



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI EXPORTS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **MAHALAXMI EXPORTS PRIVATE LIMITED** ("the Company"), which comprise of the Balance Sheet as at March 31, 2024 and the statement of profit and loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Key Audit Matters

Reporting of Key Audit Matters as per SA 701 are not applicable to the company as it is an unlisted company.

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 obtained at the date this auditor's report is information included in the





Directors' Report including the Annexures to the Directors' report, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon,

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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 Responsibility for the Audit of the Financial Statements

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





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

- i) 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.
- ii) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- iv) 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.
- v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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





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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication..

Report on Other Legal and Regulatory Requirements

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 the section 143 of the Act, we give in the **Annexure "A"**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
 - (c) The balance sheet, the Statement of profit and loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under
 - (e) On the basis of written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 control, refer to our separate report in the "**Annexure-B**".
 - (g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.





- (h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed the impact of pending litigations on its financial position in its Financial Statements .
 - ii. The company has made provision, as required under the applicable law or IND AS, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2024.
 - iv. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, the audit trail feature is not enabled for certain direct changes to data when using certain access rights and at the database level for the accounting software, as described in note to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For BHANWAR JAIN & CO.,
Chartered Accountants.
(Registration No. 117340W)

(B. M. JAIN),
Proprietor.
M. No. 034943
Ahmedabad: 30th May, 2024.
UDIN: 24034943BKFAYT8649



“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2024:

- i. In respect of property, plant & equipment:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) All property, plant & equipment have been physically verified by the management during the year and there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
 - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. In respect of inventories:
 - (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at 31st March, 2024 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. Discrepancies noticed on physical verification of inventory have been properly dealt with in the books of account.
 - (b) As disclosed in note 13 to the financial statements, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.



- iii. In respect of investments, guarantee or security or loans and advances given
- (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. The balance outstanding as at balance sheet date in respect of the loans provided and guarantee given in earlier years is NIL.
 - (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
 - (c) The Company has no subsidiary during the year. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
 - (d) There are no amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
 - (e) The Company has not granted loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
 - (f) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - (g) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made, guarantees, and securities given have been complied with by the company.
- v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.



- vi. We have broadly reviewed the maintenance of cost records by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
- (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues applicable to it. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.
- (c) According to the records of the company, there was no dispute in respect of dues outstanding of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues.
- (d) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues which have not been deposited on account of any dispute.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. In respect of default in repayment of borrowings:
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.



- (d) On an overall examination of the financial statements of the Company, no funds raised on short term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. In respect of funds raised and utilization:
- (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares during the year under audit in accordance with section 42 and 62 of the Companies Act, 2013.
- xi. In respect of frauds and whistle blower complaints:
- (a) No fraud/ material fraud by the Company or no fraud/ material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.



- xiv. The internal audit is not applicable to the company during the year. The company has proper internal control system commensurate with the size and nature of its business.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. Registration with RBI, Act
- (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 35(8) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



xx. There is no obligation under Corporate Social Responsibility of the company during the year hence requirement to report on clause 3(xx) of the Order is not applicable to the Company.

xxi. The company is not a holding company accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

**For BHANWAR JAIN & CO.,
Chartered Accountants.
(Firm's Registration No. 117340W)**



**(B. M. JAIN),
Proprietor.
Membership No. 034943
AHMEDABAD:30th May,2024.**



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of **MAHALAXMI EXPORTS PRIVATE LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls.

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting



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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For BHANWAR JAIN & CO.,
Chartered Accountants.
(Firm's Registration No.:117340W)**



**(B. M. JAIN),
Proprietor.
Membership No.: 034943
AHMEDABAD:30th May,2024.**



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MAHALAXMI EXPORTS PRIVATE LIMITED.
BALANCE SHEET AS AT 31ST MARCH, 2024

(Amount Rs in Lakhs)			
	Notes	As at 31-Mar-24	As at 31-Mar-23
ASSETS			
Non-current assets			
Property, plant and equipment	1	282.71	286.37
Capital work-in-progress	2	132.89	-
Intangible assets		---	---
Financial assets			
Investments		---	---
Loans		---	---
Other financial assets		---	---
Other non-current assets	3	2.53	3.79
Total non-current assets		418.13	290.16
Current assets			
Inventories	4	983.96	663.11
Financial assets			
Investments		---	---
Trade receivables	5	1054.23	849.41
Cash and cash equivalents	6	1.16	2.12
Bank balances other than cash and cash equivalents	7	589.26	349.88
Loans		---	---
Other financial assets		---	---
Other current assets	8	480.78	382.50
Total current assets		3109.39	2247.01
TOTAL ASSETS		3527.52	2537.17
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	300.00	300.00
Other equity	10	689.47	369.65
Total equity		989.47	669.65
Liabilities			
Non-current liabilities			
Financial liabilities			
Long Term Borrowings	11	7.11	109.76
Other financial liabilities		---	---
Provisions		---	---
Deferred Tax Liabilities (Net)	12	2.24	1.55
Other non-current liabilities		---	---
Total non-current liabilities		9.35	111.31
Current liabilities			
Financial liabilities			
Short Term Borrowings	13	1714.92	1153.41
Trade payables	14	665.93	526.83
Other financial liabilities	15	3.61	3.21
Other current liabilities	16	82.91	14.44
Provisions		---	---
Current tax liabilities (Net)	17	61.33	58.32
Total current liabilities		2528.70	1756.21
TOTAL LIABILITIES		2538.05	1867.52
TOTAL EQUITIES AND LIABILITIES		3527.52	2537.17



Summary of significant accounting policies
The accompanying notes are an integral part of the financial statements.
As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W



Sangita Shingi
SANGITA SHINGI
Director
(DIN06999605)

Jeetmal B. Parekh
Jeetmal B. Parekh
Director.
(DIN NO. 00512415)

B. M. Jain

(B. M. JAIN)
Proprietor
Membership No. : 034943
AHMEDABAD: 30th May, 2024.

Anand J. Parekh

Anand J. Parekh
Director.
(DIN NO. 00500384)

AHMEDABAD: 30th May, 2024.

MAHALAXMI EXPORTS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(Amount Rs in Lakhs)

	Notes	Year ended 31-Mar-24	Year ended 31-Mar-23
Income			
Revenue from operations	18	7894.48	6463.58
Other income	19	117.27	6.79
Total income		8011.75	6470.37
Expenses			
Cost of materials consumed	20	4052.04	3301.13
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	-36.75	4.46
Manufacturing & Operating Costs	22	2808.14	2294.50
Employees' benefit expenses	23	103.57	57.77
Finance costs	24	87.17	65.85
Depreciation	1	12.07	7.79
Other expenses	25	537.65	408.90
Total expenses		7563.88	6140.40
Profit / (Loss) before tax		447.86	329.98
Income tax expense			
Current tax		113.07	82.44
Deferred tax		0.69	0.99
Total income tax expense		113.76	83.43
Profit/(Loss) for the year		334.10	246.55
Other comprehensive income			
Re-measurement gains/ (losses) on post employment defined benefit plan		---	---
Total other comprehensive income for the year		---	---
Earnings / (Loss) per share			
Basic earnings / (loss) per share (INR)		11.14	8.22
Diluted earnings / (loss) per share (INR)		11.14	8.22



Summary of significant accounting policies

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

As per our report of even date

For **BHANWAR JAIN & CO.**
Chartered Accountants.
Firm Registration No. : 117340W



SANGITA SHINGI
Director
(DIN06999605)



Jeetmal B. Parekh
Director.
(DIN NO. 00512415)



(B. M. JAIN)
Proprietor
Membership No. : 034943
AHMEDABAD: 30th May, 2024.



Anand J. Parekh
Director.
(DIN NO. 00500384)

AHMEDABAD: 30th May, 2024.

MAHALAXMI EXPORTS PRIVATE. LIMITED.
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH,2024

	For the Year ended 31-Mar-24	For the Year ended 31-Mar-23
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax	447.86	329.98
Adjustments for:	-	-
Depreciation and amortization expenses	12.07	7.79
Interest Paid	65.01	32.32
Liabilities Written Back	(3.35)	-
Interest Received	---	---
Net exchange differences	(89.31)	-
Deferred Revenue Expenses written off	1.26	1.26
Operating Profit before working capital changes	433.55	371.35
Changes in working capital		
Adjustments for:		
Decrease in inventories	-317.49	-254.49
Decrease in trade receivables	-155.52	-156.23
Decrease in other current assets	-98.28	-127.23
Decrease in non-current assets	---	---
Increase in trade payables	139.10	-58.60
Increase in other current liabilities	68.47	-15.08
Increase in non-current liabilities	---	---
Increase in other financial liabilities	0.40	-11.25
Cash generated from operations	110.22	-251.54
Net Income tax paid	-124.34	-64.71
Net cash flows used in operating activities (A)	-14.12	-316.25
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment and intangible assets	-141.30	-38.65
Proceeds from sale/ disposal of fixed assets	---	---
Net withdrawal of /Investment in fixed deposits	-239.39	-348.85
Interest Received	---	---
Net cash flow from investing activities (B)	-380.69	-387.50
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from long-term borrowings	-102.64	-22.59
Increase in Share Capital	0.00	0.00
Proceeds from short-term borrowings	561.50	742.14
Interest paid	-65.01	-32.32
Net cash flow from financing activities (C)	393.85	687.24
D. Net increase in cash and cash equivalents (A+B+C)	-0.96	-16.50
Cash and cash equivalents at the beginning of the year	2.11	18.63
On current accounts	---	---
Cash and cash equivalents at the end of the period	1.16	2.12



Summary of significant accounting policies

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

As per our report of even date

For BHANWAR JAIN & CO.

Chartered Accountants.

Firm Registration No. : 117340W

Sangita Shingi

SANGITA SHINGI
Director
(DIN06999605)

Jeetmal B. Parekh

Jeetmal B. Parekh
Director.
(DIN NO. 00512415)

B. M. Jain

(B. M. JAIN)
Proprietor

Membership No. : 034943

AHMEDABAD: 30th May, 2024.



Anand J. Parekh

Anand J. Parekh
Director.
(DIN NO. 00500384)

AHMEDABAD: 30th May, 2024.

MAHALAXMI EXPORT PRIVATE LIMITED

Statement of changes in equity for the year ended 31st March, 2024

(Amount in INR Rupees in lakhs, unless otherwise stated)

	Equity Share	Reserve and surplus		Items of OCI	Other	Total
		Securities	Retained			
Balance as at April 1, 2022	300.00	---	126.99	---	---	426.99
Profit for the year	---	---	246.55	---	---	246.55
Other comprehensive income	---	---	---	---	---	---
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)	---	---	---	---	---	---
Fair Valuation of Investments measured at FVTOCI(Net of tax)	---	---	---	---	---	---
Add: Issue during the year	---	---	---	---	---	---
Add: Income tax of earlier years	---	---	-3.89	---	---	0.00
Balance As at 31 Mar, 2023	300.00	---	369.65	---	---	669.65
Balance As at April 1, 2023	300.00	---	369.65	---	---	669.65
Profit for the year	---	---	334.10	---	---	334.10
Other comprehensive income	---	---	---	---	---	---
Re-measurement gains/ (Losses) on post employment defined benefit plans (Net of tax)	---	---	---	---	---	---
Fair Valuation of Investments measured at FVTOCI(Net of tax)	---	---	---	---	---	---
Add: Issue during the year	---	---	---	---	---	---
Less: Buyback during the year	---	---	---	---	---	---
Add: Income tax of earlier years	---	---	-14.28	---	---	-14.28
Add: Income tax on Buy Back of Shares	---	---	---	---	---	---
Balance As at 31st March, 2024	300.00	---	689.47	---	---	989.47




Summary of significant accounting policies

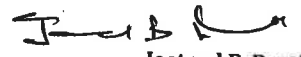
The accompanying notes are an integral part of the financial statements.
As per our report of even date


For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W



(B. M. JAIN)
Proprietor
Membership No. : 034943
AHMEDABAD: 30th May, 2024.


SANGITA SHINGI
Director
(DIN06999605)


Jeetmal B. Parekh
Director.
(DIN NO. 00512415)


Anand J. Parekh
Director.
(DIN NO. 00500384)

AHMEDABAD: 30th May, 2024.

VAHALAXMI EXPORTS PRIVATE LIMITED
Notes Forming part of Financial Statements for year ended on 31st Mar ,2024
1 Property, Plant and Equipments (Amount Rs in Lakhs)

	Freehold Land	Plant & Machinery	Office Equipments	VEHICLES	Total
Carrying Amounts					
Year ended March 31, 2023					
Gross carrying amount					
Balance as at April 1, 2022	206.19	69.81	2.00	17.73	295.74
Additions	---	---	---	---	0
Disposals	---	---	---	---	---
Classified as held for sale	---	---	---	---	---
Gross carrying amount As at 31 Mar, 2023	206.19	69.81	2.00	17.73	295.74
As at 31st Mar ,2024					
Additions	0.00	2.98	5.43	0.00	8.42
Disposals	---	---	---	---	---
Classified as held for sale	---	---	---	---	---
Other Adjustments	---	---	---	---	---
Gross carrying amount As at 31st Mar ,2024	206.19	72.80	7.44	17.73	304.16
Accumulated Depreciation/Amortisation					
Year ended March 31, 2023					
Balance as at April 1, 2022	---	8.10	0.18	1.09	9.37
Depreciation For the Year	---	---	---	---	---
Deductions / Adjustments	---	---	---	---	---
Accumulated Depreciation As at 31.03.2023	0.00	8.10	0.18	1.09	9.37
As at 31st Mar ,2024					
Depreciation For the Year	---	8.91	1.06	2.11	12.07
Deductions / Adjustments	---	---	---	---	---
Classified as held for sale	---	---	---	---	---
Accumulated Depreciation As at 31.03.2024	---	17.01	1.24	3.20	21.44
Net Carrying Amount					
As at 31 Mar, 2023	206.19	61.71	1.82	16.64	286.37
As at 31 Mar, 2024	206.19	55.79	6.20	14.54	282.71

(Amount Rs in Lakhs)

2 Capital Work-in-progress	As at March 31,2024				
	Amount in Capital Work in Progress for a period of				
	Less than year	1- 2 years	2- 3 years	More than 3 years	Total
Projects in progress	132.89	---	---	---	132.89
Projects temporarily suspended	---	---	---	---	---
	132.89	---	---	---	132.89

Capital Work-in-progress	As at March 31, 2023				
	Amount in Capital Work in Progress for a period of				
	Less than year	1- 2 years	2- 3 years	More than 3 years	Total
Projects in progress	---	---	---	---	0
Projects temporarily suspended	---	---	---	---	---
	0	---	---	---	0

(Amount Rs in Lakhs)

3 Other non-current assets	As at 31-Mar-24	As at 31-Mar-23
Non Financial Assets (Unsecured and considered good)		
Capital Advance	---	---
Preliminary Expenses (To the Extent not written off)	2.53	3.79
Total	2.53	3.79

(Amount Rs in Lakhs)

4 Inventories	As at 31-Mar-24	As at 31-Mar-23
(As verified, valued & certified by management)		
Raw Materials (including goods in transit)	874.06	648.95
Finished Goods	0.00	---
Fents & Rags	37.57	0.82
Stores, Spares, Packing & Stitching Material	72.33	13.34
	983.96	663.11



		(Amount Rs in Lakhs)	
5	Trade Receivables	As at 31-Mar-24	As at 31-Mar-23
	(a) Trade Receivables considered Good -Secured	---	---
	(b) Trade Receivables considered Good -Unsecured	1054.23	849.41
	(c) Trade Receivables which have significant increase in credit risk	---	---
	(d) Trade Receivables credit impaired	---	---
	Less:- Provision for Doubtful Trade receivables	---	---
	Total Trade Receivables (Billed)	1054.23	849.41
	Trade Receivable-Unbilled -Jobwork Accrued	---	---
		1054.23	849.41

Particulars	Outstanding for following periods as at 31.03.2024					Total
	Less than 6 months year	6 months to 1Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	1054.23	0	0	0	0	1054.23
(ii) Undisputed Trade Receivables – which have	---	---	---	---	---	---
(iii) Undisputed Trade receivables – Credit	---	---	---	---	---	---
(iv) Disputed Trade Receivables considered	---	---	---	---	---	---
(v) Disputed Trade Receivables – which have	---	---	---	---	---	---
(vi) Disputed Trade receivables – Credit	---	---	---	---	---	---

Particulars	Outstanding for following periods as at 31.03.2023					Total
	Less than 6 months year	6 months to 1Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –considered	849.41	---	---	---	---	849.41
(ii) Undisputed Trade Receivables – which have	---	---	---	---	---	---
(iii) Undisputed Trade receivables – Credit	---	---	---	---	---	0
(iv) Disputed Trade Receivables considered	---	---	---	---	---	---
(v) Disputed Trade Receivables – which have	---	---	---	---	---	---
(vi) Disputed Trade receivables – Credit	---	---	---	---	---	---

		(Amount Rs in Lakhs)	
6	Cash and cash equivalents	As at 31-Mar-24	As at 31-Mar-23
	Balances with banks On current accounts	0.57	0.74
	Cash on hand	0.59	1.37
	Total cash and cash equivalents	1.16	2.12

		(Amount Rs in Lakhs)	
7	Bank balances other than Cash and cash equivalent	As at 31-Mar-24	As at 31-Mar-23
	In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	589.26	349.88
		589.26	349.88



8	Other Current Assets	As at 31-Mar-24	As at 31-Mar-23
	Balance with Statutory Authorities	253.77	180.56
	Prepaid Expenses	16.61	7.88
	Deposits	1.25	1.25
	Others	209.16	192.81
		480.78	382.50

9	Equity Share Capital	As at 31-Mar-24	As at 31-Mar-23
	Authorized 6000000 (5000000) Equity Shares of Rs. 10 each	600.00	500.00
		600.00	500.00
	Issued, subscribed and paid up 3000000 (3000000) Equity Shares of Rs. 10 each(Refer Note No 36)	300.00	300.00
	Total	300.00	300.00

a. **Rights, preferences and restrictions attached to shares:**

Equity Shares:

The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholding. However, no such preferential amounts exist currently.

b. **Reconciliation of the number of shares:**

Equity Shares	31-Mar-24		31-Mar-23	
	No. of shares	Amt. in Rs.	No. of shares	Amt. in Rs.
Opening Balance	300000	300.00	300000	300.00
Addition during the year	---	---	---	---
Closing Balance	300000	300.00	300000	300.00

c. **Details of shareholders' holding more than 5% of the aggregate shares in the company:**

Name	31/03/2024		31/03/2023	
	No. of shares	% of holding	No. of shares	% of holding
Mahalaxmi Rubtech Limited (Refer Note No 36)	---	---	300000	100%
Mahalaxmi Fabric Mills Ltd (Refer Note No 36)	300000	100%	---	---

d. **Details of shares held by promoters at the end of the year**

Name	31/03/2024		31/03/2023	
	No. of shares	% of holding	No. of shares	% of holding
Mahalaxmi Rubtech Limited (Refer Note No 36)	---	---	300000	100%
Mahalaxmi Fabric Mills Ltd (Refer Note No 36)	300000	100%	---	---

10	Other Equity	As at 31-Mar-24	As at 31-Mar-23
	Retained Earnings		
	Opening balance		
	Add: Net profit / (loss) for the year	369.65	126.99
	Less: Income tax of Earlier years	334.10	246.55
	Closing balance	-14.28	3.89
		689.47	369.65



(Amount Rs in Lakhs)			
11	Long Term Borrowings	As at 31-Mar-24	As at 31-Mar-23
	Secured Vehicle Loan	7.11	11.02
	Unsecured From Directors From Holding Company	---	98.74
	TOTAL	7.11	109.76

(Amount Rs in Lakhs)			
12	Deferred Tax Liabilities (Net)	As at 31-Mar-24	As at 31-Mar-23
	Deferred Tax Liability Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	2.24	1.55
	Deferred Tax Asset:	---	---
	Deferred Tax Liabilities (Net)	2.24	1.55

(Amount Rs in Lakhs)			
13	Short Term Borrowing	As at 31-Mar-24	As at 31-Mar-23
	Secured Loan repayable on Demand (a) From Banks Cash Credit Packing credit cum Foreign Bill Purchase facility	211.76 1499.26	--- 1150.76
	Current Maturity Vehicle Loan	3.90	2.66
		1714.92	1153.41

Notes

- Above credit facilities are secured by way of hypothecation of stock, book debts, plant & machineries & other movables of the company. Further secured by corporate guarantee and extension of equitable mortgage of properties of holding company. Further secured by personal guarantee of all the Directors of the company.
- Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(Amount Rs in Lakhs)								
14	Trade Payables					As at 31-Mar-24	As at 31-Mar-23	
	Trade Payables Payable to related parties Payable to Others					100.60 565.33 665.93	1.08 525.75 526.83	
	Particulars	Outstanding for following periods as at 31.03.2024						
		Less than 1 year	1 to 2 years	2-3 years	More than 3 years	Total		
	(i) Trade Payables-Undisputed -MSE	28.43	---	---	---	28.43		
	(ii) Trade Payables-Undisputed- Others	637.50	---	---	---	637.50		
	(iii) Trade Payables- Disputed-MSE	---	---	---	---	---		
	(iv) Trade Payables-Disputed -Others	---	---	---	---	---		
	Particulars	Outstanding for following periods as at 31.03.2023						
		Less than 1 year	1 to 2 years	2-3 years	More than 3 years	Total		
	(i) Trade Payables-Undisputed -MSE	1.08	---	---	---	1.08		
	(ii) Trade Payables-Undisputed- Others	525.75	---	---	---	525.75		
	(iii) Trade Payables- Disputed-MSE	---	---	---	---	---		
	(iv) Trade Payables-Disputed -Others	---	---	---	---	---		



		(Amount Rs in Lakhs)	
15	Other financial liabilities	As at 31-Mar-24	As at 31-Mar-23
	Outstanding Expenses	3.61	3.21
		3.61	3.21

		(Amount Rs in Lakhs)	
16	Other current liabilities	As at 31-Mar-24	As at 31-Mar-23
	Expense Payble	---	---
	Advances from Customers	74.23	7.46
	Statutory Duties & Taxes	8.69	6.98
		82.91	14.44

		(Amount Rs in Lakhs)	
17	Current tax liabilities (net)	As at 31-Mar-24	As at 31-Mar-23
	Opening Balance	58.32	36.71
	Add: Current Tax payable for the year	113.07	82.44
	Less: Taxes paid (including TDS and MAT Credit)	110.06	60.83
		61.33	58.32

MAHALAXMI EXPORTS PRIVATE LIMITED

		(Amount Rs in Lakhs)	
18	Revenue from Operations	As at 31-Mar-24	As at 31-Mar-23
	Sale of products and services	7154.08	5874.86
	Other Operating revenue	740.40	588.72
	Export Entitlement Benefits		
	Total revenue from operations	7894.48	6463.58

		(Amount Rs in Lakhs)	
19	Other income	Year Ended 31-Mar-24	Year Ended 31-Mar-23
	Exchange Rate Fluctuation	89.31	---
	Interest Received	23.35	6.77
	Vatav Kasar	1.26	---
	Liability written back	3.35	0.02
		117.27	6.79

		(Amount Rs in Lakhs)	
20	Cost of raw materials consumed	Year Ended 31-Mar-24	Year Ended 31-Mar-23
	Raw Material Consumed:		
	Opening Stock	648.95	386.72
	Add: Purchases	4277.15	3563.36
		4926.10	3950.08
	Less: Closing Stock	874.06	648.95
		4052.04	3301.13

		(Amount Rs in Lakhs)	
21	Changes in inventories of finished goods, work-in-progress and Scrap	Year Ended 31-Mar-24	Year Ended 31-Mar-23
	Inventories at the beginning of the year		
	Finished Goods	---	---
	Fents & Rags	0.82	5.27
		0.82	5.27
	Less: Inventories at the end of the year		
	Finished Goods	---	---
	Fents & Rags	37.57	0.82
		37.57	0.82
	Net decrease/ (increase)	-36.75	4.46



		(Amount Rs in Lakhs)	
22	Manufacturing & Operating Cost	Year Ended 31-Mar-24	Year Ended 31-Mar-23
	Stores, Spares & Maintenance Expenses	9.45	10.73
	Job Charges	2198.50	1759.29
	Design Materials	6.14	8.07
	Power & Fuel	46.79	35.82
	Laboratory Expenses	8.57	3.33
	Freight, Clearing & Forwarding Expenses	57.88	39.43
	Stitching & Packing Materials & Expenses	480.82	437.84
		2808.14	2294.50
(Amount Rs in Lakhs)			
23	Employee benefit expenses	Year Ended 31-Mar-24	Year Ended 31-Mar-23
	Salary & Wages	75.76	45.29
	Contribution to Provident Fund and ESI	27.20	8.74
	Employees' Welfare Expenses	0.61	3.74
		103.57	57.77
(Amount Rs in Lakhs)			
24	Finance costs	Year Ended 31-Mar-24	Year Ended 31-Mar-23
	Interest (Net)	65.01	32.32
	Bank Commission & Charges	22.15	33.53
		87.17	65.85
(Amount Rs in Lakhs)			
25	Other expenses	Year Ended 31-Mar-24	Year Ended 31-Mar-23
	E.C.G.C. Premium	31.25	24.46
	General Expenses	0.41	0.23
	Insurance Premium	1.61	1.80
	Audit Fees	0.75	0.75
	Legal & Consulting Expenses	37.88	55.46
	Postage & Courier Expenses	14.43	11.36
	Rent, Rates and Taxes	6.61	5.57
	Miscellaneous Expenses	59.12	49.68
	Export Freight	38.68	22.39
	Commission Expenses	208.02	189.43
	Printing & Stationery Expenses	1.87	1.15
	Preliminary Exp. Written off	1.26	1.26
	Exhibition Expense	24.96	30.50
	Travelling Expense	109.24	14.87
	Subscription Expense	1.56	---
		537.65	408.90



		(Amount Rs in Lakhs)	
26	The details of payment to auditors for the year ended is set out below:	Year Ended	Year Ended
		31-Mar-24	31-Mar-23
	Audit fee	0.75	0.75
	For Others (Reports, Certificates, etc.)	0.45	0.30
		1.20	1.05

27 (a) **Financial Instruments by Category**
(a) The carrying values and fair values of financial instruments at the end of each reporting periods is as follows:
As at 31.03.24 (Amt. in Lakhs)

Particulars	As at 31.03.24		As at 31st March, 2023	
	At FVTOCI	Amortised Cost	At FVTOCI	Amortised Cost
Assets:				
Investments (Non Current)	---	---	---	---
Other Financial Non- current assets	---	---	---	---
Trade Receivables	---	1054.23	---	849.41
Cash & Cash Equivalents	---	1.17	---	2.12
Other Bank Balance	---	589.26	---	349.88
Loan	---	---	---	---
Other Financial current assets	---	---	---	---
Total	---	1644.66	---	1201.40
Liabilities:				
Borrowings	---	7.12	---	109.76
Borrowings (Current)	---	1714.92	---	1153.41
Trade Payables	---	665.93	---	526.83
Other Financial Liabilities (Current)	---	82.91	---	3.21
Total	---	2470.88	---	1793.21

(b) Fair Value Measurement

(i) Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e.as prices) or indirectly (i.e. derived from prices)

Level 3- Input for the assets or liabilities that are not based on observable market data (unobservable inputs)

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

As at 31.03.24

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Long terms Investments				
As at 31.03.24				
Fair values through OCI	---		---	
As at 31st March, 2023				
Fair values through OCI	---		---	

28 **The details of Contingent Liabilities and Commitments (to the extent not provided for):** (Amt. in Lakhs)

Particulars	As at	As at
	31-Mar-24	31-Mar-23
A Contingent Liabilities	---	---
B Commitments:		

29 **Calculation of Earning per Share** (Amt. in Lakhs)

Earning per Share		As at	As at
		31/03/2024	31/03/2023
Net Profit after Tax	Rs. In Lakhs	334.10	246.55
Nominal Value of equity share	Rs.	10.00	10.00
Weighted average number of equity shares			
- for Basic EPS	Nos.	3000000	3000000
- for Diluted EPS	Nos.	3000000	3000000
Basic EPS	Rs.	11.14	8.22
Diluted EPS	Rs.	11.14	8.22

30 The outstanding amount of Rs. 28.42 Lakhs due to those Micro and Small Enterprises who have reported to the company as Micro and Small Enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME). However, in the considered view of the management and as relied upon by the auditors, impact of interest, if any that may be payable in accordance with the provisions of this Act is not expected to be material.



31 Related Party Transactions:
As per Indian Accounting Standard 24, Related Party Disclosure is as under:

(a) List of Related Parties with whom transactions have taken place during the year and relationship:

<u>Name of the Related Party</u>	<u>Relationship</u>
Mahalaxmi Fabric Mills Limited	Holding Company
Mahalaxmi Rubtech Limited	Associate
Anand Chem Industries Pvt. Ltd.	Associate
Mahalaxmi Exports	Associate

(a) **Transactions during the year with Related Parties for FY 2023-24**

Nature of Transaction	Key Managerial Personnel	Associate	Holding Co.	Relative of KMP
Rent paid				
Anand Chem Industries Pvt. Ltd.	---	3.00	---	---
Mahalaxmi Fabric Mills Ltd	---	---	1.20	---
	---	3.00	1.20	---
Sales				
Mahalaxmi Exports	---	4.69	---	---
Mahalaxmi Fabric Mills Ltd	---	---	10.61	---
	---	4.69	10.61	---
Purchase				
Mahalaxmi Fabric Mills Ltd	---	---	1.67	---
Mahalaxmi Exports	---	58.59	---	---
	---	58.59	1.67	---
Job Charge Received				
Mahalaxmi Fabric Mills Ltd	---	---	24.30	---
Mahalaxmi Exports	---	151.45	---	---
	---	151.45	24.30	---
Job Charge paid				
Mahalaxmi Fabric Mills Ltd	---	---	1857.56	---
	---	---	1857.56	---
Advance given				
Mahalaxmi Rubtech Limited	---	175.50	---	---
	---	175.50	---	---
Advance Recovered				
Mahalaxmi Rubtech Limited	---	75.50	---	---
	---	75.50	---	---
Outstandings				
Loans Payable				
Mahalaxmi Rubtech Limited	---	100.00	---	---
	---	100.00	---	---
Outstandings				
Receivable				
Mahalaxmi Fabric Mills Ltd			164.39	
Mahalaxmi Exports		133.08		
	---	133.08	164.39	---



(Amount Rs in Lakhs)

(b) Transactions during the year with Related Parties for FY 2022-23				
Nature of Transaction	Key Managerial Personnel	Associate	Holding Co.	Relative of KMP
Rent paid				
Anand Chem Industries Pvt. Ltd.	---	3.00	---	---
Mahalaxmi Fabric Mills Ltd	---	---	2.40	---
		3.00	2.40	---
Sales				
Mahalaxmi Exports	---	202.23	---	---
Mahalaxmi Fabric Mills Ltd	---	---	14.26	---
		202.23	14.26	---
Purchase				
Mahalaxmi Fabric Mills Ltd		682.01		
Mahalaxmi Exports	---		43.10	---
		682.01	43.10	---
Job Charge Received				
Mahalaxmi Fabric Mills Ltd	---		42.19	---
Mahalaxmi Exports	---	56.60	---	---
		56.60	42.19	---
Job Charge paid				
Mahalaxmi Fabric Mills Ltd	---	---	1579.81	---
		---	1579.81	---
Advance given				
Mahalaxmi Rubtech Limited	---	380.00	---	---
		380.00	---	---
Advance Recovered				
Mahalaxmi Rubtech Limited	---	422.00	---	---
		422.00	---	---
Outstandings				
Loans Payable				
Mahalaxmi Rubtech Limited	---	98.74	---	---
		98.74	---	---
Outstandings Receivable				
Mahalaxmi Fabric Mills Ltd		---	296.58	
Mahalaxmi Exports		8.98	---	
Anand Chem Industries Pvt. Ltd.		1.36	---	
		10.33	296.58	---



32 Derivatives Instruments:

(a) Currency	Derivatives outstanding as at the Balance Sheet Date:			
	Exposure to Buy / Sell	No. of Contracts	As at the year ended	
			Rs. Lacs	Foreign Currency
USD	SELL	7	293.03	USD 350000
EURO	SELL	---	---	---

(b) Foreign currency exposure at the year end not hedged by derivative instruments:

Particulars		As at 31.03.2024	As at 31.03.2023
Payable against import of goods & services			
Rupees in Lakhs		71.46	33.27
US Dollar		85679.06	40490.62
GBP		---	---
CHF		---	---
Euro		---	---
Advance payment to suppliers and for expenses			
Rupees in Lacs		---	---
Euro		---	---
US Dollar		---	---
Receivable against export of goods and services			
Rupees in Lacs		918.19	104.37
US Dollar		856055.58	127027.92
Euro		229189.24	0.00

The Company entered in to derivative contracts strictly for hedging purposes only and not for trading or speculation purposes.

33 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

Market Risk Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(i) Foreign currency risk The company operates internationally and business is transacted in several currencies.

The export sales of company comprise around 94.98 % of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.



The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

Particulars	As At	
	31st March 2024	31st March 2023
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	856055.58	840197.56
In Euro	229189.24	182268.78
Amount hedged through forwards & options # (B)		
In USD		
In Euro	406095.94	713169.64
	0.00	182268.78
Net Exposure to Foreign Currency Assets (C=A-B)		
In USD	449959.64	127027.92
In Euro	229189.24	0.00
b) Exposure on account of Financial Liabilities		
Trade Payables (D)		
In USD	85679.06	40490.62
In Euro	0	0
In CHF	0	0
Amount Hedged through forwards & options # (E)		
In USD	0	0
In Euro	0	0
In CHF	0	0
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	85679.06	40490.620
In Euro	0	0
In CHF	0	0
Net Exposure to Foreign Currency Assets/(Liability) (C-F)		
In USD	364280.58	86537.30
In Euro	229189	0
In CHF	0	0

Foreign Currency Risk Sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD and Euro exchange rates (with all other variables held constant) will be as under:

Particulars	(Amt. in Lakhs)	
	Net Impact on Profit before Tax	
	As at 31.03.2024	As at 31.03.2023
USD sensitivity		
INR/USD -Increase by 5%	15.19	3.56
INR/USD -Decrease by 5%	-15.19	-3.56
EURO sensitivity		
INR/EURO -Increase by 5%	10.30	0.00
INR/EURO -Decrease by 5%	-10.30	0.00
CHF sensitivity		
INR/CHF -Increase by 5%	0.00	0.00
INR/CHF -Decrease by 5%	0.00	0.00

34 Disclosure pursuant to Accounting Standard-17 "Segment Reporting":

During the year under consideration ,the company operated in only one segment i.e manufacturing and trading of traditional textile.

35 Additional Regulatory Information

- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- The Company do not have any transactions with companies struck off
- The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year



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

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

7 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provision of the Income tax Act,1961)

8 Ratios (Continuing operations)

Sl. No	Particular	Numerator	Denominator	March 31,2024	March 31,2023	% of Variance	Reason for Variance of more than 25%
1	Current Ratio	Current Asset	Current Liabilities	1.23	1.28	3.89%	---
2	Debt-Equity Ratio	Long term Debt	Shareholders Equity	0.01	0.16	-95.62%	Variance is due to decrease in long term debts and increase in shareholders Equity
3	Debt Service Coverage Ratio,	Earnings for debt service = Net profit after taxes + Non cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA	NA	---	---
4	Return on Equity Ratio	Net Profits after taxes - Preference Dividend (if any)	Shareholder's Equity	33.77	36.82	-8.29%	---
5	Inventory turnover ratio*	Cost of goods sold	Average Inventory	5.19	6.46	-19.66%	---
6	Trade Receivables turnover ratio*	Net credit sales = Gross credit sales - sales return	Avg. Accounts Receivable	7.52	7.62	-1.32%	---
7	Trade payables turnover ratio*	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	13.05	11.37	14.85%	---



Sr No	Particular	Numerator	Denominator	March 31,2024	March 31,2023	% of Variance	Reason for Variance of more than 25%
8	Net capital turnover ratio,	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	12.32	11.97	2.92%	---
9	Net profit ratio,	Net Profit	Net sales = Total sales - sales return	4.67	4.20	11.28%	---
10	Return on Capital employed,	Earning before interest and taxes	Capital Employed = Total Equity+Long term Debt	51.46	46.48	10.71%	---
11	Operating profit Margin (%)	Earning before interest and taxes	Revenue from operations	7.17	6.17	16.25%	---
12	Return on Net Worth (%)	Total comprehensive income for the year, net of tax	Net worth= Total Equity	33.77	36.82	-8.29%	---

36 SCHEME OF ARRANGEMENT

The Hon'ble National Company Law Tribunal, Ahmedabad, Special Bench, Court-1, vide Order No.:C.P.(CAA)/57 (AHM)2023 in C.A.(CAA)/47(AHM)2023, dated 4th March,2024, sanctioned the Scheme of Arrangements involving 'Demerger between Mahalaxmi Rubtech Limited (MRT) (CIN: L25190GJ1991PLC016327) ("Demerged Company"); 'Mahalaxmi Fabric Mills Limited (Formerly known as "Sonnet Colours Pvt. Ltd."I (MFMPL) (CIN: U17100GJ1991PTC015345) ("First Resulting Company"); and Globale Tessile Private Limited (GTPL) (CIN:'U17299GJ2017PTC098506) ("Second Resulting Company") and their respective Shareholders and Creditors ("Scheme").

Pursuant to above Scheme, the Company has ceased to become the Wholly Owned Subsidiary Company of Mahalaxmi Rubtech Limited and has become the Wholly Owned Subsidiary Company of Mahalaxmi Fabric Mills Limited with effect from the appointed date i.e. 1st April,2022.

Accordingly the shares issued to Mahalaxmi Rubtech Ltd. have been transferred to Mahalaxmi Fabric Mills Ltd.

37 The Company's software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, the audit trail feature is not enabled for certain direct changes to data when using certain access rights and at the database level for the accounting software.

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1 General Information

Mahalaxmi Exports Private Limited (the "Company") is a private limited company domiciled in India and was incorporated on 5th November,2019 under the provisions of the Companies Act, 2013 applicable in India. Its registered office is located at YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawdi, Ahmedabad. The Company is primarily engaged in the business of manufacturing and trading of textiles products.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value.



(c) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital
Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are taken as prescribed useful lives under Schedule II to the Companies Act, 2013. The management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

2.3 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties

2.4 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

2.5 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.6 Foreign Currency Transactions

(a) **Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) **Transactions and balances**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

2.7 Financial Instruments.

Fair value measurement

The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes there after are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.



Financial Assets

The company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income or through Profit or loss) and those to be measured at amortised cost.

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, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

2.8 Revenue Recognition

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade

In respect of above, the amounts received in advance are reflected in the Balance sheet under "Other Current and Non-current Liabilities" as "Advance from Customers".

Sale of products:

Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to

2.9 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit & loss account shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income shall be recognised as part of OCI.

(b) Deferred tax

Deferred income tax is recognised for all the temporary differences arising between the tax bases of assets and liabilities and their carrying

2.10 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.11 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are shown as other non current assets . Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease .

2.12 Inventories

Inventories are valued at the lower of cost and net realisable value.

2.13 Impairment of assets

The carrying value of assets / cash generating units at the Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised for such excess amount.



2.14 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date. 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 recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.15 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.16 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.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(iii) Impairment of financial assets

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

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized .

(iii) Derecognition

A financial liability is derecognized 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 recognized in the Statement of Profit and Loss as finance costs.

2.17 Employee Benefits

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year, if any. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

2.19 Research & Development

Expenditure on research and development is recognised as an expense when it is incurred. Expenditure which results in increase in property, plant and equipment are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

2.20 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions. All government grants are initially recognised by way of setting up as deferred income. Government grants relating to income are recognised in the profit & loss account. Government grants relating to purchase of property, plant & equipment are subsequently recognised in profit & loss on a systematic basis over the expected life of the related depreciable assets. Grants recognised in Profit & Loss as above are presented within other income.

2.21 Inter divisional transactions

Inter divisional transactions are eliminated as contra items. Any unrealised profits on unsold stocks on account of inter divisional transactions is eliminated while valuing the inventory.

2.22 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes

Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronouncements including an estimation of the likely outcome of any open tax assessments/ litigations. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available, based on estimates thereof.

(b) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

Summary of significant accounting policies

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

As per our report of even date

For BHANWAR JAIN & CO.

Chartered Accountants.

Firm Registration No. : 117340W



SANGITA SHINGI
Director
(DIN06999605)



Jeetmal B. Parekh
Director.
(DIN NO. 00512415)



Anand J. Parekh
Director.
(DIN NO. 00500384)

(B. M. JAIN)

Proprietor

Membership No. : 034943

AHMEDABAD: 30th May, 2024.

AHMEDABAD: 30th May, 2024.

