
Tax expense (A+B)	-0.02	-0.04

(b) Amounts recognised in other comprehensive income : Nil

(c) Reconciliation of effective tax rate

Particulars	31-Mar-25	31-Mar-24
Profit/(loss) before tax		
Tax using the Company's domestic tax rate (25.17%)	-0.10	-0.15
Tax effect of :		
Effect of expenses that is non-deductible in determining taxable profit	-0.03	-0.04
	0.00	0.01
Tax expense as per statement of profit and loss	-0.02	-0.04
Effective tax rate	25.17%	25.17%



Notes to the financial statements

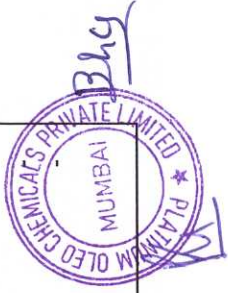
21 Financial instruments – Fair values and risk management :

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.

		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	
31-Mar-25	Financial assets								
		5			0.77	-	-	-	-
		6	-	-	0.01	-	-	-	-
			-	-	0.78				
	Financial liabilities								
		9	-	-	0.70	-	-	-	-
		10	-	-	0.00	-	-	-	-
			-	-	0.71				

(Rs. in Millions)								
31-Mar-24	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			0.18	-	-	-	-
	6	-	-	-	-	-	-	-
		-	-	0.18				
Financial liabilities	9	-	-	0.01	-		-	
	10	-	-	0.03	-		-	
		-	-	0.04				



Notes to the 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.

Exposure to credit risk : Nil

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

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.



Notes to the financial statements

B) Financial risk management

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
As at 31 March 2025				
Non - derivative financial liabilities				
Trade payables	0.70	-	-	0.70
Other financial liabilities	0.00	-	-	0.00
	0.71	-	-	0.71
As at 31 March 2024				
Non - derivative financial liabilities				
Trade payables	0.01	-	-	0.01
Other financial liabilities	0.03	-	-	0.03
	0.04	-	-	0.04

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.

Exposure to interest rate risk: Nil

Foreign currency risk : Nil



Notes to the financial statements

(Rs. in Millions)

22 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 31 March 2025	As at 31 March 2024
Total borrowings	-	-
Less: Cash and cash equivalents	(0.77)	(0.18)
Adjusted net debt	0.77	0.18
Total Equity	0.79	0.86
Adjusted net debt to adjusted equity ratio (times)	0.97	0.21



Notes to the financial statements

23 Analytical Ratios :

Sr.No.	Particulars	Numerator	Denominator	31-Mar-25	31-Mar-24	% Change
1	Current Ratio	Current assets	Current liabilities	1.30	3.96	-67.33
2	Debt – Equity Ratio	Total Debt	Shareholder's Equity	-	-	-
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	-	-	-
4	Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	-8.77%	-12.24%	-28.31
5	Inventory Turnover Ratio	Revenue	Average Inventory	-	-	-
6	Trade receivables turnover ratio	Revenue	Average Trade Receivable	-	-	-
7	Trade payables turnover ratio	Purchases and other expenses	Average Trade Payables	-	-	-
8	Net capital turnover ratio	Revenue	Working Capital	-	-	-
9	Net profit ratio	Net Profit	Revenue	-4.59	-	145.90%
10	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	-12.26%	-17.42%	-29.61
11	Return on Investment(ROI)	Income generated from investments	Time weighted average investments	-	-	-

Note: Since there are no operating activities during the current and previous financial year, ratios are not comparable.




Notes to the financial statements

- 24 Previous period's figures have been regrouped/reclassified wherever necessary to correspond with the current period's classification/disclosure.

As per our report of even date

For D Y & Associates
Chartered Accountants
Firm Reg No: 141274W


Devendra Jain
Partner
Mem. No. : 159228




Place: Mumbai

Place : Mumbai
Date : 12th May, 2025

For and on behalf of the Board of Directors
PLATINUM OLEO CHEMICALS PRIVATE LIMITED


Parul K Rana
Director
DIN.07546822




Bhavna R Mehta
Director
DIN : 07546873

Place : Mumbai
Date : 12th May, 2025

Notes to the financial statements

1. Corporate information

PLATINUM OLEO CHEMICALS PRIVATE LIMITED is a company domiciled in India and registered under applicable companies Act. The Company is engaged in the business of PVC & CPVC Additives and related products.

The registered office of the Company is located at 201, Ackruti Star, Pocket No. 5, Central Road, MIDC, Marol, Andheri East, Mumbai, 400069.

The financial statements are approved for issue in accordance with a resolution of the board of directors on 12th May, 2025

2. Material accounting policies

2.1 Basis of accounting, preparation and principles of Financial Statements:

The financial statements of Platinum Oleo Chemicals Private Limited ('the Company') 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 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 Financial Statements are presented in Indian Rupees "INR" and all values are stated as INR Millions, except when otherwise indicated.

2.3 Summary of material accounting policies

a. 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



Notes to the financial statements

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.

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.



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Notes to the financial statements

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 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 statement of financial position) when:



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Notes to the financial statements

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a 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



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Notes to the financial statements

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 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.



Notes to the financial statements

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.

b. Revenue recognition

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.



Notes to the financial statements

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.

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).

d. 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



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Notes to the financial statements

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 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.

e. 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

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.



Notes to the financial statements

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.

f. 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 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

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Notes to the financial statements

loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

g. 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.

h. 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.

i. 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.



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Notes to the financial statements

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.

j. 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.

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.

k. 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.



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Notes to the financial statements

I. 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.

m. 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.

