MODI BIOTECH PRIVATE LIMITED
BALANCE SHEET
F.Y. 2021 - 2022

Independent Auditor's Report

To the Members of Modi Biotech Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of M/s **Modi Biotech Private Limited** ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2022, and loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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 Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of 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 Standards on Auditing 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 Standards on Auditing, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has 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 made by management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse

B. Khanchandani & Co. New Delhi Chartered Accountants 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 Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.

1. 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 and proper returns adequate for the purposes of our audit have been received from one branch not visited by us;

   c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and returns;

   d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

   e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls are not applicable; and

2. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company has not have any pending litigations which would impact its financial position;

   ii. the Company does not have any material foreseeable losses on long term contracts including derivative contracts which would impact its financial position;

   iii. there were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company

   iv. (a) the management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

Since the company is a private limited company, the provisions of section 197 read with Schedule V to the Act, and hence this clause, is not applicable to the company.

For B. CHHAWCHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Gupta

Abhishek Gupta
Partner
Membership No. 529082
Udin-22529082AJVVWJ4791

Place: New Delhi
Date: 27th May, 2022

B. Chhawchharia & Co. New Delhi Chartered Accountants

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2022, we report that:

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us, the property, plant and equipment have been physically verified by the management according to the programme of periodical verification in phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such 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 all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

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

(e) According to the information and explanations given 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) There is no inventory in the company at close of the year.

(iii) According to the information and explanations given to us, the Company has during the year not made any investments in, provided any guarantee or security or granted any secured/unsecured loans to companies, firms, Limited Liability Partnerships or other parties except loans given to the employees in the ordinary course of the business of the company in accordance with its employee policies.

(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 Companies Act, 2013 in respect of loans, investments, guarantees and securities made by the company, if any.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 Act and Rules made thereunder.

(vi) The company is not required to maintained cost records for the year, as prescribed under sub-section (1) of Section 148 of the Companies Act, 2013 to the extent applicable to the company.

(vii) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, duty of customs, Cess and other statutory dues, as applicable, and no such statutory dues were outstanding as at the last day of the financial year under review for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, Goods and Service Tax, duty of customs and cess, as applicable, which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no such transactions which were not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to a bank, financial institution or Government or dues to debenture holders.

(b) According to the information and explanations given to us, the company has not been declared a wilful defaulter by any bank or financial institution or any other lender.

(c) On the basis of the examination of the books of accounts of the Company and according to information and explanations given to us, in our opinion, the company has not raised any term loans during the year.

(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been utilised for long term purposes.

(e) The company does not have any subsidiary, associate or joint venture and hence reporting on clause 3(ix)(e) of the Order is not applicable.

(f) The company does not have any subsidiary, associate or joint venture and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year under review.

New Delhi
Chartered Accountants

(b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made private placement/preferential allotment of unsecured optionally convertible debentures during the year. In our opinion, the requirements of section 42 of the Act in respect of such allotment have been complied with except for delays in filing of form of allotment and the amounts raised have been used for the purposes for which the funds were raised.

(xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company have been noticed or reported during the year under review.

(b) No report has been filed by us under sub-section (12) of section 143 of the Companies Act, 2013.

(c) According to the information and explanations given to us, no whistle-bower complaints have been received during the year by the company.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting on clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) 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, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

(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 them.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations given to us and on the basis of the examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities.

(c) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

B. Chhawchharia & Co. New Delhi Chartered Accountants

(d) According to the information and explanations given to us, the Group does not have more than one CIC as part of the Group.

(xvii) On an overall examination of the financial statements of the Company, the Company has incurred Rs. 3.66 Lacs cash losses in the first financial year.

(xviii) There has not been any resignation of the statutory auditors during the year and hence reporting on clause 3(xviii) of the Order is not applicable.

(xix) On the basis of overall examination of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and according to the information and explanations given to us, in our opinion, prima facie, no material uncertainty exists as on the date of the audit report regarding the company's capability to meet its liabilities existing as on the date of the 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 information and explanations given to us, there is no unspent amount towards company's Corporate Social Responsibility obligations in terms of Section 135 of the Companies Act, 2013 and hence, reporting on clauses 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

(xxi) The company is not required to prepare consolidated financial statements and hence, reporting on clause 3(xxi) of the Order is not applicable.

For B. CHHAWCHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Gupta

Abhishek Gupta
Partner
Membership No. 529082
Udin- 22529082AJVVWJ4791

Place: New Delhi
Date: 27th May, 2022

B. Chhawcharia & Co. New Delhi Chartered Accountants

MODI BIOTECH PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Notes	As at 31 March 2022
		(Rs. in Lacs)
Assets		
Non-current assets		
Property, Plant and Equipment	3.1	501.93
Capital work-in-progress		-
Intangible assets	3.2	0.45
Deferred tax assets (Net)	3.4	0.11
Other non-current assets	3.5	569.10
		1,071.59
Current assets		
Financial assets	4.1	
- Cash and Cash Equivalents	4.1.1	428.25
Current tax assets (Net)		-
Other current assets	4.2	5.28
		433.53
Total Assets		1,505.12
Equity and Liabilities		
Equity		
Equity Share Capital	5.1	200.00
Other Equity	5.2	698.35
		898.35
Liabilities		
Non-current liabilities		
Financial liabilities	6.1	
- Borrowings	6.1.1	598.00
		598.00
Current Liabilities		
Financial liabilities	7.1	
- Trade payables	7.1.1	
a) Dues of micro and small enterprises		-
b) Dues of creditors other than micro and small enterprises		3.36
- Other financial liabilities	7.1.2	2.76
Other current liabilities	7.2	2.65
		8.77
Total Equity & Liabilities		1,505.12
Corporate Information & Significant Accounting Policies	1 & 2	
Accompanying notes to the financial statements	3 to 24	

The Notes referred to above form an integral part of the accounts.

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Gupta

Abhishek Gupta
Partner
Membership No: 529082
Udin-22529082AJUVWJ4791

Place: New Delhi
Date: 27th May, 2022

B. Chhawchharia & Co. New Delhi Chartered Accountants

For and on behalf of the Board of Directors of
Modi Biotech Private Limited

Anil Modi
(Director)
DIN - 00187078

Akshay Modi
(Director)
DIN - 03341142

MODI BIOTECH PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE PERIOD FROM 27th APRIL, 2021 (DATE OF INCORPORATION) TO 31ST MARCH, 2022

Particulars	Notes	27.04.2021 to 31.03.2022
		(Rs. in Lacs)
Income		
Other Income		-
Total Income		-
Expenses		
Depreciation & Amortization Expenses	8	0.10
Other Expenses	9	3.66
Total Expenses		3.76
Profit/(Loss) before tax		(3.76)
Tax expense :	10	
Current Tax		-
Deferred Tax		(0.11)
Profit/(Loss) for the year (A)		(3.65)
Other comprehensive income/(loss)		
A) Items that will not be reclassified to profit or loss (Net of Tax)		
- Changes in fair value of Equity Instruments		-
- Remeasurement of net defined benefit liabilities		-
B) Items that will be reclassified to profit or loss		-
Other comprehensive income/(loss) for the year (B)		-
Total comprehensive income/(loss) for the year (A+B)		(3.65)
Earnings per share	12	
(On Equity Shares of nominal value of ₹ 10/- each)		
Basic and Diluted earnings per share (Rs.)		(0.41)

The Notes referred to above form an integral part of the accounts.

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Gupta
Abhishek Gupta
Partner
Membership No: 529082
Udin-22529082AJVVWJ4791

Place: New Delhi
Date: 27th May, 2022

B. Chhawchharia & Co. New Delhi Chartered Accountants

For and on behalf of the Board of Directors of
Modi Biotech Private Limited

Anil Modi
(Director)
DIN - 00187078

Akshay Modi
(Director)
DIN - 03341142

MODI BIOTECH PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs. in Lacs)

A. Equity Share Capital

Particulars	Note	As at 1st April 2021	Changes During 27.04.2021 to 31.03.2022	As at 31st March 2022
20,00,000 Equity shares of Rs.10/- each	5.1	-	200.00	200.00
		-	**200.00**	**200.00**

B. Other Equity

Particulars	Note	Reserves and Surplus	Equity component of Compound Financial Instruments	Total
	5.2	Surplus/(Deficit) in Statement of Profit & Loss		
Balance as at 1st April, 2021		-	-	-
- Loss for the year		(3.65)	-	(3.65)
- Other comprehensive income/(loss) (net of tax)		-	-	-
Total comprehensive Loss for the year		**(3.65)**	-	**(3.65)**
- Equity Component(CFI) issued during the year		-	**702.00**	**702.00**
Balance as at 31st March, 2022		**(3.65)**	**702.00**	**698.35**

The accompanying notes form an integral part of theses financial statements

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Gupta

Abhishek Gupta
Partner
Membership No: 529082
Udin-22529082AJVVWJ4791

Place: New Delhi
Date: 27th May, 2022

B. Chhawchharia & Co. New Delhi Chartered Accountants

For and on behalf of the Board of Directors of
Modi Biotech Private Limited

Anil Modi
(Director)
DIN - 00187078

Akshay Modi
(Director)
DIN - 03341142

MODI BIOTECH PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022

Particulars	Year ended 31 March 2022 (Rs. in Lacs)
A Cash Flow from Operating Activities	
Net Profit/(Loss) before tax	(3.76)
Adjustments for :	
- Finance Cost	-
- Depreciation & Amortization Expenses	0.10
Operating profit before working capital changes	**(3.66)**
Working capital adjustments:	
Other advances	(38.26)
Trade Payables and Others	8.77
Cash generated from operations	**(33.15)**
Direct Taxes paid / adjusted	-
Cash flow before extra ordinary items	**(33.15)**
Extra Ordinary items	-
Net cash from/(used in) Operating activities	**(33.15)**
B Cash Flow from Investing Activities	
Purchase of Property, Plant & Equipments	(501.98)
Purchase of Intangible Assets	(0.50)
Sale of Property, Plant & Equipments	-
Capital Advances	(536.12)
Net Cash generated from investing activities	**(1,038.60)**
C Cash Flow from Financing Activities	
Issue of Share Capital	200.00
Proceeds/(Repayment) of Borrowings - Net	1,300.00
Finance cost	-
Net Cash used in Financing activities	**1,500.00**
Net (decrease)/ increase in cash & cash equivalents (A+ B+ C)	**428.25**
Cash & cash equivalents at the beginning of the year	-
Cash & cash equivalents at the end of the year	**428.25**

Notes:

The statement of cash flows has been prepared using the indirect method as set out in Ind AS 7 - Statement of Cash Flows

The accompanying notes 1 to 27 form an integral part of these financial statements

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No: 305123E

Gupta

Abhishek Gupta
Partner
Membership No: 529082
Udin-22529082AJVVWJ4791

Place: New Delhi
Date: 27th May, 2022

B. Chhawchharia & Co. New Delhi Chartered Accountants

For and on behalf of the Board of Directors of
Modi Biotech Private Limited

Anil Modi
(Director)
DIN - 00187078

Akshay Modi
(Director)
DIN - 03341142

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Modi Biotech Private Limited ("the Company") is a private limited company domiciled and incorporated under the provisions of the Companies Act, 2013 on 27th April,2021in India. The Registered Office of the company is situated at D-185/1B & 1C, 2nd Floor, Okhla Industrial Area, Phase - I, New Delhi - 110020 India.

The principal business activity of the company is manufacturing of all type of Organic and inorganic chemicals and synthetic chemical derived from fermented high starch juice of any nature and Special types of ethanol and products, including specifically, gases, effluent gases, power, steam and bio fertilizers and also to produce biofuels such as ethanol for selling to petroleum marketing companies to enable them to blend in petrol and diesel.

The financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 27th May,2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial Statements

The financial statementsof the Company have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

These financial statements for the year ended 31st March 2022have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

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

The financial statements are presented in Indian Rupees ("INR" or "Rs.") and all amounts are rounded to the nearest lacs, except as stated otherwise.

2.2 Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions effect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.23. Accounting estimates could change from period to period. Actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

B. Chhawchharia & Co. Chartered Accountants New Delhi

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2.3 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.

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

2.4 Property, Plant and Equipment

Freehold land and Capital Work in progress is carried at cost. All other items of Property, plant and equipment are stated at cost, less accumulated depreciation. The Cost of an item of Property, Plant and Equipment comprises of:

(a) its purchase price including freight, duties, and non-refundable purchase taxes after deducting trade discounts and rebates;

(b) any attributable expenditure directly attributable for bringing an asset to the location and the working condition for its intended use; and

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Schedule II to the Companies Act, 2013 or as estimated by the management whichever is lower. Depreciation on addition/sale is provided on Pro-rata basis with reference to the date of addition/sale.

The useful lives have been determined based on technical evaluation done by the management's experts, which in few cases are different than the lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

2.5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on a straight-line method over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period and adjusted, if appropriate. The useful economic lives estimated for various classes of intangible assets are as follows:

Class of intangible assets	Useful life (in years)
Software	6

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually.

2. 6 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity period of twelve months or less from the balance sheet date, which are subject to an insignificant risk of changes in value and is freely available for the company. Bank overdrafts are shown under borrowings in the balance sheet.

Earmarked bank balances and/or short-term deposits which are lien marked against borrowings are shown under the head "Bank balances other than Cash and Cash Equivalent".

2.7 Financial instruments

A. *Financial Instruments -Initial recognition and measurement*

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

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B.1. *Financial assets –Subsequent measurement*

The Subsequent measurement of financial assets depends on their classification which is as follows:

a. Financial assets at fair value through profit or loss

   Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

b. Financial assets measured at amortised cost

   Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

c. Financial assets at fair value through OCI

   All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument-by-instrument basis to present in other comprehensive income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

   If the company decides to designate an equity instrument at fair value through OCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

B.2. *Financial assets –De-recognition*

The company derecognises a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Upon de-recognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument are transferred from OCI to Retained Earnings.

C.1. *Financial liabilities –Subsequent measurement*

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

a. Financial liabilities at fair value through profit or loss

   Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any.

b. Financial liabilities measured at amortised cost

   Interest bearing loans and borrowings of the company are subsequently measured at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of profit and loss.

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C.2. *Financial liabilities –De-recognition*

A financial liability is derecognised when the obligation under the liability is discharged or expires.

D. *Offsetting financial instruments*

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, if and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

E. *Compound financial instruments*

Compound financial instrument are separated into liability and equity components based on the terms of the contract and valuation obtained from a merchant banker. The equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. Under this approach, the company determines the carrying amount of the liability component by measuring the fair value of a similar liability (including any embedded non-equity derivative features) that does not have an associated equity component. No gain or loss arises from initially recognizing the components of the instrument separately.

F. *Fair value measurement*

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

- in the principal market for the assets 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 to the company.

The company uses valuation technique 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 minimising the use of unobservable inputs.

2.08Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale and their related liabilities are presented separately in the balance sheet. Non-current assets are not depreciated or amortised while they are classified as held for sale.

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2.09 Provisions, Contingent Liabilities and Contingent Assets

A provision shall be recognised when:

(a) an entity has a present obligation as a result of a past event;
(b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
(c) a reliable estimate can be made of the amount of the obligation.

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.

A Contingent liability is not recognised but disclosed in the notes to the accounts, unless the probability of an outflow of resources is remote.

A contingent asset is generally neither recognised nor disclosed.

2.10Employees Benefits

(i) Short term Employee Benefits:

Liabilities for wages, salaries and other employee benefits that are expected to be settled within twelve months of rendering the service by the employees are classified as short term employee benefits. Such short term employee benefits are measured at the amounts expected to be paid when the liabilities are settled. Short Term Employee Benefits arerecognized as an expense on anundiscounted basis in the statement ofprofit and loss of the year in which therelated service is rendered.

(ii) Post Employment Benefits

(a) Defined Contribution Plans:
<u>Provident Fund</u>
Retirement benefit in the form of providentfund is a defined contribution scheme. TheCompanyhas no obligation, other than thecontribution payable to the provident fund.TheCompany recognizes contribution payableto the provident fund scheme as an expense,when an employee renders the related service.

(b) Defined Benefit Plans
<u>Gratuity</u>
The Company provides for gratuity, a definedbenefit retirement plan ('the Gratuity Plan')covering eligible employees of the Company.The Gratuity Plan provides a lump-sum payment to vested employees at retirement,death, incapacitation or termination ofemployment, of an amount based on therespective employee's salary and the tenure ofemployment with the Company.Liabilities with regard to the Gratuity Plan aredetermined by actuarial valuation, performed by an independent actuary, at each balancesheet date using the projected unit creditmethod.

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The Company recognizes the net obligation ofa defined benefit plan in its balance sheet as anasset or liability. Re-measurements comprisingof actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in netinterest on the net defined benefit liability) and the return on plan assets (excluding amountsincluded in net interest on the net defined benefitliability) are recognised in Other ComprehensiveIncome which are not reclassified to profit orloss in subsequent periods.

(iii) Long-term employee benefits
The liability of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using Projected Unit Credit Method.

2.11Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.12 Foreign Currency Transactions

The foreign currency transactions are recorded, on initial recognition in the functional currency (i.e. Indian Rupee), by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise.

Foreign exchange differences recorded as an adjustment to borrowing costs are presented in the statement of profit and loss, as a part of finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

2.13 Leases

The company adopted Ind AS 116, "Leases".The following is a summary of significant accounting policies related to Leases.

A. Company as a Lessee

The Company assesses whether a contract contains a lease at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The company applies a single recognition and measurement approach for all leases, except for leasehold land, short-term leases and leases of low-value. For short-term and leases of low value, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

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Leasehold land is carried at the acquisition cost i.e. one-time lease premium paid at the time of acquisition of leasehold rights. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is amortized over the shorter of the estimated useful life of the asset and the lease term. For all other leases, the Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets are included in the Leased Assets and lease liabilities are included in other current and non-current financial liabilities in the balance sheet. Lease payments have been classified as financing cash flows in the Statement of Profit and Loss.

B. Company as a Lessor

Leases for which the company is a lessor is classified as finance or operating leases. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation.

2.14 Income Taxes

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income, in which case it is also recognized in equity or other comprehensive income respectively.

Current Taxes:

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred Taxes:

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date except when the deferred income tax arises from the initial recognition

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of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred tax assets and liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.15 Impairment of assets

a) Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

b) Non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-inuse) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

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2.16 Earnings per Share

The Basic earnings per share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per equity share is calculated by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.17 Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities.

2.18 Exceptional items

Exceptional items refer to items of income or expense within statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the company.

2.19 Critical accounting estimates

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Intangible assets

The company tests whether intangible assets have suffered any impairment on an annual basis. The recoverable amount of a cash generating unit is determined based on value in use calculations which require the use of assumptions.

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3.1 PROPERTY, PLANT & EQUIPMENT

(Rs. in Lacs)

Particulars	GROSS BLOCK				DEPRECIATION				NETBLOCK	
	As at 01.04.2021	Additions	Deductions	As at 31.03.2022	Up to 31.03.2021	For the year	Adjustments	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
TANGIBLE ASSETS										
LAND	-	499.06	-	499.06	-	-	-	-	499.06	-
FURNITURE & FIXTURES	-	1.30	-	1.30	-	0.01	-	0.01	1.29	-
OFFICE EQUIPMENTS	-	0.90	-	0.90	-	0.02	-	0.02	0.88	-
COMPUTERS	-	0.16	-	0.16	-	0.01	-	0.01	0.15	-
VEHICLE	-	0.56	-	0.56	-	0.01	-	0.01	0.55	-
TOTAL	-	**501.98**	-	**501.98**	-	**0.05**	-	**0.05**	**501.93**	
PREVIOUS YEAR FIGURES	-	-	-	-	-	-	-	-		-

3.2 INTANGIBLE ASSETS

Particulars	GROSS BLOCK				AMORTIZATION				NETBLOCK	
	As at 31.03.2021	Additions	Deductions	As at 31.03.2022	Up to 31.03.2021	For the year	Adjustments	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Software	-	0.50	-	0.50	-	0.05	-	0.05	0.45	-
TOTAL	-	**0.50**	-	**0.50**	-	**0.05**	-	**0.05**	**0.45**	-
PREVIOUS YEAR FIGURES	-	-	-	-	-	-	-	-	-	-

NOTES TO THE ACCOUNTS

			As at 31 March 2022 (Rs. in Lacs)
3.4	**DEFERRED TAX ASSETS (NET)**		
	Deferred Tax Assets/(Liability) relating to:		
	- Property, Plant and Equipment		**(0.04)**
	- Unabsorbed Losses		**0.15**
			0.11
3.5	**OTHER NON CURRENT ASSETS**		
	Non Financial Assets at amortized cost		
	(unsecured, considered good)		
	Pre-Operative Expenses		
	- Rates & Taxes	7.55	
	- Employee Benefit Expenses	12.16	
	- Rent	0.30	
	- Legal & Professional Charges	8.18	
	- Repair & Maintainance - Others	0.31	
	- Travelling & Conveyance	2.63	
	- Other Expenses	1.45	**32.58**
	Security Deposits		**0.40**
	Capital Advance		**536.12**
			569.10
4.1	**FINANCIAL ASSETS**		
4.1.1	**CASH AND CASH EQUIVALENTS**		
	Cash-in-hand		**1.31**
	Balances with Scheduled Banks :		
	In Current Account		**426.94**
			428.25
4.2	**OTHER CURRENT ASSETS**		
	(Unsecured, considered good)		
	Balances with Statutory/ Government Authorities		**1.43**
	Advances Recoverable in kind or for value to be received		**3.85**
			5.28

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NOTES TO THE ACCOUNTS

	As at 31 March 2022 (Rs. in Lacs)
5.1 EQUITY SHARE CAPITAL	
a) **Authorised :**	
20,00,000 Equity shares of Rs.10/- each	**200.00**
	200.00
Issued, Subscribed and Fully Paid up :	
20,00,000 Equity shares of Rs.10/- each	**200.00**
	200.00

(i) Reconciliation of the number of equity shares :

	As at 31.03.2022 Nos.
At the Beginning of the Year	-
Add: Upon subscriber of memorandum	**10,000**
Add: Upon allotment during the year	**1,990,000**
At the End of the Year	**2,000,000**

(ii) Details of each shareholder holding more than 5% Equity shares in the company

	As at 31 March 2022	
Name of Shareholders	**% holding**	**No. of shares**
Modi Naturals Limited - Holding Company	100%	2,000,000
		2,000,000

(iii) Term /Rights attached to Equity Shares

The company has one class of equity shares having a par value of Rs. 10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended March 31, 2022 the amount of dividend recognised as distributions to equity shareholders is Nil. In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets, if any, in proportionate to their individual shareholding in the paid up equity capital of the company.

(iv) Details of shareholding of Promoters in the company:

Shares held by promoters as at 31.03.2022				% Change during the year 2021-2022
S.No.	Name of Promoter	No. of Shares	% of Total Shares	
(a)	Modi Naturals Limited	2000000	100.00	Not Applicable
Total		2000100	100.00	

5.2 OTHER EQUITY

a) **Equity Component of Compound Financial Instrument**	
As per Last Account	-
Add: Equity Component (CFI) Issued During the year	**702.00**
Balance at the end of the year	**702.00**
b) **Reserve & Surplus**	
Surplus/(Deficit) in the Statement of Profit and Loss	
As per Last Account	-
Total Comprehensive Income/(Loss) for the year	**(3.65)**
Net Surplus/(Deficit) in the statement of Profit and Loss	**(3.65)**
	698.35

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	As at 31 March 2022
	(Rs. in Lacs)

6.1 FINANCIAL LIABILITIES - NON CURRENT

6.1.1 BORROWINGS

LIABILITY COMPONENT OF COMPOUND FINANCIAL INSTRUMENT (UNSECURED

(i) 5,00,000 Zero Interest Unsecured Optionally Convertible Debentures (Series A) of Rs.100/- each convertible into Equity Shares of Rs.10/- each fully paid up in one or more tranches or in full at the option of Debenture Holders anytime after one year from the date of allotment(s) but within 31st March, 2041 at the Net Asset Value per equity share as on the date of conversion to be determined on the basis of valuation report of a registered valuer, or redeemable at the option of the Board of Directors of the company at par or premium as may be mutually decided by the company and the debenture holders anytime after one year from the date of allotment(s) but within 31st March, 2041 - Held by Holding Company.	**500.00**
(ii) 5,00,000 Zero Interest Unsecured Optionally Convertible Debentures (Series B) of Rs.100/- each convertible into Equity Shares of Rs.10/- each fully paid up in one or more tranches or in full at the option of Debenture Holders anytime after one year from the date of allotment(s) but within 31st March, 2041 at the Net Asset Value per equity share as on the date of conversion to be determined on the basis of valuation report of a registered valuer, or redeemable at the option of the Board of Directors of the company at par or premium as may be mutually decided by the company and the debenture holders anytime after one year from the date of allotment(s) but within 31st March, 2041 - Held by Holding Company.	**500.00**
(iii) 3,00,000 Zero Interest Unsecured Optionally Convertible Debentures (Series C) of Rs.100/- each convertible into Equity Shares of Rs.10/- each fully paid up in one or more tranches or in full at the option of Debenture Holders anytime after one year from the date of allotment but within 31st March, 2041 at the Net Asset Value per equity share as on the date of conversion to be determined on the basis of valuation report of a registered valuer, or redeemable at the option of the Board of Directors of the company at par or premium as may be mutually decided by the company and the debenture holders anytime after one year from the date of allotment (i.e 23.03.2022) but within 31st March, 2041 - Held by Holding Company.	**300.00**
	1,300.00
Less: Classified as Equity Component on Initial Recognition	**702.00**
	598.00

CURRENT LIABIILITIES

7.1 FINANCIAL LIABILITIES

7.1.1 TRADE PAYABLES

- Dues of Micro and Small Enterprises	**-**
- Dues of creditors other than micro & small enterprises	**3.36**
	3.36

Particulars	Outstanding for following periods from due date of payment				Total as at 31st March 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	3.36	-	-	-	3.36
(ii) Disputed Dues					
- MSME	-	-	-	-	-
- Other than MSME		-	-	-	-

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NOTES TO THE ACCOUNTS

		As at 31 March 2022 (Rs. in Lacs)
7.1.2	**OTHER FINANCIAL LIABILITIES**	
	Other liabilities	2.76
		2.76
7.2	**OTHER CURRENT LIABILITIES**	
	Statutory Liabilities	2.65
		2.65

		27.04.2021 to 31.03.2022 (Rs. in Lacs)
8	**DEPRECIATION & AMORTIZATION EXPENSES**	
	Relating to :	
	- Property, plant & equipment	0.05
	- Intangible Assests	0.05
		0.10
9	**OTHER EXPENSES**	
	Incorporation Expenses	0.03
	Filling Fees	3.12
	Auditors' Remuneration:	
	For Statutory Audit	0.50
	Miscellaneous Expenses	0.01
		3.66
10	**TAX EXPENSES**	
	Current tax	
	Income Tax	-
	Deferred Tax	(0.11)
		(0.11)

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(i) The major components of tax expense for the years ended 31 March 2022 are:

	2021 - 2022
Current Tax:	
Current tax expenses for current year	-
Tax expenses pertaining to prior periods	-
	-
Deferred tax obligations	(0.11)
Total tax expense reported in the statement of profit or loss	**(0.11)**

(ii) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expenses reported in statement of profit and loss is as follows:

	2021 - 2022
Profit before income taxes	**(3.76)**
At statutory income tax rate	17.16%
Expected Income Tax expenses	(0.65)

Tax effects of adjusments to reconcile expected income tax expense to reported income tax expense

Depreciation Difference	0.00
Tax pertaing to prior periods	-
Non deductible expenses for tax purposes	0.54
Total Income Tax expenses	**(0.11)**

(iii) Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2022 is as follows:

	Opening Balance	Recognised/ reversed through Profit and Loss	Recognised/ reversed in other comprehensive income	Closing Balance
Deferred Tax (Assets)/Liabilites in relation to:				
Property, plant & equipment and Intangible Assets	-	0.04	-	0.04
Unabsorbed Losses	-	(0.15)	-	(0.15)
Net Deferred Tax (Assets)/Liabilities	-	(0.11)	-	(0.11)

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11 FINANCIAL INSTRUMENTS

11.1 Financial Instruments by category

The carrying value of financial instruments by categories as on 31st March, 2022 were as follows:

Particulars	Note Reference	Fair Value through Profit & Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Total Fair Value
Financial Assets						
- Cash and Cash equivalents	4.1.1	-	-	428.25	428.25	428.25
Total Financial Assets		-	-	428.25	428.25	428.25
Financial Liabilities						
- Long Term Borrowings	6.1.1	-	-	598.00	598.00	598.00
- Trade Payables	7.1.1	-	-	3.36	3.36	3.36
- Other Financial Liabilities	7.1.2	-	-	2.76	2.76	2.76
Total Financial Liabilities		-	-	604.12	604.12	604.12

Management estimations and assumptions

a) The management assessed that cash and cash equivalents, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

11.2 Fair Value Measurement

(i) **Fair Value hierarchy**

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

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

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

The company's policy is to recognize transfers into and the transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1, level 2 and level 3 during the end of the reported periods.

11.3 Financial Risk Management

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

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

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

Market Risk

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

(i) **Foreign currency risk**

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in exchange rates. The company's functional currency is Indian Rupees (₹). As the company does not undertake any material transaction denominated in foreign currency, consequently exposure to exchnage rate fluctuation is negligible.

(ii) **Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

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At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Particulars	As at 31st March, 2022
Fixed rate instruments	
Long term borrowings	598.00
Variable rate instruments	
Long term borrowings	-
Current maturities of long term debt	-
Short term borrowings	-

(iii) **Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. The Company's credit risk in case of all other financial instruments is negligible.

(iv) **Liquidty Risk**

Liquidty risk is the risk that company will encounter difficulty in meeting the obligations associated with its financial liabilities that will be settled by cash or another financial assets. The company's approch to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

a) Maturities of financial liabilites

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities, for which the contractual maturities are essential for an understanding of the timings of the cash flows.

Contractual maturities of financial liabilities	Less than 1 Year	More than 1 Year	Total
As at 31 March 2022			
Borrowings	-	598.00	598.00
Other financial Liabilities (including current maturities)	2.76	-	2.76
Trade payables	3.36	-	3.36
Total	6.12	598.00	604.12

Write off policy

The financials assets are written off incase there is no reasonable expectation of recovering from the financial asset.

12 EARNINGS PER SHARE

(a) The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share"

(i) A statement on calculation of basic & Diluted EPS is as under:

Particulars		Year ended 31.03.2022
Net Profit after tax attributable to equity shareholders		(3.65)
Total (A)		**(3.65)**
Weighted average number of equity shares (No.)		
- Subscriber to the Memorandum	10,000	
Add: Equity Shares allotted on 01.11.2021 (19,90,000 x 151/339)	886,401	896,401.18
Total (B)		**896,401.18**
Basic earning per Share (Rs.) (A)/(B)		(0.41)
Diluted earning per Share (Rs.)* (A)/(B)		(0.41)
Face value per equity share (Rs.)		10.00

Since the no. of equity shares into which OCD Series A, OCD Series B and OCD Series C is convertible is not ascertainable at the end of the year, hence, Diluted EPS is taken as same as that of Basic EPS.

13 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 5176.877 Lacs [net of advances of Rs.536.12 Lacs].

14 In accordance with the Accounting Standards (IndAS-36) on "Impairment of Assets" during the year the company has assessed useful life of fixed assets in use and is of the view that no impairment is considered to be necessary in view of its expected realizable value/value in use.

15 On the baiss of information received from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid /payable have been given based on the information so far available with the company/ identified by the company management. As required by schedule III of companies Act, of the above said Act the following information is disclosed:-

Sr. No.	Particulars	2021-2022
a)	(i) Principal amount remaining unpaid at the end of the accounting year	-
	(ii) Interest accrued and due to such suppliers on above (a) amount	-
b)	Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day.	-
c)	Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-
d)	Interest accrued and remaining unpaid at the end of the accounting year.	-
e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-

16 SEGMENT INFORMATION

Business segments have been identified based on the nature and class of products and services, assessment of differential risks and returns. Accordingly, company is a single segment company operating in the business of Manufacturing of chemicals and chemical products and disclosure requirements as contained in Ind AS- 108 'Operating Segments' are not required in the financial statements.Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

17 Related Party Disclosure

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" presribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

Significant influenced entities

Particulars	Country	Holding as at 31.03.2022
a) **Name of Holding Company**	India	Modi Naturals Limited
b) **List of Joint Ventures**		-
c) **Other related parties**		
(i) **Key management personnel and their relatives**		**Relationship**
Shri Anil Modi	India	Director
Shri Akshay Modi	India	Director
(ii) **Enterprise where Key Management Personnel & their relative have significant influence**		-

Transactions with the Related Parties :-

Nature of Transactons	2021-2022 Holding Company
Income	-
Expenses	
Reimbursement of Expesnes (Net)	13.74
Year End Receivable	
Year End Payable	
Equity Component of Compound Financial Instrument	702.00
Borrowings	598.00
Other Financial Liabilities	-.00

The table below describes the compensation to key managerial personnel and Related Parties:

Particulars	Year Ended 31 March, 2022
Short term employee benefits	-
	-

18 The disclosures required under Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015 are given below

Defined Contribution Plan

Contribution to Defined Contribution Plan, charged off to Pre-operative expenses for the year are as under:

Employer's Contribution to Provident & Pension Fund	0.65
Employer's Contribution to ESIC Scheme	-

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19 REVENUE FROM CONTRACTS WITH CUSTOMERS

The disclosure pursuant to INDAS 115 "Revenue from Contracts with Customers" are given herein below:

Customer Contracts

(i) Revenue

Particulars	31st March, 2022
(a) Revenue from contract with customers	
Sale of Products	-
Other Operating Revenues:	-
	-
(b) Income from investment activities/others	
Other Income	-
	-
Total	-

(ii) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Type of goods/services	31st March, 2022
Sale of Products	-
Other Operating Revenues:	-
Other Income	-
Total revenue from contracts with customers	-

(iii) Contract balances

Particulars	Sub heading	31st March, 2022
Contract Assets	Trade Receivables	-
Contract liabilities	Advance from Customers	-

(v) Perfomance obligations

Information about the Company's performance obligations for material contracts are as summarised below:

Sale of Goods:

The performance obligation and the control is satisfied at the point in time when control of the goods are transferred to the customers, the customer has full discretion over the channel and price to sell the products, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. The said conditions are generally fulfilled upon delivery of goods to the customers.

Sale of Services:

The performance obligation has been satisfied on the stage of completion.

20 ASSETS SECURED FOR BORROWINGS

The carrying amounts of assets secured for current and non current borrowings is given in the following table:

Particulars	Notes	31st March, 2022
Non Current Assets		
Property, Plant and Equipments	3.1	-
Capital work-in-progress	0	-
Intangible Assets	3.2	-
Total		-
Current Assets		
Cash and cash equivalents	4.1.1	-
Total		-

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21 CAPITAL MANAGEMENT

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order to maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's gearing ratio was as follows:

Particulars	**As at 31st March, 2022**
Borrowings	598.00
Less: Cash and cash equivalents	428.25
Net debt	169.75
Total equity	898.35
Capital and Net debt	1,068.10
Gearing ratio	15.89%

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year ended 31st March 2022.

There were no changes in the objectives, policies or processes for managing capital during the year ended 31 March 2022.

22 RATIOS

The following are analytical ratios for the year ended March 31, 2022

Particulars	**Numerator**	**Denominator**	**31st March, 2022**
(a) Current Ratio,	Current Assets	Current Liabilities	49.43
(b) Debt-Equity Ratio,	Total Outside Liabilities	Shareholder's Equity	0.68
(c) Debt Service Coverage Ratio,	Earnings available for debt service (*)	Debt Service (**)	Not Ascertainable
(d) Return on Equity Ratio, (%)	Net Profits after Taxes	Shareholder's Equity	(0.41)
(e) Inventory turnover ratio, (No. of Days)	Total Inventories	Revenue from Operations	Not Ascertainable
(f) Trade Receivables turnover ratio, (No. of Days)	Total Net Trade Receivable	Revenue from Operations	Not Ascertainable
(g) Trade payables turnover ratio, (No. of Days)	Total Net Trade Payables	Purchases & Consumption of Goods	Not Ascertainable
(h) Net capital turnover ratio, (%)	Revenue from Operations	Working Capital	-
(i) Net profit ratio, (%)	Net Profit before Taxes	Revenue from Operations	Not Ascertainable
(j) Return on Capital employed, (%)	Earning before interest and taxes	Capital Employed (#)	(0.25)
(k) Return on investment	Income generated from long term investments	Average long term investments	Not Ascertainable

(*) Earnings available for debts service = Profit after Tax before depreciation and interest on long term borrowings

(**) Debts Service = Repayment of long term borrowings and Gross Interest on long term borrowings

(#) Capital Employed = Total book value of all assets less current liabilities

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New Delhi
Chartered Accountants

23 Additional Regulatory Information as required by Schedule III of Companies Act, 2013

(a) There are no proceedings which have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988.

(b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(c) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(d) The company has used the borrowings from banks and financial institutions for the purpose for which it was taken at the balance sheet date.

(e) The company has borrowings from banks or financial institutions on the basis of security of current assets, and quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(f) There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(g) 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.

(h) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(i) The Company does not have any transactions with companies struck off.

(j) There are no Loans or Advances in the nature of Loans granted to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

(k) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

24 a) The accounts above are for the period from 27th April, 2021 (Date of Incorporation) to 31st March, 2022
b) This being the first year of the company, corresponding figures for the previous year have not been shown.

The Notes referred to above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No: 305123E

Gupta

Abhishek Gupta
Partner
Membership No: 529082
Udin- 22529082AJVVWJ4791

Place: New Delhi
Date: 27th May, 2022

B. Chhawchharia & Co. New Delhi Chartered Accountants

For and on behalf of the Board of Directors of
Modi Biotech Private Limited

Anil Modi	Akshay Modi
(Director)	(Director)
DIN - 00187078	DIN - 03341142