

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of HONOURABLE PACKAGING PRIVATE LIMITED**  
**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **HONOURABLE PACKAGING PRIVATE LIMITED** ("the Company"), which comprises the balance sheet as at 31st March 2024, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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### 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the financial statements and our auditor's report thereon.

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

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

### 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 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.



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**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 Auditors' 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**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, the Statement of Changes in Equity 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act;
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

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- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid 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 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. The Company has disclosed the impact of pending litigations on its financial position in its financial statements, refer Note No. 29 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There are 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the 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; and
  - (c) Based on such 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 mis-statement.

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- v. The Board of Directors of the Company has not paid or proposed any dividend either interim or final during the year.
- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place: Indore  
Date: 03/07/2024



For **M.S. Dahiya & Co.**  
Chartered Accountants  
FRN : 013855C

*Harsh Firoda*

**(Harsh Firoda)**

Partner

M. No. : 409391

UDIN: 24409391BKFK3271

**ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT**

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

In terms of the information and explanations sought by us and given by the company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that :-

(i)

a. (A) The company has maintained proper records showing full particulars including quantitative details and situation of the Property, Plant & Equipments;

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

b. The Company has a regular program of physical verification of property, plant and equipments and right-of-use of assets so as to cover all assets, which is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, the management has physically verified the property, plant and equipments and no material discrepancies were noticed on such physical verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.

e. As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii)

a. The inventory of the company has been physically verified by the management during the year at reasonable intervals. In our opinion, the frequency of such verification is reasonable considering the size of the company and nature of its business. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on such physical verification.

b. The company has been sanctioned working capital limits in excess of five crore rupees during the year, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreements with the books of account of the Company, except as disclosed in note 13 (c) of the financial statements.

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- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments and granted loans but provide guarantees during the year hence clause (a), (c), (d), (e), (f) are Not applicable, in respect of which:  
 (b) In our opinion, the guarantees provided during the year are, prima facie, not prejudicial to the Company's interest.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) In our opinion and according to the information & explanations given to us, the company has not accepted any deposits from public as covered under the provisions of Section 73 to 76 of the Act and rules made thereunder. Accordingly, clause 3(v) of the order is not applicable.
- (vi) According to the information and explanations given to us, we are of the opinion that the cost records specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not applicable to the Company.
- (vii)
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods & Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31<sup>st</sup> March, 2024.
  - According to the information and explanations given to us, there are no material dues as referred to in sub clause (a) which have not been deposited with the appropriate authorities on account of any dispute except following:

Nature of Statute	Nature of the dues	Period to which the amount relates	Amount (Rs. In Lakhs)	Forum where the dispute is pending
Income Tax	Demand After Assessment	A.Y. 2017-18	2.31	DCIT (1), Aayakar Bhawan, Indore
Income Tax	Demand After Assessment	A.Y. 2018-19	1.17	Commissioner of Income Tax (Appeal)

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(viii) According to the information and explanations given by the management, there were no transactions relating to previously unrecorded income that have been offered as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix)

- a. According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender.
- c. In our opinion and according to the information and explanations given to us by the management, the Company has not availed any term loans during the year. Hence, clause ix (c) is not applicable.
- d. According to the information and explanations given to us by the management and on an overall examination of the balance sheet of the company, we report that funds raised on short term basis have, prima facie, not been utilized during the year for long term purposes by the Company.
- e. In our opinion and according to the information and explanations given to us by the management, 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. In our opinion and according to the information and explanations given to us by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)

- a. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.
- b. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.

(xi)

- a. According to the records of the company examined by us and the information & explanations given to us by the management, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.



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- b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.
- (xii) 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 examination of the records of the Company, the transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standard.
- (xiv) The company is not required to have an internal audit system hence this clause is not applicable
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi)
- a. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- b. In our opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year, Accordingly, clause 3(xviii) of the order is not applicable.



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- (xix) According to information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements 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 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under subsection (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) This report pertains to standalone financial statements. Hence reporting under Clause 3(xxii) of the of the aforesaid order are not applicable.

Place: Indore  
Date: 03/07/2024



For M.S. Dahiya & Co.  
Chartered Accountants  
FRN : 013855C

*Harsh Firoda*

(Harsh Firoda)  
Partner  
M. No. : 409391

UDIN: 24409391BKFOTK3271

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HONOURABLE PACKAGING PRIVATE LIMITED**

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

We have audited the internal financial controls over financial reporting of **HONOURABLE PACKAGING PRIVATE LIMITED** ("the Company") as of 31<sup>st</sup> March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those 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.



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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 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.

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### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 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 Institute of Chartered Accountants of India.

Place: Indore  
Date: 03/07/2024



For M.S. Dahiya & Co.  
Chartered Accountants  
FRN : 013855C

*Harsh Firoda*

(Harsh Firoda)  
Partner

M. No. : 409391

UDIN: 2440939JBK F0TK 3271

Honourable Packaging Private Limited  
CIN: U25202MP2010PTC023075  
Balance sheet as at March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Assets</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	3	170.72	191.30	208.61
(b) Right of Use Assets	3	3.70	3.93	4.17
(c) Financial assets				
(i) Other financial assets	4	52.55	54.42	54.02
(d) Deferred tax assets (net)	5	-	5.37	13.66
(e) Current tax assets	17	-	-	7.06
<b>Total non-current assets</b>		<b>226.98</b>	<b>255.03</b>	<b>287.52</b>
<b>Current assets</b>				
(a) Inventories	6	1,250.62	987.66	1,151.94
(b) Financial assets				
(i) Trade receivables	7	127.27	563.12	331.58
(ii) Cash and cash equivalents	8	1.33	2.53	1.88
(iii) Loans & Advances	9	1,045.53	263.66	7.88
(c) Other current assets	10	148.68	648.92	248.34
<b>Total current assets</b>		<b>2,573.44</b>	<b>2,465.88</b>	<b>1,741.61</b>
<b>Total assets</b>		<b>2,800.41</b>	<b>2,720.91</b>	<b>2,029.13</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	11	19.80	19.80	19.80
(b) Other equity	12	681.69	533.50	418.62
<b>Total equity</b>		<b>701.49</b>	<b>553.30</b>	<b>438.42</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	13	46.52	88.29	141.08
(ii) Lease Liability	14	5.10	5.29	5.46
(b) Provisions	15	13.18	18.65	34.52
(c) Deferred Tax Liability	5	2.39	-	-
<b>Total non-current liabilities</b>		<b>67.19</b>	<b>112.22</b>	<b>181.07</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	13	585.52	577.51	678.97
(ii) Trade payables	16			
- Total outstanding dues to small and micro enterprises		0.21	0.13	-
- Total outstanding dues of creditors other than small and micro enterprises		517.29	1,424.72	698.72
(iii) Other financial liabilities		-	-	-
(b) Other current liabilities	18	881.82	25.92	24.13
(c) Provisions	15	13.83	10.95	7.81
(d) Current Tax Liabilities	17	33.08	16.16	-
<b>Total current liabilities</b>		<b>2,031.74</b>	<b>2,055.39</b>	<b>1,409.64</b>
<b>Total equity and liabilities</b>		<b>2,800.41</b>	<b>2,720.91</b>	<b>2,029.13</b>

Significant Accounting Policies and Notes to Accounts

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As per our report of even date

For M.S. Dahiya & Co.  
Chartered Accountants  
Firm Reg. No.: 013855C



Harsh Firoda  
Partner

M No. 409391  
Place: Pithampur  
Date: 03.07.2024

For and on behalf of Board of Directors of  
Honourable Packaging Private Limited

Binod Kumar Agarwal  
Director

DIN: 00322536  
Place: Pithampur  
Date: 03.07.2024

Ranjan Kumar Mohapatra  
Director

DIN: 02267845

## Honourable Packaging Private Limited

CIN: U25202MP2010PTC023075

Statement of Profit and Loss for the year ended March 31, 2024

All amounts are ₹ in Lakhs unless otherwise stated

Particulars		Note	For the year ended March 31, 2024	For the year ended March 31, 2023
I	Revenue from operations	19	4,837.72	7,248.34
II	Other income	20	142.26	118.56
III	<b>Total income (I + II)</b>		<b>4,979.99</b>	<b>7,366.90</b>
IV	<b>Expenses</b>			
	(a) Cost of Materials Consumed	21	4,859.69	5,758.59
	(b) Changes in inventories of finished goods and work in progress	22	(734.27)	428.16
	(c) Employee benefit expense	23	249.95	253.29
	(d) Finance costs	24	79.36	50.83
	(e) Depreciation and amortisation expense	25	18.25	20.72
	(f) Other expenses	26	313.42	720.64
	<b>Total expenses (IV)</b>		<b>4,786.39</b>	<b>7,232.22</b>
V	<b>Profit before tax (III - IV)</b>		<b>193.60</b>	<b>134.68</b>
VI	<b>Tax expense</b>			
	(1) Current tax	27	49.51	32.84
	(2) Deferred tax expense/ (credit)	5	7.77	8.28
	<b>Total tax expense (VI)</b>		<b>57.28</b>	<b>41.12</b>
VII	<b>Profit for the year (V -VI)</b>		<b>136.31</b>	<b>93.56</b>
VIII	<b>Other comprehensive income</b>			
	(A) Items that will not be reclassified to profit or loss			
	(a) (Loss)/Gain on remeasurement of the defined benefit plan		15.87	28.50
	(b) Income tax on above		(3.99)	(7.17)
	<b>Total other comprehensive (loss)/income for the year</b>		<b>11.87</b>	<b>21.32</b>
IX	<b>Total comprehensive (loss)/income for the year (VII+VIII)</b>		<b>148.19</b>	<b>114.88</b>
X	<b>Earnings per equity share (Face value of ₹ 10/- per share)</b>	28		
	(1) Basic (₹)		68.85	47.25
	(2) Diluted (₹)		68.85	47.25

Significant Accounting Policies and Notes to Accounts

1 to 39

As per our report of even date

M.S. Dahiya &amp; Co.

Chartered Accountants

Firm Reg. No.: 0138596

Harsh Firoda

Partner

M No. 409391

Place: Pithampur

Date: 03.07.2024

For and on behalf of Board of Directors of  
Honourable Packaging Private Limited

Binod Kumar Agarwal

Director

DIN: 00322536

Place: Pithampur

Date : 03.07.2024

Ranjan Kumar Mohapatra

Director

DIN: 02267845

Honourable Packaging Private Limited

CIN: U25202MP2010PTC023075

Statement of Cash flow for the year ended March 31, 2024

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash flows from operating activities</b>		
Profit before tax	193.59	134.68
Adjustments for:		
Finance costs	79.36	50.83
Interest income	(114.86)	(45.84)
Other Non Operating Income	(10.06)	(72.72)
Loss / (gain) on disposal of property, plant and equipment (net)	(17.35)	-
Depreciation and amortisation expenses	18.25	20.72
<b>Operating profit before working capital changes</b>	<b>148.93</b>	<b>87.66</b>
Adjustments for:		
<b>(Increase)/decrease in operating assets</b>		
Trade receivables	435.85	(231.55)
Inventories	(262.97)	164.28
Other financial assets (Non-Current and Current)	1.86	(0.39)
Loans and Advances	(781.88)	(255.78)
Other assets (Non-Current and Current)	500.24	(400.58)
<b>Increase/(decrease) in operating liabilities</b>		
Trade payables	(907.35)	726.13
Provisions (Non-Current and Current)	(2.59)	(12.74)
Other financial liabilities (Non-Current and Current)	(0.19)	(0.18)
Other current liabilities	855.90	1.79
<b>Changes in Working Capital</b>	<b>(161.12)</b>	<b>(9.02)</b>
<b>Cash generated from operations</b>	<b>(12.19)</b>	<b>78.64</b>
Income taxes paid (Net of Refund)	(32.60)	(9.62)
<b>Net cash generated by operating activities</b>	<b>(44.79)</b>	<b>69.02</b>
<b>Cash flows from investing activities</b>		
(Investment in)/Proceeds from property, plant and equipment and other intangible assets	19.91	(3.18)
Interest Income	114.86	45.84
Other Non Operating Income	10.06	72.72
<b>Net cash used in investing activities</b>	<b>144.83</b>	<b>115.38</b>
<b>Cash flows from financing activities</b>		
Repayment of long term borrowings	(41.77)	(52.79)
Proceeds/(Repayment) from short term borrowings (net)	8.01	(101.46)
Interest paid	(79.36)	(50.83)
<b>Net cash (used in) / generated by financing activities</b>	<b>(113.12)</b>	<b>(205.08)</b>
Add / Less : (Loss)/Gain on remeasurement of the defined benefit plan	11.87	21.32
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(1.21)</b>	<b>0.65</b>
Cash and cash equivalents at the beginning of the year	2.53	1.88
<b>Cash and cash equivalents at the end of the year</b>	<b>1.33</b>	<b>2.53</b>

**Reconciliation of cash and cash equivalents with the Balance Sheet:**

Cash and cash equivalents at end of the year	1.33	2.53
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**Note:**

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) "Statement of Cash Flow".

Significant Accounting Policies and Notes to Accounts

1 to 39

As per our report of even date

For M.S. Dahiya & Co.

Chartered Accountants

Firm Reg. No.: 013855

Harsh Firoda

Partner

M No. 409391

Place: Pithampur

Date: 03.07.2024



For and on behalf of Board of Directors of

Honourable Packaging Private Limited

Binod Kumar Agarwal

Director

DIN: 00322536

Place: Pithampur

Date: 03.07.2024

Ranjan Kumar Mohapatra

Director

DIN: 02267845

Place: Pithampur

Date: 03.07.2024

Honourable Packaging Private Limited  
Statement of Changes in Equity for the year ended March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

Statement of Changes in Equity  
(a) Equity share capital

For the year ended March 31, 2024				
Balance as at April 1, 2023	Changes in equity share capital due to prior period errors	Restated balance at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
19.80	-	19.80	-	19.80

For the year ended March 31, 2023				
Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
19.80	-	19.80	-	19.80

(b) Other equity

Particulars	Reserves and Surplus				Total
	Securities premium	Retained earnings	Remeasurement of defined benefit plan	Capital Reserve	
Balance as at April 1, 2023	219.20	235.09	24.96	54.26	533.50
Changes in accounting policy	-	-	-	-	-
Restated balance as at April 1, 2023	219.20	235.09	24.96	54.26	533.50
Profit for the year	-	136.31	-	-	136.31
Remeasurement of defined benefit obligation, net of income tax	-	-	11.87	-	11.87
Total comprehensive (loss)/Gain for the year	-	136.31	11.87	-	148.19
Securities premium on shares issued (net of share issue costs)	-	-	-	-	-
Balance as at March 31, 2024	219.20	371.40	36.83	54.26	681.68

Particulars	Reserves and Surplus				Total
	Securities premium	Retained earnings	Remeasurement of defined benefit plan	Capital Reserve	
Balance as at April 1, 2022	219.20	141.53	3.63	54.26	418.62
Changes in accounting policy	-	-	-	-	-
Restated balance as at April 1, 2022	219.20	141.53	3.63	54.26	418.62
Profit for the year	-	93.55	-	-	93.55
Remeasurement of defined benefit obligation, net of income tax	-	-	21.32	-	21.32
Total comprehensive (loss)/Gain for the year	-	93.55	21.32	-	114.88
Securities premium on shares issued (net of share issue costs)	-	-	-	-	-
Balance as at March 31, 2023	219.20	235.09	24.96	54.26	533.50

Significant Accounting Policies and Notes to Accounts  
As per our report of even date

1 to 39

For M.S. Dahiya & Co.  
Chartered Accountants  
Firm Reg. No.: 033855C  
Harsh Firoda  
Partner  
M No. 409391  
Place: Pithampur  
Date: 03.07.2024



For and on behalf of Board of Directors of Honourable Packaging Private Limited

  
Binod Kumar Agarwal  
Director

DIN: 00322536

Place: Pithampur

Date: 03.07.2024

  
Ranjan Kumar Mohapatra  
Director

DIN: 02267845

Significant Accounting Policies forming part of the Standalone Financial Statements for the year ended on 31st March, 2024

1 Corporate information

HONOURABLE PACKAGING PRIVATE LIMITED is a Private Company domiciled in India and incorporated on 11 th February, 2010 under the provisions of the Companies Act, 1956 having its registered office situated at PLOT NO. 640-A, SECTOR-3, INDUSTRIAL AREA, DHAR, PITHAMPUR, MADHYA PRADESH, INDIA, 454775. The company is primarily engaged in carrying on the business of manufacturer, importers, exporters, dealers, processors, stockiest, agents, contractors, distributors, buyers, sellers of packages, containers, bottles, cans, drums, bags, boxes, rolls, cartoons, cones, core, wrappers, taps, films, hollow, wares, pouches, sheets and other packaging materials made of papers, cardboards, cloth, leather, jute, plywood, metals, plastics, PVC, HDPE, LLDPE, FIBC, technical textiles, or other synthetics, fibers, granules or natural products. To carry on the business of manufactures, importers, exporters in dealers in all kinds and board, paper, corrugated board paper & craft paper and all the incidental and ancillary objects to the attainment of the main business.

2 Significant Accounting Policies

2.1 Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. These financial statements for the year ended 31 March 2024 are the first financial statements of the Company prepared under Ind AS. For all periods upto and including the year ended 31 March 2023, the Company had prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006 ('Previous GAAP'). The date of transition to Ind AS is 1st April, 2022.

2.1 Basis of preparation

These financial statements have been prepared on a going concern basis following the accrual basis of accounting in accordance with the Generally accepted Accounting Principles (GAAP) in India (Indian Accounting standards referred to as "IndAS") as specified under the section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and relevant amendments rules issued there after and and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). These standalone financial statements are presented in INR and all values are rounded to the nearest Lakhs, except when otherwise indicated.

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101, First time adoption of Indian Accounting Standards (Ind AS 101). The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the "Previous GAAP" for the purpose of Ind AS 101. Under previous GAAP financial statements were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP") and other relevant provisions of the Act as applicable.

The financial statements have been prepared on a historical cost convention, except for the following assets and liabilities:

- i. Certain financial assets and liabilities that is measured at fair value;
- ii. Defined benefit plans-plan assets measured at fair value.
- iii. Investments in equity instruments, other than investments in subsidiary & associates firm, measured at fair value through profit & loss account (FVTPL)

2.2 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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



### 2.3 Property, Plant & Equipments

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. 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.

All other repair and maintenance costs are recognized in statement of profit or loss as incurred.

Subsequent costs are included in asset's carrying amount or recognized as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably.

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

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

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

### 2.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The Company has assessed indefinite life for such brand considering the expected usage, expected investment on brand, business forecast and challenges to establish a premium electronic segment. These are carried at historical cost and tested for impairment annually.

An intangible asset is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

#### Depreciation and Amortisation

Depreciation on property, plant and equipment is calculated on pro-rata basis on straight-line method using the useful lives prescribed in Schedule II to the Companies Act 2013.

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

### 2.5 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when 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. The 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 groups 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 Company operates, or for the market in which the asset is used.



Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus. For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognized 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 recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase. As per the assessment conducted by the Company there were no indications that the non-financial assets have suffered an impairment loss during the reporting periods.

## 2.6 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 and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

### 2.6.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### 2.6.2 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

### 2.6.3 Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.





**2.6.4 Financial assets at fair value through profit or loss (FVTPL)**

initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments, which are not held for trading. Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurements recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

**2.6.5 Investments in equity instruments at FVTOCI**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss is included in the 'Other income' line item.

The Company has not elected for the FVTOCI irrevocable option for this investment.

**2.6.6 Impairment of financial assets**

The Company assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.



## 2.6.7 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

## 2.7 Financial liabilities and equity instruments

### 2.7.1 Classification as debt or equity

Debt and equity instruments issued by the 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.

### 2.7.2 Equity instruments

deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### 2.7.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

### 2.7.4 Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

### 2.7.5 Other financial liabilities:

Other financial liabilities including borrowings are subsequently measured at amortised cost using the effective interest method.

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



**2.7.6 Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**2.8 Investment in Subsidiaries**

The investment in subsidiaries are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, the Company controls an investee if and only if it has all the following:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee and
- the ability to use its power over the investee to affect the amount of the returns.

Investments are accounted in accordance with Ind AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**2.9 Inventories**

Inventories comprise of Raw Materials, Work in Progress, Stores and spares, Packing Materials and Finished Goods.

Cost of Raw Materials, Work in Progress, Stores & Spares, Packing Material is determined at FIFO Basis.

Finished Goods and stock in trade is valued at lower of cost or net realisable value.

**2.10 Revenue recognition**

Revenue from contracts with customer is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price which is the consideration, adjusted for discount and other credits, if any, as specified in the contract with customer. The Group presents revenue from contracts with customer net of indirect taxes in its statement of profit and loss. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangement.

Sales revenue is recognized when property in the goods with all significant risk and rewards as well as the effective control of goods usually associated with ownership are transferred to the buyer and are recorded net of trade discounts, rebates, Value Added Tax, Goods and Service Tax and gross of Excise Duty.

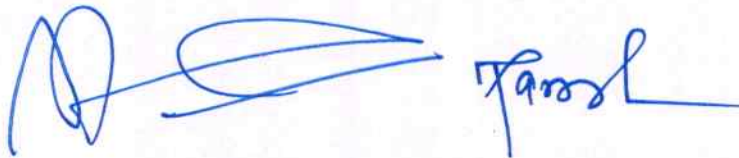
Subsidy, Claims and refunds due from Government authorities and parties, through receivable / refundable are not recognized in the accounts, if the amount thereof is not ascertainable. These are accounted for as and when ascertained or admitted by the concerned authorities / parties in favor of the Company.

**Revenue from sale of services**

Income from services are recognized as and when the services are rendered. The Company collects service tax/GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

**Interest Income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.



**2.11 Income Tax**

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 the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum alternate tax (MAT) paid in a year is charged to statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance note on Accounting for Credit available in respect of Minimum Alternate Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under the deferred tax assets. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**2.12 Employee Benefits:**

**2.12.1 Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**2.12.2 Post-employment**

**Defined contribution plan**

The Company makes specified monthly contribution towards employee provident fund to Employees' Provident Fund. The Company's contributions to the fund are recognised in the Statement of Profit and Loss in the financial year to which the employee renders the service.

**Defined benefit plan**

The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the year-end using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date.

The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

• Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements

• Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.



### 2.13 Transition to Ind AS

The following is the summary of practical expedients elected on initial application:

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application, variable lease and low value asset.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

### 2.14 Segment reporting :

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Unallocated items include general corporate income and expense items, which are not allocated to any business segment.

However, the company has no separate business and geographical segments to be reported.

### 2.15 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

### 2.16 Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

### 2.17 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, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

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

### 2.18 Foreign currency translation

#### Functional and presentation currency

The Company's Financial Statements are presented in Indian rupee (₹) which is also the Company's functional currency. Foreign currency transaction are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

#### Measurement of foreign currency item at the balance sheet date:

- Foreign currency monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the reporting date.
- Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### Exchange differences:

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the Statement of Profit & Loss.



## 2.19 Provisions, Contingent Liabilities

### 2.19.1 Provisions:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. 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.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. 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 in respective expense.

### 2.19.2 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

## 2.20 Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

## 2.21 Critical accounting estimates and assumptions

The preparation of these standalone financial statements requires the management to make judgments, use 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 judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

### i. Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.



**ii. Employee benefit plans**

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India.

**iii. Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

**iv. Property Plant and Equipment**

Property, Plant and Equipment represent significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

**v. Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset including intangible assets having indefinite useful life and goodwill 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 CGU'S fair value less cost of disposal and its value in use. Where 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 estimated based on past trend and 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, or other fair value indicators.

**vi. Provision for expected credit losses (ECL) of trade receivables and contract assets**

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under this approach the company does not track changes in credit risk but recognizes impairment loss allowance based on lifetime ECLs at each reporting date. For this purpose the company uses a provision matrix to determine the impairment loss allowance on the portfolio of trade receivables. The said matrix is based on historically observed default rates over the expected life of the trade receivables duly adjusted for forward looking estimates.

For recognition of impairment loss on other financial assets and risk exposures, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month expected credit loss(ECL) is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the company reverts to recognizing impairment loss allowance based on 12-month ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. The ECL impairment loss allowance (or reversal) recognized during the period in the statement of profit and loss and the cumulative loss is reduced from the carrying amount of the asset until it meets the write off criteria, which is generally when no cash flows are expected to be realised from the asset.



Measurement of Expected Credit Loss:

- a. Management utilizes judgment and available information to estimate ECL.
- b. Factors considered may include past payment behavior, changes in economic conditions, customer credit ratings, industry trends, and other relevant data.
- c. Regular reviews and adjustments are made based on changes in circumstances or information affecting credit risk.

Determination of Expected Credit Loss (ECL):

- a. ECL is estimated based on management's analysis, incorporating historical credit loss experience, current economic conditions, and relevant qualitative and quantitative factors.
- b. For receivables outstanding:
  - 1-2 years: 50% ECL provision
  - 2-3 years: 50% ECL provision
  - More than 3 years: 100% ECL provision.

vii. Impairment for Investments in Subsidiary & Associates

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future operating margins, resources and availability of infrastructure, discount rates and other factors of the underlying businesses/operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

2.22 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

(i) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its Financial Statements.

(ii) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant, and equipment in its Financial Statements.

(iii) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its Financial Statements.

(iv) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its Financial Statements.

(v) Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its Financial Statements.

2.23 First-time adoption – mandatory exceptions, optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2022 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption – mandatory exceptions and optional exemptions have been explained in detail.



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**Derecognition of financial assets and financial liabilities:**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2022 (the transition date).

**(i) Designation of previously recognised financial instruments**

The Company has designated financial liabilities and financial assets at fair value through profit or loss on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**(ii) Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

**(iii) Deemed cost for investments in subsidiaries**

The Company has elected to continue with the carrying value of all of its investments in subsidiaries recognised as of April 1, 2022 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

**(iv) Deemed cost for property, plant and equipment, and intangible assets**

The Company has elected to continue with the carrying value of all of its property, plant and equipment, and intangible assets recognised as of April 1, 2022 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.



3 A) Property, plant and equipment

Particulars	Land	Buildings	Plant & Machinery	Electrical Installation	Solar System	Office Equipment	Furniture and Fixture	Computer & Printer	Total
<b>I. Cost/Deemed Cost</b>									
Balance as at April 1, 2022	16.78	109.89	494.93	20.26	56.46	0.23	0.20	-	698.75
Additions	-	-	3.00	-	-	-	-	0.18	3.18
Disposals	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	16.78	109.89	497.93	20.26	56.46	0.23	0.20	0.18	701.92
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	51.28	-	-	-	-	-	51.28
Balance as at March 31, 2024	16.78	109.89	446.65	20.26	56.46	0.23	0.20	0.18	650.64
<b>II. Accumulated depreciation</b>									
Balance as at April 1, 2022	-	32.59	429.96	16.45	10.73	0.22	0.18	-	490.13
Depreciation expense for the year	-	3.48	10.89	0.69	5.36	-	0.00	0.06	20.49
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	36.07	440.85	17.15	16.09	0.22	0.18	0.06	510.62
Depreciation expense for the year	-	3.48	8.71	0.41	5.36	-	0.00	0.06	18.02
Eliminated on disposal of assets	-	-	48.72	-	-	-	-	-	48.72
Balance as at March 31, 2024	-	39.55	400.85	17.55	21.45	0.22	0.19	0.11	479.92
<b>III. Net block balance (I-II)</b>									
As on March 31, 2024	16.78	70.34	45.80	2.71	35.01	0.01	0.01	0.06	170.72
As on March 31, 2023	16.78	73.82	57.08	3.12	40.37	0.01	0.02	0.12	191.30
As on April 1, 2022	16.78	77.30	64.96	3.81	45.73	0.01	0.02	-	208.61

B) Right Of Use Asset	
As on 1st April 2022	4.17
Depreciation	0.23
As on 31st March 2023	3.93
Depreciation	0.23
As on 31st March, 2024	3.70

- (a) There are no impairment losses recognised during the period ended March 31, 2024 and March 31, 2023
- (b) Assets pledged as security - As given in Note no.13
- (c) The Company has not revalued its property, plant and equipment as on each reporting period and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.
- (d) The Company does not hold any immovable property, other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, whose title deeds are not held in the name of the Company.



*[Handwritten signature]*

4 Other financial assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Non Current - unsecured, considered good</b>			
(a) Security Deposits	35.54	38.21	38.55
(b) Deposits with bank - Margin money deposits with banks (held as lien by bank)	17.01	16.21	15.47
<b>Total</b>	<b>52.55</b>	<b>54.42</b>	<b>54.02</b>



5 Deferred tax asset (net)

5.1 Deferred tax (asset)/liabilities in relation to the year ended March 31, 2024

Particulars	Opening Balance as on April 1, 2023	Recognised in Profit or loss (expense)/ credit	Recognised in Other comprehensive income	Recognised directly in Equity	Closing balance as on March 31, 2024
Deferred tax (asset)/liabilities	(5.37)	7.77	-	-	2.39
<b>Total</b>	<b>(5.37)</b>	<b>7.77</b>	<b>-</b>	<b>-</b>	<b>2.39</b>

5.2 Deferred tax (asset)/liabilities in relation to the year ended March 31, 2023

Particulars	Opening Balance as on April 1, 2022	Recognised in Profit or loss (expense)/ credit	Recognised in Other comprehensive income	Recognised directly in Equity	Closing balance as on March 31, 2023
Deferred tax (asset)/liabilities	(13.66)	8.28	-	-	(5.37)
<b>Total</b>	<b>(13.66)</b>	<b>8.28</b>	<b>-</b>	<b>-</b>	<b>(5.37)</b>

*(Handwritten signature)*



6 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Raw Materials	318.31	790.30	528.62
Work in Progress	334.27	37.16	372.49
Finished Goods	591.66	154.50	247.32
Stores and Spares	6.39	5.70	3.50
<b>Total</b>	<b>1,250.62</b>	<b>987.66</b>	<b>1,151.94</b>

7 Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Trade receivables			
(a) Unsecured, considered good	127.27	563.55	331.79
(b) Unsecured, credit Impaired	-	-	-
	127.27	563.55	331.79
Less: Allowance for doubtful debts	-	(0.43)	(0.21)
<b>Total</b>	<b>127.27</b>	<b>563.12</b>	<b>331.58</b>

a Ageing of Trade receivables

F.Y. 2023-24

Particulars	Outstanding for following periods from due date of payment						Allowance for expected credit allowance	Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years			
<b>UNDISPUTED RECEIVABLES</b>								
Considered good	127.18	0.09	-	-	-	-	127.27	
Considered doubtful	-	-	-	-	-	-	-	
<b>DISPUTED RECEIVABLES</b>								
Considered good	-	-	-	-	-	-	-	
Considered doubtful	-	-	-	-	-	-	-	

F.Y. 2022-23

Particulars	Outstanding for following periods from due date of payment						Allowance for expected credit allowance	Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years			
<b>UNDISPUTED RECEIVABLES</b>								
Considered good	563.12	-	-	-	0.43	(0.43)	563.12	
Considered doubtful	-	-	-	-	-	-	-	
<b>DISPUTED RECEIVABLES</b>								
Considered good	-	-	-	-	-	-	-	
Considered doubtful	-	-	-	-	-	-	-	

April 1, 2022

Particulars	Outstanding for following periods from due date of payment						Allowance for expected credit allowance	Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years			
<b>UNDISPUTED RECEIVABLES</b>								
Considered good	331.07	0.30	-	0.43	-	(0.21)	331.58	
Considered doubtful	-	-	-	-	-	-	-	
<b>DISPUTED RECEIVABLES</b>								
Considered good	-	-	-	-	-	-	-	
Considered doubtful	-	-	-	-	-	-	-	



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8 Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(a) Cash on hand	1.33	2.53	1.59
(b) Current account with scheduled Banks.	-	-	0.29
<b>Total</b>	<b>1.33</b>	<b>2.53</b>	<b>1.88</b>

9 Loans & Advances

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Current</b>			
Other Loans & Advances	1,045.53	263.66	7.88
<b>Total</b>	<b>1,045.53</b>	<b>263.66</b>	<b>7.88</b>

10 Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Current</b>			
(a) Balance with Government Authorities	93.51	217.82	192.84
(b) Advance to Suppliers	46.39	426.76	50.75
(c) Prepaid Expenses	8.78	4.33	4.75
<b>Total</b>	<b>148.68</b>	<b>648.92</b>	<b>248.34</b>

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11 Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised capital</b> 3,00,000 Equity shares of Rs.10/- Each (Previous Year 3,00,000 Equity shares of Rs.10/- Each)	3,00,000	30.00	3,00,000	30.00	3,00,000	30.00
	<b>3,00,000</b>	<b>30.00</b>	<b>3,00,000</b>	<b>30.00</b>	<b>3,00,000</b>	<b>30.00</b>
<b>Issued, subscribed and fully paid up</b> 1,98,000 (198000) Equity shares of Rs.10/- each (Fully Paid up)	1,98,000	19.80	1,98,000	19.80	1,98,000	19.80
	<b>1,98,000</b>	<b>19.80</b>	<b>1,98,000</b>	<b>19.80</b>	<b>1,98,000</b>	<b>19.80</b>

11.1 The Company has only one class of equity shares having face value as ₹ 10/- each. Every holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. Any dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

11.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the relevant year	1,98,000	19.80	1,98,000	19.80	1,98,000	19.80
Add: Issued during the year	-	-	-	-	-	-
<b>At the end of the year</b>	<b>1,98,000</b>	<b>19.80</b>	<b>1,98,000</b>	<b>19.80</b>	<b>1,98,000</b>	<b>19.80</b>

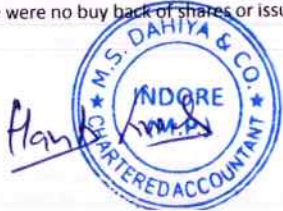
11.3 Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2024		As at March 31, 2023		As at April 1, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Shree Tirupati Balajee Agro Trading Company Pvt. Ltd.	1,93,500	97.73%	1,93,500	97.73%	1,93,500	97.73%

11.4 Details of Change in % holding of the Promoters

Promoter Name	As at March 31, 2024			As at March 31, 2023			As at April 1, 2022		
	Number of shares held	% of total shares	% Change during the year	Number of shares held	% of total shares	% Change during the year	Number of shares held	% of total shares	% Change during the year
1. Shree Tirupati Balajee Agro Trading Company Pvt. Ltd.	1,93,500	97.73%	0.00%	1,93,500	97.73%	0.00%	1,93,500	97.73%	0.00%
2. Jagannath Plastics Private Limited	4,500	2.27%	0.00%	4,500	2.27%	0.00%	4,500	2.27%	0.00%

11.5 Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date:  
There were no buy back of shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years.



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Honourable Packaging Private Limited  
Notes to the Financial Statements as at March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

12 Other equity

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Securities premium	219.20	219.20	219.20
Retained earnings	371.40	235.08	141.53
Capital Reserve	54.26	54.26	54.26
Remeasurement of defined benefit plan	36.83	24.96	3.63
<b>Total</b>	<b>681.69</b>	<b>533.50</b>	<b>418.62</b>

a) Securities premium

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balance at beginning of the year	219.20	219.20	219.20
Securities premium arising on issue of equity shares	-	-	-
Share issue costs	-	-	-
<b>Balance at end of the year</b>	<b>219.20</b>	<b>219.20</b>	<b>219.20</b>

Amount received in excess of face value of the equity shares is recognised in Securities Premium. It will be used as per the provisions of Companies Act, 2013, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting costs, etc.

b) Retained earnings

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balance at beginning of the year	235.08	141.53	145.44
Profit/(Loss) for the year	136.31	93.55	21.22
Ind AS Adjustment	-	-	(25.12)
<b>Balance at end of the year</b>	<b>371.40</b>	<b>235.08</b>	<b>141.53</b>

Retained earnings are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings is a free reserve available to the Company.

c) Capital Reserve

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balance at beginning of the year	54.26	54.26	54.26
Add/(Less) for the year	-	-	-
<b>Balance at end of the year</b>	<b>54.26</b>	<b>54.26</b>	<b>54.26</b>

d) Remeasurement of defined benefit plan

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Balance at beginning of the year	24.96	3.63	-
Remeasurement of defined benefit obligation	15.87	28.50	4.86
Income tax on above	(3.99)	(7.17)	(1.22)
<b>Balance at end of the year</b>	<b>36.83</b>	<b>24.96</b>	<b>3.63</b>

Includes re-measurement (loss)/gain on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss.

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13 Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Non Current</b>			
<b>Secured from banks:</b>			
Loan from Bank	35.55	64.70	103.87
Loan from Others	10.97	23.59	37.21
	<b>46.52</b>	<b>88.29</b>	<b>141.08</b>
<b>Current</b>			
<b>Secured from banks:</b>			
Loans repayable on demand (CC A/c & EPC A/c)	543.83	524.14	630.29
Current Maturities	41.69	53.38	48.68
	<b>585.52</b>	<b>577.51</b>	<b>678.97</b>
<b>Total</b>	<b>632.04</b>	<b>665.80</b>	<b>820.05</b>

14 Lease Liability

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Opening Balance	5.29	5.46	5.63
Less : Interest Cost	0.19	0.18	0.17
<b>Total</b>	<b>5.10</b>	<b>5.29</b>	<b>5.46</b>

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13 Summary of borrowing arrangements

a) The terms of repayment of term loans and other loans are stated below:

Particulars	Terms of repayment	Amount outstanding - 31.03.2024	Amount outstanding - 31.03.2023	Amount outstanding - 01.04.2022
<b>Nature of Security for Non-current borrowings:</b>				
<b>(a) Yes Bank Ltd. ECLGS 10%</b>				
Security : (i) Second charge on all existing security charged with the bank. (ii) 100% guarantee by NCGTC Cover				
	Repayable in 36 equated monthly instalments after initial moratorium of 24 months. Rate of Interest - 2.75% over & above External Benchmark Lending Rate	53.88	55.42	55.00
<b>(b) Yes Bank Ltd. GECL-WCTL 20% :</b>				
<b>Security</b>				
(i) Second Charge by way of Equitable/registered mortgage on property situated at 640-A, Sector-III, Pithampur, Dhar, Madhya Pradesh. (ii) 100% guarantee by NCGTC Cover.				
	Repayable in 34 equated monthly instalments. Rate of Interest - 2.75% over & above External Benchmark Lending Rate	10.28	49.10	84.47
<b>(c) Solar Loan from SIDBI</b>				
<b>Security</b>				
Secured by hypothecation of Rooftop Solar PV Plants & Other Solar Equipment & personal guarantee of Mr. Binod Kumar Agarwal and Mrs. Sunita Agarwal.				
	Payable in 53 Monthly Instalments of Rs. 109000 & Last instalments of Rs. 99000, starting from 10.08.2021 after Moratorium period of 6 Months. Rate of Interest - 8.35% p.a..	24.05	37.15	50.29

b) CC & EPC Limit from Yes Bank

**Security:**

- (i) Secured by exclusive charge by way of Hypothecation on current assets (stocks and book debts) and movable fixed assets of the both present and future.
- (ii) Equitable/registered Mortgage on property situated at 640-A, Sector-III, Pithampur, Dist. Dhar (MP) - 454775
- (iii) Unconditional and Irrevocable Personal guarantee of Mr. Binod Kumar Agarwal and Mr. Sakul Grover
- (iv) Unconditional and Irrevocable Corporate guarantee of M/s Shree Tirupati Balajee Agro Trading Co. Pvt. Ltd.

c) The Company has availed working capital term loans in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets for the specific projects. Quarterly returns / statements and other information filed with such Banks/ financial institutions are in agreement with the books of accounts except for the following -

Particulars	Quarter Ended	Amount Disclosed as per Stock Statement (in Lakhs)	Amount Disclosed as per Books of Accounts (In Lakhs)	Reason for Difference
Inventory of Raw Materials, Inventory, WIP and Finished Goods	Mar-23	949.43	987.66	The value of inventory is taken on provisional Basis at the time of submission of statement to bank whereas it is valued as per company's accounting policy for financial statement.
Inventory of Raw Materials, Inventory, WIP and Finished Goods	Sep-23	879.24	808.42	
Inventory of Raw Materials, Inventory, WIP and Finished Goods	Dec-23	967.10	1,051.98	
Inventory of Raw Materials, Inventory, WIP and Finished Goods	Mar-24	1,176.66	1,250.62	



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15 Provisions

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Non-current</b>			
Provision for employee benefits			
- Gratuity	13.18	18.65	34.52
- Leave Encashment	-	-	-
<b>Total</b>	<b>13.18</b>	<b>18.65</b>	<b>34.52</b>
<b>Current</b>			
Provision for employee benefits			
- Gratuity	0.87	1.38	2.51
Other Provisions	12.96	9.57	5.31
<b>Total</b>	<b>13.83</b>	<b>10.95</b>	<b>7.81</b>

16 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(a) Total outstanding dues of small and micro enterprises	0.21	0.13	-
(b) Total outstanding dues of creditors other than small and	517.29	1,424.72	698.72
<b>Total</b>	<b>517.50</b>	<b>1,424.85</b>	<b>698.72</b>

a) Disclosures as required under the Micro, Small and Medium

The amounts due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	0.21	0.13	-
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end		-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period		-	-
(c) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period		-	-
(d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period		-	-
(e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made		-	-
(g) Further interest remaining due and payable for earlier periods		-	-



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c) Ageing of Trade Payables

F.Y. 2023-24

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>UNDISPUTED DUES</b>					
MSME	0.21	-	-	-	0.21
Others	517.29	-	-	-	517.29
<b>DISPUTED DUES</b>					
MSME	-	-	-	-	-
Others	-	-	-	-	-

F.Y. 2022-23

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>UNDISPUTED DUES</b>					
MSME	0.13	-	-	-	0.13
Others	1,424.71	0.01	-	-	1,424.72
<b>DISPUTED DUES</b>					
MSME	-	-	-	-	-
Others	-	-	-	-	-

April 1, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>UNDISPUTED DUES</b>					
MSME	-	-	-	-	-
Others	698.72	-	-	-	698.72
<b>DISPUTED DUES</b>					
MSME	-	-	-	-	-
Others	-	-	-	-	-

17 Current tax Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Provision for Income Tax	33.08	16.16	(7.06)
<b>Total</b>	<b>33.08</b>	<b>16.16</b>	<b>(7.06)</b>



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18 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Statutory remittances	3.90	3.43	4.08
Employee benefits Payable	21.69	17.57	20.05
Advance From Customers	856.22	4.92	-
<b>Total</b>	<b>881.82</b>	<b>25.92</b>	<b>24.13</b>

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19 Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Products (Domestic)	4,434.26	5,051.98
Sale of Products (Export)	358.48	2,140.46
Less: Sales Return	-	-
<b>Net Revenue from - Sale of Products</b>	<b>4,792.74</b>	<b>7,192.44</b>
Other operating revenues	44.98	55.90
<b>Total</b>	<b>4,837.72</b>	<b>7,248.34</b>

a) The Company has provided for impairment losses, if any, based on expected credit loss policy on trade receivable recognised in statement of profit and loss for the year .

b) Contract balances

Refer details of trade receivables in note 7

c) The Company receives payments from customers as per agreed contractual terms and payment schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.

d) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from contracts with customers	4,792.74	7,192.44
Add: Credits / Returns	-	-
<b>Contracted price with the customers</b>	<b>4,792.74</b>	<b>7,192.44</b>

20 Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income on financial assets measures at amortised cost</b>		
- From bank deposits	0.89	0.83
- From Security Deposits	1.35	0.92
- From Others	112.61	43.46
- From IT Dept	-	0.63
	<b>114.86</b>	<b>45.84</b>
<b>Other gains and losses</b>		
- Gain on sale of Fixed Assets	17.35	-
	<b>17.35</b>	-
<b>Other non-operating income</b>		
- Subsidies received from Govt.	-	33.60
- Sundry provision reversed	0.43	-
- Net gain on Foreign Exchange Fluctuation	9.64	39.13
	<b>10.06</b>	<b>72.72</b>
<b>Total</b>	<b>142.26</b>	<b>118.56</b>

21 Cost of Material Consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock	790.30	528.62
Add :- Purchases	4,387.70	6,020.26
<b>Total</b>	<b>5,178.00</b>	<b>6,548.88</b>
Less: Closing Stock	318.31	790.30
<b>Raw Material Consumed</b>	<b>4,859.69</b>	<b>5,758.59</b>



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22 Changes in inventories of finished goods and work in progress

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Inventories at the beginning of the year</b>		
Finished Goods	154.50	247.32
Semi Finished Goods	37.16	372.49
<b>Inventories at the end of the year</b>		
Finished Goods	591.66	154.50
Semi Finished Goods	334.27	37.16
<b>Net (increase)/decrease</b>	<b>(734.27)</b>	<b>428.16</b>

23 Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	229.44	231.76
Contribution to provident and other funds	3.69	3.99
ESIC Contribution	5.66	5.98
Gratuity	10.44	11.48
Staff welfare expenses	0.72	0.08
<b>Total</b>	<b>249.95</b>	<b>253.29</b>

24 Finance cost

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest cost - on financial liabilities at amortised cost	79.29	48.92
Bank Charges and Stamp Duty Charges on long term borrowings	0.07	1.91
<b>Total</b>	<b>79.36</b>	<b>50.83</b>

25 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment	18.25	20.72
<b>Total</b>	<b>18.25</b>	<b>20.72</b>

26 Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Manufacturing Expenses :</b>		
Consumption of stores, spare parts & Others (indigenous)	19.18	22.81
Energy Cost	114.35	149.05
Processing Charges	114.10	317.85
Repairs and Maintenance Charges	0.61	0.61
Other Expenses	1.63	1.23
<b>Administrative Expenses :</b>		
Membership Fees	0.25	0.48
Payments to Auditors	3.15	1.20
Legal & Professional Expenses	7.20	2.33
Lease Rent	0.15	0.22
Rent, Rates and Taxes	17.18	17.21
Insurance	3.25	5.09
Provision for Doubtful Debts	-	0.21
Printing and Stationary Expenses	0.01	-
Repairs and Maintenance	0.49	1.20
Conveyance Expenses	8.03	0.47
Office and General Expenses	9.15	1.95
<b>Selling &amp; Distribution Expense :</b>		
Clearing, Handling, Forwarding Charges and others	3.49	25.14
Freight ( Outward)	11.20	170.07
Travelling Expenses	-	3.50
<b>Total</b>	<b>313.42</b>	<b>720.64</b>



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a)	Auditors remuneration and out-of-pocket expenses (net of GST):	For the year ended	For the year ended
		March 31, 2024	March 31, 2023
	(i) For audit	2.15	0.75
	(ii) For taxation matters	1.00	0.45
	<b>Total</b>	<b>3.15</b>	<b>1.20</b>





27 Current Tax and Deferred Tax

27.1 Income Tax Expense recognised in statement of profit and loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current Tax:</b>		
Current income tax charge	49.51	32.84
Short provision of tax relating to earlier years	-	-
	<b>49.51</b>	<b>32.84</b>
<b>Deferred Tax expense/ (credit)</b>		
In respect of current period	7.77	8.28
	<b>7.77</b>	<b>8.28</b>
<b>Total tax expense/(credit) recognised in statement of profit and loss</b>	<b>57.28</b>	<b>41.12</b>

27.2 Income Tax recognised in other Comprehensive Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Deferred Tax (Liabilities)/Assets:</b>		
Remeasurement of Defined Benefit Obligations	(3.99)	(7.17)
<b>Total</b>	<b>(3.99)</b>	<b>(7.17)</b>

27.3 The Company does not have any unrecorded income and assets related to previous years which are required to be recorded during the year.

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**28 Earning per share**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Profit/Loss for the year	136.31	93.56
(b) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share (numbers)	1,98,000	1,98,000
(c) Effect of potential ordinary shares (numbers)	-	-
(d) Weighted average number of ordinary shares in computing diluted earnings per share [(b) + (c)] (numbers)	1,98,000	1,98,000
(e) Earnings per share on Profit for the year (Face Value ₹ 10/- per share)		
- Basic [(a)/(b)] (₹)	68.85	47.25
- Diluted [(a)/(d)] (₹)	68.85	47.25

**29 Contingent liabilities and commitments (to the extent not provided for)**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Contingent liabilities :</b>		
Income Tax Demand after assessment (A.Y. 2017-18)	2.31	2.31
Income Tax Demand after assessment (A.Y. 2018-19)	1.17	1.17
Corporate Guarantee Given to Yes Bank Ltd. On Behalf of Ever bags Packaging	-	911.73

- 29.1** \* The figures for the financial year ended March 31, 2024 and includes the amount of contingent liabilities for the respective year, where show cause notice or claims have been received after the close of respective reporting period and till the date of approval of this financial statements by the Board of Directors.
- 29.2** The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business, the impact of which presently is not quantifiable. These cases are pending with various courts / authorities. After considering the circumstances and advice from the legal advisors, management believes that these cases will not adversely affect its financial statements. The above Contingent Liabilities exclude undeterminable outcome of these pending litigations.
- 29.3** Future cash flow in respect of the above, if any, is determinable only on receipt of judgements/decisions pending with the relevant authorities. Interest, penalty or compensation liability arising on outcome of the disputes has not been considered, since not determinable at present.
- 29.4** The Company did not have any long-term contracts including derivative contracts for which any provision was required for foreseeable losses.

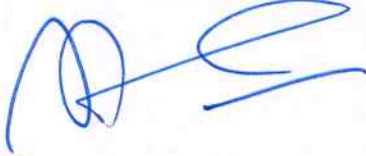
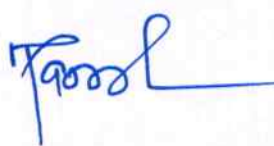
**30 Segment information**

**a) Business Segment :**

The Company is mainly engaged in the business of manufacturing of HDPE/PP Woven Sacks Fabric, RPG. All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.

**b) Geographical Segment:**

Since all the operations of the Company are conducted within India as such there is no separate reportable geographical segment.



**31. Employee benefit plans**

**Defined contribution plans:**

The Company participates in Provident fund as defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to provident fund represents the value of contributions payable during the period by The Company at rates specified by the rules of provident fund. The only amounts included in the balance sheet are those relating to the prior months contributions that were not paid until after the end of the reporting period.

**(a) Provident fund and pension**

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund administered and managed by Government of India (GOI). The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the statement of Profit and Loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the Company.

Contribution to defined contribution plans, recognised in the statement of profit and loss for the year under employee benefits expense, are as under:

Particulars	For the year ended March 31, 2024	For the Year ended March 31, 2023
i) Employer's contribution to provident fund and pension	3.69	3.99
ii) Employer's contribution to state insurance corporation	5.66	5.98
<b>Total</b>	<b>9.35</b>	<b>9.98</b>

**(b) Defined benefit plans:**

**Gratuity (Unfunded)**

The Company has an obligation towards gratuity, a unfunded defined benefit retirement plan covering all employees. The plan provides for lump sum payment to vested employees at retirement or at death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out for the year ended March 31, 2023 by an independent actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**(A) Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:**

**(1) Investment Risk**

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.

**(2) Interest Risk:**

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.

**(3) Longevity Risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**(4) Salary Risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**(B) Principal actuarial assumptions used:**

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Gratuity (Unfunded)	
	As at March 31, 2024	As at March 31, 2023
1. Discount rate - Company	7.10%	7.40%
2. Salary escalation - Company	5.50%	5.50%



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(I) Maturity profile of defined benefit obligation:

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2024	For the Year ended March 31, 2023
Year 1 cashflow	8.66	1.38
Year 2 cashflow	0.68	0.86
Year 3 cashflow	0.65	0.83
Year 4 cashflow	0.52	0.80
Year 5 cashflow	0.79	0.78
Year 6 to year 10 cashflow	5.86	7.41
<b>Total expected payments</b>	<b>17.16</b>	<b>12.06</b>

(J) Sensitivity analysis

The Sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

Projected benefits payable in future years from the date of reporting	For the year ended March 31, 2024	For the Year ended March 31, 2023
<b>Projected benefit obligation on current assumptions</b>		
<b>Rate of discounting</b>		
Impact of +1% change	12.44	17.57
Impact of -1% change	15.99	23.04
<b>Rate of salary increase</b>		
Impact of +1% change	16.00	23.07
Impact of -1% change	12.41	17.51
<b>Withdrawal Rate (W.R.)</b>		
Impact of +1% change	14.33	20.60
Impact of -1% change	13.71	19.36

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32 Related party disclosures

32.1 Details of related parties

Description of relationship	Name of the related party
<b>Key management personnel</b> - Director (Director ) - Director (Director ) - Director (Director )	Binod Kumar Agarwal Ranjan Kumar Mohapatra Sakul Grover (Director Upto 03/07/2023)
<b>Relatives of key management personnel (where transactions have taken place)</b> Wife of Director Daughter of Director Daughter of Director Son of Director Son in Law of Director Son in Law of Director	Sunita Agarwal Vinita Agarwal Chanchal Agarwal Anant Agarwal Akshat Agarwal Pulkit Agarwal
<b>Enterprises over which key management personnel is able to exercise significant influence (where transactions have taken place)</b>	Shree Tirupati Balajee Agro Trading Co. Pvt Ltd. Jagannath Plastics Pvt Ltd Shree Tirupati balajee FIBC Ltd Stable Textile Private Limited AON Textiles Pvt. Ltd. Everbags Packaging Pvt Ltd Jumbo Juntions Foamnet Plastics Pvt Ltd

32.2 Transactions during the year with related parties

S. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A</b>	<b>Key management personnel</b>		
I	Binod Kumar Agarwal		
II	Sakul Grover		
<b>B</b>	<b>Enterprises over which key management personnel is able to exercise significant influence*</b>		
I	Shree Tirupati balajee FIBC Ltd		
	Sale/other	0.28	-
	Purchase/other	170.50	365.78
II	Jagannath Plastics Pvt Ltd		
	Sale/other	1,016.04	757.50
	Purchase/other	815.12	1,460.34
	Job Work Paid	-	5.05
III	Shree Tirupati Balajee Agro Trading Co. Pvt Ltd.		
	Sale/other	940.28	2,516.02
	Purchase/other	396.21	2,136.04
	Job Work Recd.	18.95	55.73
	Job Work Paid	54.32	215.48
IV	AON Textiles Pvt. Ltd.		
	Sale	77.30	-
	Purchase/other	10.97	15.32
V	Everbags Packaging Pvt Ltd		
	Sale/other	558.44	1,045.46
	Purchase/other	169.83	167.82
	Job Work Recd	23.59	-
VI	Foamnet Plastics Pvt Ltd		
	Sale/other	-	0.09
	Purchase/other	22.98	-
VII	Jumbo Juntions		
	Rent Paid	16.99	16.99
VIII	Stable Textile Private Limited		
	Sale/other	21.55	-
	Purchase/other	1.25	-
	Job Work Recd.	1.41	-

The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. All the related party transactions are reviewed and approved by board of directors.



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32.3 Amounts outstanding with related parties (Positive Figures represent Debit Balances and Negative Figures represent credit Balances)

S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
A	<u>Key management personnel</u>		
I	Binod Kumar Agarwal	-	-
II	Sakul Grover	-	-
B	<u>Enterprises over which key management personnel is able to exercise signif</u>		
I	Shree Tirupati balajee FIBC Ltd	-	(4.92)
II	Jagannath Plastics Pvt Ltd	(58.58)	(654.50)
III	Shree Tirupati Balajee Agro Trading Co. Pvt Ltd.	(797.59)	(738.58)
IV	AON Textiles Pvt. Ltd.	18.03	(0.13)
V	Everbags Packaging Pvt Ltd	3.89	562.88
VI	Foamnet Plastics Pvt Ltd	-	-
VII	<u>Jumbo Juntions</u>		
	Transaction	(2.18)	(3.06)
	Security Deposit	15.13	15.13
VIII	Stable Textile Private Limited	0.50	





### 33 Financial instruments and risk management

#### 33.1 Capital risk management

The Company's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Company is to borrow funds through banks or raise through equity which is supported by committed borrowing facilities to meet anticipated funding requirements. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets. The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. The following table summarises the capital of the Company :

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
Short term debts (including current maturities of long term debt)	585.52	577.51	678.97
Long term debts	46.52	88.29	141.08
<b>Total Debts</b>	<b>632.04</b>	<b>665.80</b>	<b>820.05</b>
Less: Cash and cash equivalents	(1.33)	(2.53)	(1.88)
<b>Net debt</b>	<b>630.71</b>	<b>663.27</b>	<b>818.18</b>
<b>Total Equity</b>	<b>701.49</b>	<b>553.30</b>	<b>438.42</b>
<b>Net debt to equity ratio</b>	<b>0.90</b>	<b>1.20</b>	<b>1.87</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

The Company has not defaulted on any loans payable, and there has been no breach of any loan covenants.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

#### 33.2 Categories of financial instruments

The following table provides categorisation of all financial instruments

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>Financial assets</b>			
<b>Measured at amortised cost</b>			
(a) Loans & Advances (including inter corporate deposit)	1,045.53	263.66	7.88
(b) Security deposits	35.54	38.21	38.55
(c) Deposits with bank (Fixed Deposits)	17.01	16.21	15.47
(d) Cash and cash equivalent	1.33	2.53	1.88
(e) Bank balance other than (d) above	-	-	-
(f) Trade receivables	127.27	563.12	331.58
<b>Total financial assets</b>	<b>1,226.69</b>	<b>883.73</b>	<b>395.36</b>
<b>Financial liabilities</b>			
<b>Measured at amortised cost</b>			
(a) Borrowings	632.04	665.80	820.05
(b) Trade payables	517.50	1,424.85	698.72
(c) Lease Liabilities	5.10	5.29	5.46
<b>Total financial liabilities</b>	<b>1,154.64</b>	<b>2,095.94</b>	<b>1,524.24</b>

#### 33.3 Financial risk management objectives

The Company's principal financial liabilities comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company periodically reviews the risk management policy so that the management manages the risk through properly defined mechanism. The focus is to foresee the unpredictability and minimise potential adverse effects on the Company's financial performance. The Company's overall risk management procedures to minimise the potential adverse effects of financial market on the Company's performance are as follows:



(i). **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 risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

(a) **Interest rate risk:**

The Company is exposed to cash flow interest rate risk from long-term borrowings at variable rate. Currently the Company has external borrowings which are fixed and floating rate borrowings. The Company achieves the optimum interest rate profile by refinancing when the interest rates go down. However this does not protect Company entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

(b) **Foreign currency risk:**

Foreign Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

Particulars of unhedged foreign currency exposures as at the reporting date:

Particulars	As at March 31, 2024	As at March 31, 2023	As at April 1, 2022
<b>(a). Financial liabilities:</b>			
In USD	-	-	-
Equivalent in ₹ lakhs	-	-	-
<b>(b). Financial assets:</b>			
In USD	-	-	2,08,151.37
In GBP	-	-	-
In EURO	-	-	98,959.24
Equivalent in ₹ lakhs	-	-	241.33

(ii). **Credit risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Company's customer base, including the default risk of the industry and country, in which customers operate, has less influence on the credit risk.

Credit risk from balances with banks and financial institutions is managed by Company's treasury in accordance with the Company's policy. The company limits its exposure to credit risk by only placing balances with local banks of good repute. Given the profile of its bankers, management does not expect any counterparty to fail in meeting its obligations.

(iii). **Liquidity risk management**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents.

Surplus funds not immediately required are invested in certain financial assets which provide flexibility to liquidate at short notice and are included in cash equivalents.



**Liquidity risk table**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Upto 1 year	1-5 years	Total
<b>March 31, 2024</b>			
Borrowings	585.52	46.52	632.04
Trade payables	517.50	-	517.50
Other financial liabilities	-	-	-
<b>Total</b>	<b>1,103.02</b>	<b>46.52</b>	<b>1,149.54</b>
<b>March 31, 2023</b>			
Borrowings	577.51	88.29	665.80
Trade payables	1,424.85	0.01	1,424.85
Other financial liabilities	-	-	-
<b>Total</b>	<b>2,002.36</b>	<b>88.30</b>	<b>2,090.66</b>
<b>April 1, 2022</b>			
Borrowings	678.97	141.08	820.05
Trade Payables	698.72	-	698.72
Other Financial Liabilities	-	-	-
<b>Total</b>	<b>1,377.69</b>	<b>141.08</b>	<b>1,518.77</b>

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Honourable Packaging Private Limited  
Notes to the Financial Statements as at March 31, 2024  
All amounts are ₹ in Lakhs unless otherwise stated

#### 34 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

##### 34.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

The Company has not measure any financial assets and financial liabilities that are measured at fair value on a recurring basis.

##### 34.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in these financial statements approximate their fair values.

#### 35 Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- (i) The Company does not have any investments.
- (ii) The Details of Loans and advances given have been provided in note no. 9.



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**36 Other Notes**

- 36.1** The Company does not own benami properties. Further, there are no proceedings which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 36.2** The Company has not traded or invested in Crypto currency or Virtual Currency during each reporting period. During each reporting period, the Company has not traded or invested in Crypto currency or Virtual Currency.
- 36.3** There were no Scheme of Arrangements entered by the Company during each reporting period, which required approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- 36.4 Relationship with struck-off companies**  
The Company did not have any transactions with Companies struck off.
- 36.5** 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.
- 36.6** The Company has not made any delay in Registration of Charges under the Companies Act, 2013.
- 36.7 Code of Social Security, 2020**  
The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. the Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.



37 Ratio Analysis and its elements

a) Current Ratio = Current assets divided by Current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current assets	2,573.44	2,465.88
Current liabilities	2,031.74	2,055.39
Ratio (In times)	1.27	1.20
% Change from previous year	5.83%	-3.23%

b) Return on Equity Ratio = Net profit after tax divided by average equity

Particulars	As at March 31, 2024	As at March 31, 2023
Net profit after tax	136.31	93.56
Total equity*	627.39	495.86
Ratio	0.22	0.19
% Change from previous year	15.16%	343.50%

\*Average equity represents the average of opening and closing total equity.

Reason for change more than 25%:

Due to increase in Profits of the Company.

c) Inventory Turnover Ratio = Cost of materials consumed plus changes in inventory divided by

Particulars	As at March 31, 2024	As at March 31, 2023
Cost of Goods Sold	4,125.42	6,186.74
Average Inventory	1,119.14	1,069.80
Ratio (In times)	3.69	5.78
% Change from previous year	-36.26%	95.93%

Reason for change more than 25%:

Due to increase in Inventory of the Company.

d) Trade Receivables turnover ratio = Sales divided by average trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Sales	4,837.72	7,248.34
Average Trade Receivables	345.20	447.35
Ratio (In times)	14.01	16.20
% Change from previous year	-13.51%	-1.48%

e) Trade payables turnover ratio = Cost of Raw material Consumed divided by average trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Cost of Raw material Consumed	4,859.69	5,758.59
Average Trade Payables	971.18	1,061.79
Ratio (In times)	5.00	5.42
% Change from previous year	-8.38%	-14.67%

f) Net Capital Turnover Ratio = Sales divided by Net Working capital

Particulars	As at March 31, 2024	As at March 31, 2023
Sales (A)	4,837.72	7,248.34
Current Assets (B)	2,573.44	2,465.88
Current Liabilities (C)	2,031.74	2,055.39
Net Working Capital (D = B - C)	541.70	410.49
Ratio (In times) (E = A / D)	8.93	17.66
% Change from previous year	-49.42%	64.44%

Reason for change more than 25%:

Due to increase in Inventory and Sales and increased in overall operations of the Company has lead to increased investments in working capital of the Company.



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g) Net profit ratio = Net profit before tax divided by Sales

Particulars	As at March 31, 2024	As at March 31, 2023
Net profit before tax	193.60	134.68
Sales	4,837.72	7,248.34
<b>Ratio</b>	<b>4.00%</b>	<b>1.86%</b>
<b>% Change from previous year</b>	<b>115.37%</b>	<b>154.46%</b>

Reason for change more than 25%:  
Mainly on account of increase in Profit.

h) Return on Capital employed (pre -tax) = Earnings before interest and taxes (EBIT) divided by average Capital Employed

Particulars	As at March 31, 2024	As at March 31, 2023
Profit before tax (A)	193.60	134.68
Add : Interest (B)	79.29	48.92
<b>EBIT (C) = (A) + (B)</b>	<b>272.88</b>	<b>183.60</b>
Total Assets (C)	2,760.66	2,375.02
Current Liabilities (D)	2,043.56	1,732.51
<b>Capital Employed (E)=(C)-(D)</b>	<b>717.10</b>	<b>642.51</b>
<b>Ratio (In %)</b>	<b>38.05%</b>	<b>28.58%</b>
<b>% Change from previous year</b>	<b>33.17%</b>	<b>119.05%</b>

Reason for change more than 25%:  
Mainly on account of increase in Profit.

i) Debt Equity ratio = Total debts divided by Total Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Total Debts	632.04	665.80
Shareholder's funds	701.49	553.30
<b>Ratio (In %)</b>	<b>0.90</b>	<b>1.20</b>
<b>% Change from previous year</b>	<b>-25.12%</b>	<b>-35.67%</b>

Reason for change more than 25%:  
Mainly on account of decrease in Total Debt of the company.

Debt service coverage ratio= Earnings available for debt services dividend by total interest and principal repayments.

Particulars	As at March 31, 2024	As at March 31, 2023
Profit after tax (A)	136.31	93.56
<b>Add: Non cash operating expenses and finance cost</b>		
-Depreciation and amortisation (B)	18.25	20.72
-Finance cost (C)	79.36	50.83
Total Non-cash operating expenses and finance cost (Pre-tax) (D= B+C)	<b>97.61</b>	<b>71.55</b>
Total Non-cash operating expenses and finance cost (Post-tax) (E = D (1-Tax rate))	73.04	53.54
<b>Earnings available for debt services (F = A+E)</b>	<b>209.35</b>	<b>147.10</b>
<b>Debt service</b>		
Interest (G)	79.29	48.92
Lease payments (H)	-	-
Principal repayments (I)	53.45	48.52
Total Interest and principal repayments (J = G + H + I)	<b>132.74</b>	<b>97.44</b>
<b>Ratio (In times) (J = F/ I)</b>	<b>1.58</b>	<b>1.51</b>
<b>% Change from previous year</b>	<b>4.48%</b>	<b>57.54%</b>

Reason for change more than 25%:  
Mainly on account of increase in Profit.



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38 First-time adoption of Ind-AS

38.1 Reconciliation of total equity as at March 31, 2023 and April 1, 2022

Particulars	Note	As at March 31, 2023	As at April 1, 2022
Total equity (shareholder's funds) under previous GAAP		560.67	459.91
Ind AS Adjustments:			
Prior Period Adjustments	a	0.31	(0.08)
Gratuity Impact as per valuation	b	(28.49)	(32.84)
Remeasurement of defined benefit plans (net of Deferred tax) through OCI	b	21.32	3.63
Right of Use Assets and Lease Liability	c	(1.35)	(1.30)
Expected Credit Allowance on Trade Receivables	d	(0.43)	(0.21)
Deferred Tax & Current Tax Impact	e	1.26	9.32
Total adjustment to equity		(7.37)	(21.48)
Total equity under Ind AS		553.30	438.42

38.2 Reconciliation of Total Comprehensive Income for the year ended March 31, 2023

Particulars	Note	For Year ended March 31, 2023
Profit after tax as per previous GAAP		100.76
Ind AS Adjustments:		
Prior Period Adjustment	a	0.40
Gratuity Impact as per valuation	b	0.73
Lease	c	(0.05)
Expected Credit Allowance on Trade Receivables	d	(0.21)
Deferred Tax & Current Tax Impact	e	(8.06)
Total adjustment to profit or loss		(7.21)
Profit after tax under Ind AS		93.56
Other Comprehensive Income		
Remeasurement of defined benefit plans (net of Deferred tax)	b	21.32
Total comprehensive income under Ind AS		114.88

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

38.3 Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2023

There were no significant reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

38.4 Notes to first-time adoption:

a. Prior Period Adjustments

The expenses/incomes which belonged to earlier periods were reclassified accordingly to relevant period.

b. Actuarial gains and losses



The impact is on account of measurement of employee benefits obligations as per Ind AS 19. Under previous GAAP, actuarial gains and losses were recognised in profit and loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability / asset, are recognised in the Other Comprehensive Income (OCI) under Ind AS instead of profit or loss. The actuarial gains for the year ended March 31, 2023 were ₹ 21.32 Lakhs. This change does not effect total equity, but there is a decrease in profit before tax to that extent.

c. Lease

Under Ind AS, The lease liability and assets have been created. The Lease Liability is reduced to reflect the lease payments made, also interest is calculated at IRR of the lease and charged to P&L. Depreciation is charged on the right of use asset created and is charged to P&L.

d. Expected Credit Allowance on Trade Receivables

Under Ind AS, impairment allowance has been determined based on forward-looking expected credit loss (ECL) model which has led to an increase in the amount of provision as on the date of transition. The Company chose to calculate impairment allowance under simplified approach for trade receivables where the Company does not separately track changes in credit risk.

**e. Deferred Taxes & Current Taxes**

The previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using balance sheet approach which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Various transitional adjustments has resulted in recognition of temporary differences. Differences on account of profit have also been taken into consideration and impacts are given wherever appropriate.

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

As per our report of even date

For M.S. Dahiya & Co.  
Chartered Accountants  
Firm Reg. No.: 013855C

  
Harsh Puroda  
Partner  
M No. 409391  
Place: Pithampur  
Date: 03.07.2024



For and on behalf of Board of Directors of  
Honourable Packaging Private Limited

  
Binod Kumar Agarwal  
Director  
DIN: 00322536  
Place: Pithampur  
Date : 03.07.2024

  
Ranjan Kumar Mohapatra  
Director  
DIN: 02267845