

INDEPENDENT AUDITOR'S REPORT

To the Members of GUJARAT FOILS LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of GUJARAT FOILS LIMITED ("the Company"), which comprise the Balance Sheet as at 31 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 the material accounting policies and other explanatory information (herein after 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Profit (including Other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant 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.

As stated in note 42 of the accompanying financial statements, the Company was under CIRP process and under liquidation process till 10 January 2022 (as per the Certificate of Sale dated 11 January 2022, there is change in the ownership and control of the Company as Going Concern). Pursuant to the order of NCLT- Ahmedabad dated 1 February 2023, the Company had applied for delisting of its equity shares from Bombay Stock Exchange and the shares of the Company have since been delisted w.e.f. 31 May 2023 (read with note 42(iii)(e)).

We have determined that there are no key audit matters to be communicated in our report, to be read with the matter as stated in the above paragraph.



Regd. Office: 19, Esplanade Mansions, 14 Government Place East, Kolkata 700069, West Bengal, India.
Lodha & Co (Registration No. 301051E) a Partnership Firm was converted into Lodha & Co LLP
(Identification No. ACE-5752) a Limited Liability Partnership with effect from December 27, 2023

Gujarat Foils Limited Kolkata Mumbai New Delhi Chennai Hyderabad Jaipur

Vikram Singh
Authorised Signatory

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

The Company's Board of Directors are 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. The Annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 therein, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position/ state of affairs, 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 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, Board of Directors are 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 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 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.

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- 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 system 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 ability of the Company 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.

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.

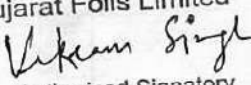
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

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- 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 except that the backup of the books of account and subsidiary books and records maintained in electronic mode has not been maintained on servers located in India, on daily basis.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 with reference to financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 31(i) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that to the best of its knowledge and belief (read with note 40.8(a), no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(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 (read with note 40.8(b), no funds (which are material either individually or in aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"),

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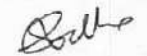
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with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on such audit procedures that we have 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 as required by Rule 11(e) of Companies (Audit & Auditors) Rules, 2014, as amended, contains any material mis-statement.
- v. The Company has not declared or paid dividend during the year, accordingly the provisions of section 123 of the Companies Act, 2013 are not applicable.
- vi. Based on our examination which included test checks and written representations received from the management, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in such software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 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 31 March 2024.
3. In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/ provided any managerial remuneration during the year ended 31 March 2024 and thus no comment has been offered under Section 197 (16) read with Schedule V of the Companies Act, 2013.

For Lodha & Co LLP
Chartered Accountants
Firm's Registration No. 301051E/E300284



(Gaurav Lodha)

Partner

Membership No. 507462

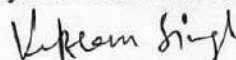
UDIN: 24507462BJ24SY7607

Place: Gurugram

Date: 1 June 2024



Gujarat Foils Limited


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ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GUJARAT FOILS LIMITED FOR THE YEAR ENDED 31 MARCH 2024.

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

- i.
 - (a) (A) The Company has maintained proper records showing full particulars, quantitative details and situation of Property, Plant and Equipment (PPE).
(B) The Company does not have any intangible assets.
 - (b) As per the physical verification program, all items of Property, Plant and Equipment were physically verified during the year by the management which, in our opinion, provides for physical verification at reasonable intervals. Based on information and records provided, no material discrepancies were noticed on such verification.
 - (c) According to information and explanation given to us and records examined by us and based on examination of the scanned copies of title deeds of immovable properties pledged with the bankers as security against borrowings (from erstwhile borrowers), we report that the title deeds of immovable properties that had been pledged as security against borrowings and other facilities availed by the company, are held in the name of the company as at the balance sheet date (read with note 42(iii)(f) of the accompanying financial statements).
 - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) during the year.
 - (e) According to the information and explanations given to us and records provided, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988) and rules made thereunder.
- ii.
 - (a) As per the physical verification program, the inventories of the Company have been physically verified during the year by the Management. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Discrepancies noticed were not of 10% or more in the aggregate for each class of inventories on such physical verification of inventories when compared with books of account.
 - (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3 (ii)(b) of the Order is not applicable.
- iii. The Company has not made investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3 (iii) of the Order is not applicable.
- iv. According to the information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3 (iv) of the Order is not applicable.

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- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year from public within the provision of section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under (to the extent applicable). We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.
- vi. We have not been provided with the specified accounts and records maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) (read with note 42) of the Act in respect of the company's products to which the said rules are made applicable and our inability to comment thereon.
- vii.
- (a) The Company has generally been regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable and there were no undisputed statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they become payable.
- (b) There are no disputed dues which have remained unpaid as on 31 March 2024 on account of statutory dues referred to in sub-clause (a) above (read with note 42(iii)(g)).
- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix.
- (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) As stated in note 42(iii)(j) of the accompanying financial statements, pursuant to reliefs and concessions granted by NCLT-Ahmedabad vide order dated 1 February 2023, the Company has been granted approval to be ceased to be wilful defaulter w.e.f. 11 January 2022, subject to compliance of applicable laws, rules and regulations.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained except of Rs 0.25 Lakhs pending utilization is lying in current account with bank.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3 (ix)(e) and (f) of the Order is not applicable.
- x.
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) As stated in note 42(iii)(c), the company has made private placement of equity shares to its Holding Company but the company has not made any preferential allotment of shares or private placement of (fully or partly or optionally) convertible debenture during the year.

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xi.

- (a) Based on the audit procedures performed and on the basis of information and explanations provided by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported.
- (b) Based on the audit procedures performed and to the best of our knowledge and based on the information and explanations provided to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company and hence, reporting under clause 3(xii) of the Order is not applicable.

xiii. According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Section 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, as required by the applicable Indian accounting standards. As stated in note 42, the Company was under liquidation process till 10 January 2022. As stated in note 42, pursuant to the certificate of sale dated 11 January 2022 and NCLT-Ahmedabad order dated 1 February 2023, there is change in the ownership and control and Company has been granted certain reliefs/concessions. Accordingly, the Company had applied for delisting of its equity shares from stock exchange and the shares of the Company have since been delisted w.e.f. 31 May 2023. Considering the above, post change in the ownership and control of the Company, Audit committee as prescribed under section 177 of the Act has not been established.

xiv.

- (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) The internal audit report of the Company issued till the date of the audit report, for the period under audit, have been considered by us.

xv. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable. As per the information and representation provided by the management, the Group does not have any CIC as part of the group and accordingly reporting under clause 3 (xvi)(d) of the Order is not applicable.

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- xvii. The Company has incurred cash losses amounting to Rs. 266.84 lakhs during the financial year covered by our audit and had incurred cash losses of Rs 1543.76 lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. With respect to FY 2021-22, the then statutory auditors of the Company had resigned on 17 August 2023 and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios ageing and expected dates of realization of financial assets and payment of financial liabilities (read with note 42 and 47), 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 and/ or certificate with respect to meeting financial obligations by the Company as and when they fall due. 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. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- xxi. The Company did not have any subsidiary or associate or joint venture and thus Company is not required to prepare Consolidated Financial Statements. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

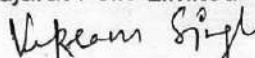
For Lodha & Co LLP
Chartered Accountants
Firm Registration No. 301051E/E300284


(Gaurav Lodha)
Partner
Membership No. 507462
Place: Gurugram
Date: 1 June 2024



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ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF GUJARAT FOILS LIMITED FOR THE YEAR ENDED 31 MARCH 2024

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls With reference to Financial Statements under Clause (I) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **GUJARAT FOILS LIMITED** ("the Company") for the year ended 31 March 2024 in conjunction with our audit of the financial statements of the Company for the above stated period.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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. 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

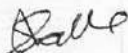
Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of 31 March 2024, based on the internal control with reference to financial statements 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".

For Lodha & Co LLP

Chartered Accountants

Firm Registration No. 301051E/E300284



(Gaurav Lodha)

Partner

Membership No. 507462

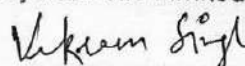
Place: Gurugram

Date: 1 June 2024



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Gujarat Foils Limited
(CIN : L28999GJ1992PLC018570)

Balance sheet as at 31 March 2024
(All amounts are in ₹ lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
I ASSETS			
(1) Non-current assets			
Property, plant and equipment	3	2,379.65	2,717.54
Right-of-use assets	3A	1,489.48	1,511.45
Financial assets			
- Other financial assets	4	116.63	113.03
Deferred tax assets (Net)	29	4,007.50	-
Other non-current assets	5	76.50	24.34
		<u>8,069.76</u>	<u>4,366.36</u>
(2) Current assets			
Inventories	6	2,826.57	1,929.09
Financial assets			
- Trade receivables	7	2,443.56	1,704.80
- Cash and cash equivalents	8	708.31	130.61
- Other financial assets	9	0.42	-
Current tax assets (Net)	10	76.64	138.08
Other current assets	11	330.73	352.19
Assets held for sale	-	-	50.94
		<u>6,386.23</u>	<u>4,305.71</u>
Total assets		<u>14,455.99</u>	<u>8,672.07</u>
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	12, 42	5.00	-
Other equity	13, 42	<u>6,819.15</u>	<u>(3,008.70)</u>
		<u>6,824.15</u>	<u>(3,008.70)</u>
Liabilities			
(1) Non-current liabilities			
Financial liabilities			
- Borrowings	14	44.50	114.95
Other non-current liabilities	15	-	6,100.00
Provisions	16	<u>20.53</u>	<u>18.89</u>
		<u>65.03</u>	<u>6,233.84</u>
(2) Current liabilities			
Financial liabilities			
- Borrowings	17	4,366.41	117.03
- Trade payables	18		
Total outstanding dues of micro enterprises and small enterprises; and		18.66	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		<u>2,715.22</u>	<u>4,749.89</u>
- Other financial liabilities	19	192.90	105.74
Other current liabilities	20	70.90	70.68
Provisions	21	<u>2.70</u>	<u>3.58</u>
		<u>7,566.79</u>	<u>5,046.93</u>
Total equity and liabilities		<u>14,455.99</u>	<u>8,672.07</u>
Company overview, basis of preparation and material accounting policies	1-2		

The summary of material accounting policies and other explanatory information are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Lodha & Co LLP

Chartered Accountants

ICAI Firm Regn. No. : 301051E/E100284

Gaurav Lodha
(Gaurav Lodha)

Partner

Membership No. : 507462

Place: Gurugram

Date: 1 June 2024



For and on behalf of the Board of Directors of
Gujarat Foils Limited

Vikram Singh
Vikram Singh

Director

DIN: 06595417

Place: Gurugram

Date: 1 June 2024

Lokesh Garg
Lokesh Garg

Director

DIN: 06804212

Place: Gurugram

Date: 1 June 2024

Gujarat Foils Limited
Vikram Singh
Authorised Signatory

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Gujarat Foils Limited
(CIN : L28999GJ1992PLC018570)

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

(All amounts are in ₹ lakhs, unless otherwise stated)

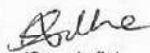
Particulars	Note	Year ended 31 March 2024	Year ended 31 March 2023
I Income			
Revenue from operations	22	21,334.68	18,892.39
Other income	23	158.36	13.82
Total Income		21,493.04	18,906.21
II Expenses			
Cost of material consumed	24	16,646.79	17,527.54
Purchase of stock-in-trade	-	1,420.54	652.16
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	(179.30)	(845.64)
Employee benefit expense	26	706.14	669.27
Finance costs	27	478.51	53.41
Depreciation expenses	3 & 3A	379.25	408.27
Other expenses	28	2,687.20	2,393.23
Total expenses		22,139.13	20,858.24
III Profit / (loss) before exceptional items and tax (I-II)		(646.09)	(1,952.03)
IV Exceptional items (Gain)/loss (net)		-	-
V Profit / (loss) before tax (III-IV)		(646.09)	(1,952.03)
VI Tax expenses	29		
Current tax		-	-
Deferred tax		(4,000.33)	-
Tax adjustments in relation to earlier years		-	-
		(4,000.33)	-
VII Profit / (loss) after tax (V-VI)		3,354.24	(1,952.03)
VIII Other comprehensive income			
I. Items that will not be reclassified to profit or loss			
(a) Remeasurement gains/(loss) of defined benefit obligation		(28.56)	7.02
Tax relating to items that will not be reclassified to profit or loss		7.17	-
		(21.39)	7.02
IX Total comprehensive income / (loss) for the year (VII+VIII)		3,332.85	(1,945.01)
X Earnings per equity share of ₹ 10 each			
Basic and diluted (in ₹)	30	6,708.48	NA

The summary of material accounting policies and other explanatory information are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

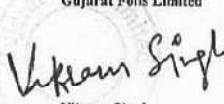
For Lodha & Co LLP
Chartered Accountants

ICAI Firm Regn. No.: 301051E/E300284


(Gaurav Lodha)
Partner
Membership No.: 507462



For and on behalf of the Board of Directors of
Gujarat Foils Limited


Vikram Singh
Director
DIN: 06395417

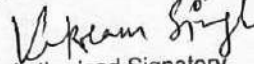

Lokesh Garg
Director
DIN: 06804212

Place: Gurugram
Date: 1 June 2024

Place: Gurugram
Date: 1 June 2024

Place: Gurugram
Date: 1 June 2024

Gujarat Foils Limited


Authorised Signatory

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Gujarat Foils Limited
(CIN : L28999GJ1992PLC018570)

Statement of Changes in Equity (SOCIE) for the year ended 31 March 2024
(All amounts are in ₹ Lakhs, unless otherwise stated)

A. Equity Share capital
As at 31 March 2023

Particulars	Balance at the beginning of the current reporting period (1 April 2022)*	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the period	Balance at the end of the current reporting period (31 March 2023)
Equity Share Capital	-	-	-	-	-

As at 31 March 2024

Particulars	Balance at the beginning of the current reporting period (1 April 2023)	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the period*	Balance at the end of the current reporting period (31 March 2024)
Equity Share Capital	-	-	-	5.00	5.00

* (read with Note 42(ii)(a) & 42(iii)(c))

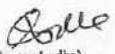
B. Other equity

Particulars	Reserves & Surplus				Total
	Securities premium	Items that will not be reclassified to Statement of Profit and Loss (Remeasurement of the net defined benefit obligation)	Retained earnings	Capital reserve	
Balance as at 1 April 2022	-	2.48	(7,865.29)	6,799.12	(1,063.69)
Profit/(Loss) for the year	-	-	(1,952.03)	-	(1,952.03)
Other comprehensive income (net of taxes)	-	7.02	-	-	7.02
Balance as at 31 March 2023	-	9.50	(9,817.32)	6,799.12	(3,008.70)
Profit/(Loss) for the year	-	-	3,354.24	-	3,354.24
Issue of Equity shares at premium (Read with note 42(iii)(c))	6,495.00	-	-	-	6,495.00
Other comprehensive income (net of taxes)	-	(21.39)	-	-	(21.39)
Balance as at 31 March 2024	6,495.00	(11.89)	(6,463.08)	6,799.12	6,819.14

The summary of material accounting policies and other explanatory information are an integral part of these financial statements.

This is the Statement of Change in Equity referred to in our report of even date.

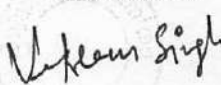
For Lodha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. : 301051E/E300284



(Gaurav Lodha)
Partner
Membership No.: 507462

Place: Gurugram
Date: 1 June 2024



For and on behalf of the Board of Directors of
Gujarat Foils Limited

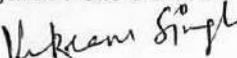

Vikram Singh
Director
DIN: 06595417


Lokesh Garg
Director
DIN: 06804212

Place: Gurugram
Date: 1 June 2024

Place: Gurugram
Date: 1 June 2024

Gujarat Foils Limited


Authorised Signatory

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Gujarat Foils Limited
(CIN : L28999GJ1992PLC018570)

Statement of Cash Flows for the year ended 31 March 2024
(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A Cash flow from operating activities:		
Net profit before tax	(646.69)	(1,951.63)
Adjustments for:		
Depreciation expenses	379.25	408.27
Interest income	(10.58)	(11.19)
Finance cost	478.51	53.41
Loss / (profit) on asset held for sale	(1.56)	124.31
Loss on sale/discard of assets (net)	16.34	-
Liabilities no longer required written back	(1.53)	0.54
Insurance claim	(8.70)	-
Provision for advances	-	3.68
Provision for bad and doubtful debts	29.45	0.06
Operating profit before working capital changes	235.09	(1,372.95)
(Increase)/decrease in trade receivables	(768.20)	(304.87)
(Increase)/decrease in Other financial Assets	(2.49)	0.97
(Increase)/decrease in Other Assets	25.12	(326.80)
(Increase)/decrease in inventories	(897.48)	(1,427.40)
Increase/(decrease) in trade payables	(2,016.01)	3,017.38
Increase/(decrease) in provisions	(27.77)	11.69
Increase/(decrease) in Other financial Liabilities	65.97	(1.94)
Increase/(decrease) in Other Liabilities	(7.80)	35.27
Cash flow from operating activities	(3,993.57)	231.35
Income tax paid (net)	61.44	(130.39)
Net cash flow from operating activities (A)	(3,332.13)	100.96
B Cash flow from investing activities:		
Purchase of PPE, including capital work in progress, capital creditors and capital advances	(210.44)	(101.54)
Proceeds from Sale of property, plant and equipment	156.77	-
Proceeds from asset held for sale	52.50	-
Interest received	10.58	23.14
Net cash flow from/(used in) investing activities (B)	9.41	(278.40)
C Cash flow from financing activities:		
Proceeds from (Short-term and long-term) borrowings	5,533.00	281.87
Repayment of borrowings (Short-term and long-term)	(1,154.07)	(49.89)
Finance Cost paid	(478.51)	(53.41)
Net cash (used in)/flow from financing activities (C)	3,900.42	178.57
D Net (decrease)/increase in cash and cash equivalents (A+B+C)	577.70	1.13
E Cash and cash equivalents at the beginning of the year	130.61	129.48
F Cash and cash equivalents at the end of the year (D+E) (refer note 8)	708.31	130.61

Note:

1) The above Cash flow statements has been prepared under the indirect method set out in Indian Accounting Standard - 7 as notified under section 133 of the Companies Act, 2013, as applicable.

2) Cash and cash equivalents comprises of:

Cash on hand (Rs. 12)	0.00	0.00
Balances with banks		
In current accounts	708.31	130.61
	<u>708.31</u>	<u>130.61</u>

3) Change in liabilities arising from financing activities

Particulars	As at 31 March 2024 Borrowings Non-Current & Current	As at 31 March 2023 Borrowings Non-Current & Current
Opening balance	231.98	-
Cash flows		
Proceeds	5,533.00	281.87
Repayment	(1,154.07)	(49.89)
Closing balance	<u>4,610.91</u>	<u>231.98</u>

The summary of material accounting policies and other explanatory information are an integral part of these financial statements.

This is the Statement of Cash Flows referred to in our report of even date.

For Lodha & Co LLP
Chartered Accountants
ICAI Firm Regn. No. : 301051E/E300284



Solke
(Gaurav Lodha)
Partner
Membership No.: 507462
Place: Gurugram
Date: 1 June 2024

For and on behalf of the Board of Directors of
Gujarat Foils Limited

Vikram Singh
Vikram Singh
Director
DIN: 06595417
Place: Gurugram
Date: 1 June 2024

Sheshi Garg
Sheshi Garg
Director
DIN: 06804212
Place: Gurugram
Date: 1 June 2024

Gujarat Foils Limited

Vikram Singh
Authorised Signatory

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Gujarat Foils Limited

Notes to the Financial Statements as at and for the year ended on 31 March 2024
(All amounts are in ₹ Lakhs, unless otherwise stated)

1. Corporate Information

Gujarat Foils Limited (the 'Company') is a public limited company incorporated in India on 16 November 1992 under the provisions of the Companies Act applicable in India. The Company is engaged in the business of manufacturing of aluminum foils. The Company is having its registered office at 3436-3449, Chhatral GIDC Phase -IV, Kalol Dist, Ghandinagar, Gujarat -382729.

As explained in Note No. 42 of the financial statements, a financial creditor had filed an application under section 7 of Insolvency and Bankruptcy Code, 2016 ('Code') for initiation of the Corporate Insolvency Resolution Process ('CIRP') of the Company which was admitted vide order dated 30 November 2017 of Hon'ble NCLT, Ahmedabad Bench ("NCLT-Ahmedabad") and later liquidator was appointed by the NCLT-Ahmedabad vide its order dated 16th September 2019.

E-auction for sale of the Company as a going concern was conducted by the Liquidator on 10 December 2021 in accordance with the provisions of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 ("Liquidation Regulations") and with requisite approvals of Hon'ble NCLT, Ahmedabad Bench ("NCLT-Ahmedabad") and other necessary approvals.

OFB Tech Private Limited ('OFB') emerged as the successful bidder in the aforesaid e-auction process and pursuant to payment of sale consideration of Rs. 6,500 lakhs, certificate of sale dated 11 January 2022 ('Sale Certificate') was issued in favour of OFB. The sale of the Company was irrevocable and unconditional as a going concern on an "As is where is basis", "As is what is basis", "Whatever there is basis" and "No recourse basis".

In terms of aforesaid Sale certificate, OFB w.e.f. 11 January 2022 has become the sole, absolute, legal and beneficial owner of the Company with the full ability, right, power and authority in relation to and for the operations of the Company. On 29 August 2023, the Company has allotted 50,000 number of equity shares of face value of Rs. 10 each at a security premium of Rs. 12,990 per share against the above stated sale consideration.

2. Material accounting policies

2.1 Basis of preparation and presentation of Financial Statements

Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The Board of Directors has approved the financial statements for the year ended 31 March 2024 and authorized for issue on 1 June 2024. However, shareholders have the power to amend the financial statements after issue.

Basis of Preparation

The financial statements have been prepared on accrual and going concern basis under the historical cost convention except for certain class of financial assets/ liabilities and net liability for defined benefit plans that are measured at fair value. The accounting policies have been consistently applied by the Company unless otherwise stated.

Functional and Presentation Currency

The financial statements have been prepared and presented in Indian Rupees (Rs), which is also the Company's functional currency. All amounts in the financial statement and accompanying notes are presented in 'Lakhs' and have been rounded-off to two decimal places unless stated otherwise.



Gujarat Foils Limited

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Gujarat Foils Limited

Notes to the Financial Statements as at and for the year ended on 31 March 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

Fair value measurement

The Company measures financial instruments at fair value at each reporting 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 the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1 inputs** are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **Level 2 inputs** are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3 inputs** are unobservable inputs for the asset or liability.

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

2.2 Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of asset and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are continually evaluated and reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting estimates and judgements

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as disclosed below:

- **Useful lives of property, plant and equipment and intangible assets:** The Company has estimated the useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.



Gujarat Foils Limited

Vikram Singh

Authorised Signatory



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Gujarat Foils Limited

Notes to the Financial Statements as at and for the year ended on 31 March 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

- **Impairment testing:** The recoverable amount of property, plant and equipment is based on estimates and assumptions regarding, in particular, the expected market outlook and future cash flows associated with the assets. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.
- **Valuation of current tax and deferred tax assets :** The tax jurisdictions for the Company is India. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods. The recognition of current and deferred taxes that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.
- **Provisions and contingent liabilities :** A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liability may arise from the ordinary course of business in relation to claims against the Company. 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 judgments and the use of estimates regarding the outcome of future events. Contingent liabilities are not recognised in the financial statements.
- **Fair value measurements of financial instruments :** When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including Discounted Cash Flow Model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.
- **Retirement benefit obligations :** The Company's retirement benefit obligations are subject to number of assumptions including discount rates, inflation and salary growth. Significant assumptions are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these assumptions based on previous experience and third party actuarial advice.

2.3 Revenue recognition

The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when;

- effective control of goods along with significant risks and rewards of ownership has been transferred to customer;
 - the amount of revenue can be measured reliably;
 - it is probable that the economic benefits associated with the transaction will flow to the Company;
- and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue represents net value of goods sold to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, etc. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.



Gujarat Foils Limited

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Gujarat Foils Limited

Notes to the Financial Statements as at and for the year ended on 31 March 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

The Company considers shipping and handling activities as costs to fulfill the promise to transfer the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognizes revenue for such services when the performance obligation is completed.

Revenue are net of Goods and Services Tax. No element of significant financing is present as the sales are made with a credit term, which is consistent with market practice.

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Export incentives, are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentives will be received.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income

Dividends are recognised at the time the right to receive payment is established.

2.4 Inventories

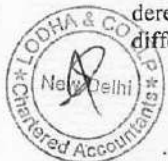
Inventories (including goods in transit) are valued at the lower of cost and net realisable value after providing for obsolescence and other losses, when considered necessary. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Cost of inventory comprises all cost of purchase and other cost incurred in bringing the inventories to the present location and condition. In determining cost of Raw materials and consumables, FIFO method (First in first out) is used and in determining cost of Work in process and Finished Goods, weighted average method is used.

The amount of any write-down of inventories to net realisable value and all losses of inventories is recognized as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

2.5 Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. The cost comprises the purchase price, borrowing cost (if capitalisation criteria are met) and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

An item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.



Gujarat Foils Limited
Vikram Singh
Authorised Signatory

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Gujarat Foils Limited

Notes to the Financial Statements as at and for the year ended on 31 March 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognised in the statement of profit and loss.

Depreciation Methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation on property, plant and equipment is provided on the written down value as per the following useful life assessed by the management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Type of Asset	Life (in years)
Building	15-30
Plant and machinery	5-20
Furniture and Fixtures	5-7
Vehicles	10
Office equipment	5-20
Computers and Data Processing Units	5-7

Depreciation on leasehold land is provided on straight line method, w.e.f. 11 January 2022 over the remaining lease period.

Depreciation is provided on a pro-rata basis i.e., from the date on which asset is ready for use.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.6 Intangible assets (other than Goodwill)

Intangible assets (other than goodwill) are stated at cost of acquisition or construction less accumulated amortisation and impairment, if any. Intangible assets subsequently purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

2.7 Capital work-in-progress

Capital work-in-progress representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

2.8 Leases

Where the Company is a lessee

The Company assesses if a contract is or contains a lease at inception of the 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 time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the statement of operations on a straight-line basis over the lease term.



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Right-of-use assets:

The right-of-use asset comprises, at inception, the initial lease liability, any initial direct costs and, when applicable, the obligations to refurbish the asset, less any incentives granted by the lessors. The right-of-use asset is subsequently depreciated, on a straight-line basis, over the lease term, if the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or, if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, over the estimated useful life of the underlying asset. Other are also subject to testing for impairment if there is an indicator for impairment. Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of operations in the period in which the events or conditions which trigger those payments occur. In the statement of financial position right-of-use assets and lease liabilities are classified respectively as part of property, plant and equipment and short-term/long-term debt.

Lease liability:

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if not readily determinable, the incremental borrowing rate specific to the company, term and currency of the contract. Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date, as well as any extension or purchase options, if the Company is reasonably certain to exercise these options. The lease liability is subsequently measured at amortized cost using the effective interest method and remeasured with a corresponding adjustment to the related right-of-use asset when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessments of options.

Short term lease and low value leases:

The Company does not recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease shall not be straight-lined, if escalation in rentals is in line with expected inflationary cost. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

2.9 Assets held for sale

Non-current assets are classified as "Held for Sale" if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of "Held for Sale" is met when the non-current asset is available for sale. Non-current assets held for sale are measured at the lower of carrying amount and fair value less cost to sell.

2.10 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 assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or 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.



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Notes to the Financial Statements as at and for the year ended on 31 March 2024

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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.

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

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.11 Employee Benefits

(a) Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefits

These liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related services. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the end of each reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

(c) Post-employment employee benefits

The Company operates the following post-employment schemes:

1. Defined contribution plans

The Company's contribution to provident fund are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made at the determined rate as and when services are rendered by the employees. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.



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2. Defined benefit plans

The Company's Gratuity plan is a defined benefit plan. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

2.12 Foreign Currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency translated into rupees at year-end exchange rates are recognised in Statement of Profit and Loss.

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities are recognised as income or expense in the Statement of Profit and Loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in statement of profit or loss are also recognised in OCI or statement of profit or loss, respectively).

2.13 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.

Initial recognition:

Financial assets (except trade receivables) and financial liabilities are initially measured at fair value. Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 for pricing adjustments embedded in the contract. 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 Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.



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Subsequent measurement:

(a) **Financial assets carried at amortised cost:** A financial asset is subsequently measured at amortised cost if 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.

(b) **Financial assets carried at fair value through other comprehensive income (FVTOCI):** A financial asset is subsequently measured at fair value through other comprehensive income if 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.

(c) **Financial assets carried at fair value through profit or loss (FVTPL):** All other financial assets are subsequently measured at fair value.

(d) **Financial liabilities at amortised cost:** Financial liabilities includes interest bearing loans and borrowings which are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial assets: The Company derecognises a financial asset when the contractual rights

to the cash flows from the financial asset expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or the transfer qualified for derecognition under Ind AS 109.

Derecognition of financial liabilities: The Company derecognises a financial liability when the obligation

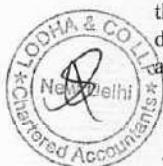
under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition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

Impairment of financial assets: The Company recognises loss allowances using the Expected Credit Loss (ECL) for the financial assets which are not measured at fair value through profit or loss. In relation to loss allowance for financial assets (excluding trade receivables), ECL's are measured at an amount equal to 12- month ECL, unless there has been significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

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 11 and Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime ECL.

2.14 Earnings per share

Basic earnings per equity share is computed by dividing net profit or loss for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of



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potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing net profit or loss for the year attributable to the equity shareholders of the Company and 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).

2.15 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, 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 change in value.

2.16 Cash Flow Statement

Cash Flows are reported using indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals and accruals of past or future operating cash receipts and payments and item of income and expenses associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities of the company are segregated.

2.17 Borrowing and Borrowing Costs

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of profit and loss over the period of the borrowings using the effective interest method. Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a borrowings that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Statement of profit and loss as other gains/(losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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

Ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings.

2.18 Taxation

Income tax expense represents the sum of current tax and deferred tax.

Current tax: The current tax expense or credit for the year is the tax payable on the current period taxable income based on the applicable enacted income tax rate in accordance with the Income Tax Act, 1961 adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, items that are never taxable / deductible and unused tax losses / tax credits.

Current tax assets and tax liabilities are offset where the entity has a legal enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.



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Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax: Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their corresponding carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction (other than in a business combination) that effects neither accounting profit nor taxable profit. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred tax liability is settled. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in Other Comprehensive Income (OCI) or directly in Equity, in which case, the tax is also recognised in OCI or Equity respectively.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the Company in a single operating segment and geographical segment.

2.20 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and 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. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit



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will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in other notes to financial statements.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

2.21 Operating Cycle/ Current and Non-Current Classification

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- It is held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as noncurrent. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.22 Recent pronouncements:

The 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. No amendments to existing standards have been made during the year which would have been applicable from April 1, 2024. No new standards have been notified during the year. Amendments that became effective during the year did not have any material impact

2.23 Social security:

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 the Code becomes effective.



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

3 Property, plant and equipment

Particulars	Freehold Land*	Buildings*	Plant & Machinery	Furniture and fixtures	Vehicles	Office equipment's	Computers	Total
Gross block								
Balance as at 1 April 2022	182.09	990.95	10,616.62	25.47	64.22	74.59	270.80	12,224.74
Additions during the year	-	11.01	248.12	2.02	-	9.14	6.91	277.20
Disposals/adjustments	-	-	-	(13.13)	(20.55)	(4.22)	(5.28)	(43.18)
Deletion on account of asset held for sale	-	-	(667.65)	-	-	-	-	(667.65)
Balance as at 31 March 2023	182.09	1,001.96	10,197.09	14.36	43.67	79.51	272.43	11,791.11
Additions during the year	-	18.79	172.20	-	-	1.51	-	192.50
Disposals/adjustments	-	-	(503.36)	(1.36)	(16.11)	(28.42)	(47.11)	(596.36)
Balance as at 31 March 2024	182.09	1,020.75	9,865.93	13.00	27.56	52.60	225.32	11,387.25
Accumulated depreciation								
Balance as at 1 April 2022	-	496.83	8,302.63	21.52	61.37	72.88	267.62	9,222.85
Charge for the year	-	50.49	327.82	1.64	0.74	2.66	2.95	386.30
Depreciation charge on disposals /Adjustments	-	-	-	(13.13)	(20.55)	(4.22)	(5.28)	(43.18)
Deletion on account of asset held for sale	-	-	(492.40)	-	-	-	-	(492.40)
Balance as at 31 March 2023	-	547.32	8,138.05	10.03	41.56	71.32	265.29	9,073.57
Charge for the year	-	47.11	301.99	1.51	0.55	2.90	3.22	357.28
Depreciation charge on disposals /Adjustments	-	-	(332.36)	(1.19)	(15.08)	(27.90)	(46.72)	(423.25)
Balance as at 31 March 2024	-	594.43	8,107.68	10.35	27.03	46.32	221.79	9,007.60
Net block								
Balance as at 31 March 2024	182.09	426.32	1,758.25	2.65	0.53	6.28	3.53	2,379.65
Balance as at 31 March 2023	182.09	454.64	2,059.04	4.33	2.11	8.19	7.14	2,717.54

* As stated in note 42(iii)(f), OFB Tech Private Limited had become beneficial owner of the Company w.e.f. 11 January 2022 and as per NCLT-Ahmedabad order dated 1 February 2023, pursuant to which debts owed by the Company as at 10 January 2022 from any lenders have been partially settled through repayment by Official Liquidator and balance amount has been written back. As on 31 March 2024 and 31 March 2023, there are no secured loans or interest thereon due to any lender. The Company is in process of filing necessary forms for satisfaction of charges and subsequent release of original title deeds of the immovable properties which were pledged with the secured lenders.



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Notes to the Financial Statements as at and for the year ended on 31 March 2024

(All amounts are in ₹ Lakhs, unless otherwise stated)

3A Right-of-use assets*

Particulars	Leasehold Land	Total
Gross block		
Balance as at 1 April 2022	1,538.17	1,538.17
Additions	-	-
Disposals/adjustments	-	-
Balance as at 31 March 2023	1,538.17	1,538.17
Additions	-	-
Disposals/adjustments	-	-
Balance as at 31 March 2024	1,538.17	1,538.17
Accumulated depreciation		
Balance as at 1 April 2022	4.75	4.75
Charge for the year	21.97	21.97
Depreciation charge on disposals /Adjustments	-	-
Balance as at 31 March 2023	26.72	26.72
Charge for the year	21.97	21.97
Depreciation charge on disposals /Adjustments	-	-
Balance as at 31 March 2024	48.69	48.69
Net block		
Balance as at 31 March 2024	1,489.48	1,489.48
Balance as at 31 March 2023	1,511.45	1,511.45

* As stated in note 42(iii)(f), OFB Tech Private Limited has become beneficial owner of the Company w.e.f. 11 January 2022 and as per NCLT-Ahmedabad order dated 1 February 2023, pursuant to which debts owed by the Company as at 10 January 2022 from any lenders have been partially settled through repayment by Official Liquidator and balance amount has been written back. As on 31 March 2024 and 31 March 2023, there are no secured loans or interest thereon due to any lender. The Company is in process of filing necessary forms for satisfaction of charges and subsequent release of original title deeds of the immovable properties which were pledged with the secured lenders.



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

4 Other financial assets (non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Security deposits	20.76	21.86
Fixed Deposits with Banks*	95.87	91.17
	<u>116.63</u>	<u>113.03</u>

* pledged with banks against bank guarantee/electricity connection etc..

5 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances	35.75	24.34
Prepaid expenses	0.74	-
Income tax receivable	40.01	-
Total	<u>76.50</u>	<u>24.34</u>

6 Inventories (valued at lower of cost or net realisable value)@

Particulars	As at 31 March 2024	As at 31 March 2023
Raw Materials (including goods in transit of Rs. 377.76 lakhs (31 March 2023 - 126.15 Lakhs))	1,317.82	617.91
Work-in-Progress	528.05	348.79
Finished Goods	664.14	842.93
Stores & Spares	137.71	119.46
Stock-in-Trade	178.83	-
Total	<u>2,826.57</u>	<u>1,929.09</u>

@ Refer note 45

7 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Undisputed Trade Receivables - considered good	2,443.56	1,704.80
Undisputed Trade Receivables - which have significant increase in credit risk	-	-
	<u>2,443.56</u>	<u>1,704.80</u>
Undisputed Trade Receivables - credit impaired	29.51	0.06
Less : Allowances for expected credit loss	(29.51)	(0.06)
	<u>-</u>	<u>-</u>
	<u>2,443.56</u>	<u>1,704.80</u>



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

Trade Receivable ageing schedule:

As at 31 March 2024:

Particulars	Outstanding for following period from due date					
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade Receivables - Considered good	1,586.81	846.42	0.62	9.71	-	-
(ii) Undisputed Trade Receivables - Credit impaired	-	0.18	0.21	29.12	-	-
(iii) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
Less: Allowances for expected credit loss	-	(0.18)	(0.21)	(29.12)	-	-
Total	1,586.81	846.42	0.62	9.71	-	-

As at 31 March 2023:

Particulars	Outstanding for following period from due date					
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade Receivables - Considered good	1,298.55	405.77	0.47	0.01	-	-
(ii) Undisputed Trade Receivables - Credit impaired	-	-	0.05	0.01	-	-
(iii) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-
Less: Allowances for expected credit loss	-	-	(0.05)	(0.01)	-	-
Total	1,298.55	405.77	0.47	0.01	-	-

8 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand (Rs. 12) (31 March 2023 - Rs. 12)	0.00	0.00
Balances with banks		
-Current accounts	708.31	130.61
	708.31	130.61

9 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits	0.42	-
	0.42	-

10 Current tax assets (Net)

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax receivable	76.64	138.08
	76.64	138.08

11 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Advances to suppliers and service providers (Net of Provision of Rs. 3.68 lakhs (31st March 2023-Rs 3.68 lakhs))	70.15	15.90
Advances to employees	0.50	0.28
Advances to others	1.16	0.96
Balance with government authorities	247.39	322.20
Prepaid expenses	11.53	12.84
	330.73	352.19



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

12 Equity share capital

a) Share Capital

Particulars	As at	As at
	31 March 2024	31 March 2023
Authorised		
Equity Share Capital		
25,000,000 No. of equity shares (25,000,000 - 31 March 2023) of ₹ 10 each	2,500.00	2,500.00
Preference share capital		
75,000,000 No. of non-convertible, non-cumulative, redeemable preference shares (75,000,000 - 31 March 2023) of ₹ 10 each	7,500.00	7,500.00
	10,000.00	10,000.00
Issued, subscribed and fully paid up equity share capital		
50,000 No. of equity shares (8,201,810 No. of equity shares - 31 March 2023) of ₹ 10 each fully paid (read with note 42(iii)(c))	5.00	820.18
Less: Considered as extinguished / cancelled (read with note 42(iii)(a))	-	(820.18)
	5.00	-

b) Reconciliation of shares outstanding at the beginning and at the end of the year.

Equity Shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	₹ in Lakhs	Number	₹ in Lakhs
At the beginning of the year	-	-	82,01,810	820.18
Add : Issued during the year (read with note 42(iii)(c))	50,000	5.00	-	-
Less : Shares bought back during the year	-	-	-	-
Less: Considered as extinguished / cancelled (read with note 42(iii)(a))	-	-	(82,01,810)	(820.18)
Outstanding at the end of the year	50,000	5.00	-	-

10% non-convertible, non-cumulative, redeemable preference shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number	₹ in Lakhs	Number	₹ in Lakhs
At the beginning of the year	-	-	2,50,00,000	2,500.00
Add : Issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Less: Considered as extinguished / cancelled (read with note 42(iii)(a))	-	-	(2,50,00,000)	(2,500.00)
Outstanding at the end of the year	-	-	-	-

Equity Shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

10% non-convertible, non-cumulative, redeemable preference shares

Preference share holders have priority over equity shares in payment of dividend and in repayment of capital. Each holder of preference shares does not carry any rights except with reference to their dividend. Such preference shares are redeemable at face value plus premium of Rs. 10 per share at the end of 18 years from the date of allotment of 28 March 2014. The Company have an option to redeem these preference shares at any time after one year from the date of allotment at face value plus premium of Rs. 10 per share.

d) Details of shares held by ultimate holding company / holding company and / or their subsidiaries: 50000 shares of Rs. 10 per share as at 31 March 2024 (NIL - 31 March 2023) (read with note 42(iii)(c))

e) Details of shareholders holding more than 5% of total issued shares (as provided and read with note 42(iii)(c))

Name of equity shareholders	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% of holding in the class	Number of shares #	% of holding in the class
OPB Tech Private Limited (Including its Nominees)	50,000	100.00%	-	-
Abhay Narendra Lodha	-	-	-	-
Ashwin Narendra Lodha	-	-	-	-
Akshata Realtors Pvt Ltd	-	-	-	-
	50,000	100.00%	-	0.00%

Considered as extinguished / cancelled (read with note 42(iii)(a))



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

Name of preference shareholders	As at 31 March 2024		As at 31 March 2023	
	Number of shares #	% of holding in the class	Number of shares #	% of holding in the class
Abhay Narendra Lodha	-	-	-	-
Ashwin Narendra Lodha	-	-	-	-
	-	0.00%	-	0.00%

Considered as extinguished / cancelled (read with note 42(iii)(a))

f) Shareholding of Promoters/Promoter group:

Equity shares held by promoters at the end of the year Name of Promoters/Promoters Group	As at 31 March 2024		As at 31 March 2023		% Change during the year
	No. of shares	% of total shares	No. of shares #	% of total shares	
OFB Tech Private Limited (including its nominees)	50,000	100.00%	-	0.00%	100.00%
Abhay Narendra Lodha	-	-	-	-	-
Ashwin Narendra Lodha	-	-	-	-	-
Sheela Abhay Lodha	-	-	-	-	-
Rajesh Kumar Jain	-	-	-	-	-
Surendra Champalal Lodha	-	-	-	-	-
Prasanna Champalal Lodha	-	-	-	-	-
Akshata Realtors Pvt Ltd	-	-	-	-	-
Total	50,000	100.00%	-	0.00%	100.00%

Note: There is no change in % holds of promoters during year ended 31 March 2023

Considered as extinguished / cancelled (read with note 42(iii)(a))

Preference shares held by promoters at the end of the year Name of Promoters/Promoters Group	As at 31 March 2024		As at 31 March 2023		% Change during the year
	No. of shares #	% of total shares	No. of shares #	% of total shares	
Abhay Narendra Lodha	-	-	-	-	-
Ashwin Narendra Lodha	-	-	-	-	-
Total	-	0.00%	-	0.00%	0.00%

Note: There is no change in % holding of promoters during the year ended 31 March 2023.

Considered as extinguished / cancelled (read with note 42(iii)(a))

- g) The Company has not issued any share as fully paid up without payment being received in cash or as bonus shares nor any share has been bought back by the Company for the period of 5 year immediately preceding the balance sheet date (read with note 42(iii)(c))



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

13 Other equity

Particulars	Reserves & Surplus				Total
	Securities premium	Items that will not be reclassified to Statement of Profit and Loss (Remeasurement of the net defined benefit obligation)	Retained earnings	Capital reserve	
Balance as at 1 April 2022	-	2.48	(7,865.29)	6,799.12	(1,063.69)
Profit/(Loss) for the year	-	-	(1,952.03)	-	(1,952.03)
Other comprehensive income (net of taxes)	-	7.02	-	-	7.02
Balance as at 31 March 2023	-	9.50	(9,817.32)	6,799.12	(3,008.70)
Profit/(Loss) for the year	-	-	3,354.24	-	3,354.24
Issue of Equity shares at premium (Read with note 42(iii)(c))	6,495.00	-	-	-	6,495.00
Other comprehensive income (net of taxes)	-	(21.39)	-	-	(21.39)
Balance as at 31 March 2024	6,495.00	(11.89)	(6,463.08)	6,799.12	6,819.15

Securities Premium represents the amount received in excess of par value of securities issued by the company. This reserve is utilised/ to be utilised in accordance with the provisions of the Companies Act, 2013

Other Comprehensive Income represents the balance in equity for items to be accounted and classified into i) items that will not be reclassified to profit or loss ii) items that will be reclassified to profit or loss

Capital reserve represents transfer from equity share capital, preference share capital and securities premium, considered as extinguished / cancelled (read with note 42(iii)(a)).



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Notes to the financial statements as at and for the year ended 31 March 2024
(All amounts are in ₹ lakhs, unless otherwise stated)

14 Non-current borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured loans		
From related parties	158.66	211.72
Less: Current maturities of long term debt	(114.16)	(96.77)
Preference shares		
Nil. No. of 10% non-convertible, non-cumulative, redeemable preference shares (15,000,000 - 31 March 2023) of ₹ 10 each fully paid up	-	2,500.00
Less: Considered as extinguished / cancelled (read with Note 42(iii)(a))	-	(2,500.00)
Total	44.50	114.95

Note - (A) The Company has availed term loans for incurring capital expenditure:

- of Rs. 122.66 lakhs carrying interest @ 10% per annum, repayable in balance 14 equal monthly instalments, ending on 31 May 2025; and
- of Rs. 36 lakhs carrying interest @ 12% per annum, repayable in balance 36 equal monthly instalments, ending on 31 May 2027.

(B) As stated in note 40.3 (read with note 42) with respect to debts owned by the company as at 10 January 2022 the company is in process of filing necessary forms with Registrar of companies for satisfaction of charges.

15 Other non-current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Advance contribution from Holding Company (refer note 42(ii)(e))	-	6,500.00
	-	6,500.00

16 Non-current provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity*	7.61	10.60
Leave encashment	12.94	8.29
	20.55	18.89

* refer note 35

17 Current borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
(a) Related Party	4,452.25	20.26
(b) Current maturity of long term borrowings (From Related party)	114.16	96.77
	4,566.41	117.03

Refer footnote to note 14.

Note - Company has availed the working capital loan of Rs. 4452.25 lakhs @ 10% per annum repayable on demand.

18 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
-total outstanding dues of micro enterprises and small enterprises; and	18.66	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	2,715.22	4,749.89
	2,733.88	4,749.89

Trade Payable ageing schedule:

As at 31 March 2024:

Particulars	Outstanding for following period from the due date					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) Micro, Small and Medium Enterprises (MSME)	-	18.66	-	-	-	18.66
(ii) Others	1,722.04	987.18	2.91	2.27	0.82	2,715.22
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	1,722.04	1,005.84	2.91	2.27	0.82	2,733.88



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

As at 31 March 2023:

Particulars	Outstanding for following period from the due date				
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years
(i) Micro, Small and Medium Enterprises (MSME)	-	-	-	-	-
(ii) Others	2,584.37	2,160.50	3.38	1.41	0.23
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	2,584.37	2,160.50	3.38	1.41	0.23

Dues to Micro, Small & Medium Enterprises

To the extent information available with the company and certified by the management, the balances of MSME parties are in the process of confirmation / reconciliation. Company is in the process of further strengthening system of identifying MSME, through process control. In the opinion of the management, on final reconciliation there will not be any material impact on the principal / interest amount outstanding.

Particulars	As at 31 March 2024	As at 31 March 2023
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
- Principal amount due	18.66	-
- Interest amount due	0.07	-
ii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.07	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible under section 23.	-	-

19 Other current financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued but not due on borrowings	32.40	-
Employee payable	73.55	13.53
Other financial liabilities	87.15	92.21
	192.90	105.74

20 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Creditors	8.02	-
Advance from customers	29.35	23.26
Statutory dues	33.53	47.42
	70.90	70.68

21 Current provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity *	2.41	3.23
Leave encashment	0.29	0.35
	2.70	3.58

* refer note 35



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

22 Revenue from operations

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products		
- Domestic	19,000.07	17,212.67
- Trading	1,245.31	640.76
Sale of services		
- Job charges received	4.25	4.20
Other operating revenues		
- Scrap sales	1,085.05	1,034.76
	21,334.68	18,892.39

Refer note 32 for disclosures as per Ind AS 115.

23 Other income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest on income tax refund	5.21	-
Interest income on fixed deposits and bank	5.37	11.19
Bad debts/assets written off recovered	135.99	-
Liabilities no longer required written back	1.53	2.63
Insurance claims	8.70	-
Gain on assets held for sale (refer note 49)	1.56	-
	158.36	13.82

24 Cost of material consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Raw materials consumed		
Opening stock	617.91	54.06
Add: Purchases during the year	17,346.70	18,091.39
Less: Closing stock	1,317.82	617.91
	16,646.79	17,527.54

25 Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A. Finished Goods		
(Increase)/Decrease in stock of finished goods		
Opening stock	842.93	8.85
Less: Closing stock	664.14	842.93
	178.79	(834.08)
B. Stock in Trade		
(Increase)/Decrease in Stock of Stock in Trade		
Opening stock	-	-
Less: Closing stock	178.83	-
	(178.83)	-
C. Work-in- Progress		
(Increase)/Decrease in Stock of Work-in-Progress		
Opening stock	348.79	337.23
Less: Closing stock	528.05	348.79
	(179.26)	(11.56)
	(179.30)	(845.64)



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Notes to the financial statements as at and for the year ended 31 March 2024

26 Employee benefit expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	640.14	610.34
Contribution to provident and other funds	30.55	29.09
Staff welfare expenses	35.45	29.84
	<u>706.14</u>	<u>669.27</u>

27 Finance costs

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expenses on		
- Term loan/CC - related party	316.15	19.36
- Other credit facilities - related party	160.15	33.60
Interest on late payment of statutory dues	1.78	0.45
Other borrowing cost	0.36	-
Other Charges	0.07	-
	<u>478.51</u>	<u>53.41</u>

28 Other expenses

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Power & fuel	702.16	592.44
Consumables	958.15	964.03
Labour processing charges	195.71	103.16
Packing charges	208.52	193.42
Security expenses	26.62	19.95
Job work charges	-	2.52
Repair and maintenance		
- Plant and machinery	24.91	31.29
- Building	2.32	9.64
- Others	3.84	4.05
Insurance	30.02	11.96
Rent	3.97	3.00
Rates & taxes	0.45	1.36
Bank charges	0.44	0.34
Legal & professional charges	48.84	4.83
Shared service charges	112.47	74.75
Travelling & conveyance	15.61	9.23
Vehicle running expenses	19.75	16.16
Auditor's remuneration*	22.39	20.00
Loss on asset held for sale (refer note 49)	-	124.31
Loss on sale/discard of assets (net)	16.34	-
Other balances written off/(write back)	-	0.54
Provision for advances	-	3.68
Provision for bad and doubtful debts	29.45	0.06
Selling expenses		
- Freight outward	242.94	182.20
- Others	2.39	1.02
Other miscellaneous expenses	19.91	19.29
	<u>2,687.20</u>	<u>2,393.23</u>

* Payment to auditors (excluding applicable taxes)

Statutory audit fees	16.00	16.00
Tax audit fees	4.00	4.00
Others	2.39	-
	<u>22.39</u>	<u>20.00</u>

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29 Taxes

(a) Income tax recognised in profit and loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a) Current tax	-	-
(b) Deferred tax charge/ (credit)	(4,000.33)	-
(c) Tax adjustments in relation to earlier years	-	-
Total	(4,000.33)	-

(b) Income tax recognised in other comprehensive income (OCI)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Deferred tax charge/ (credit) on remeasurement of defined benefit plan	7.17	-
Total	7.17	-

(c) Tax reconciliation

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit / (Loss) before tax	(646.09)	(1,952.03)
Applicable tax rate	26.00%	26.00%
Income tax expenses calculated at above rate	(167.98)	(507.53)
Tax effect of:		
- Effect of permanent differences	6.17	39.38
- On deductions	-	(53.81)
- Deferred tax asset on losses during the year	(30.52)	515.90
- Deferred tax asset for earlier years	(3,808.00)	-
- Others	-	6.06
Total	(4,000.33)	0.00

(d) Deferred tax movement

For the year 2023-24	Balance as at 1 April 2023	(Charged)/ credited to:		Balance as at 31 March 2024
		Statement of Profit and loss	Other comprehensive income	
Deferred tax liability being tax impact on -	-	-	-	-
Deferred tax assets being tax impact on -				
Property, plant and equipment and other intangible assets	299.63	(39.43)	-	260.20
Provision for employee benefits	5.84	(1.78)	7.17	11.23
Expenses allowable on payment basis	-	-	-	-
Provision for expected credit loss on trade receivables and advances	0.97	6.70	-	7.67
Unabsorbed depreciation	1,296.01	136.57	-	1,432.58
Brought forward losses	2,886.51	(590.69)	-	2,295.82
Net deferred tax asset to be recognised	4,488.96	(488.63)	7.17	4,007.50
Deferred tax asset recognised	4,488.96	(488.63)	7.17	4,007.50
For the year 2022-23	Balance as at 1 April 2022	(Charged)/ credited to:		Balance as at 31 March 2023
		Statement of Profit and loss	Other comprehensive income	
Deferred tax liability being tax impact on -	-	-	-	-
Deferred tax assets being tax impact on -				
Property, plant and equipment and other intangible assets	233.01	66.62	-	299.63
Provision for employee benefits	0.76	5.08	-	5.84
Expenses allowable on payment basis	-	-	-	-
Provision for expected credit loss on trade receivables and advances	-	0.97	-	0.97
Unabsorbed depreciation	1,093.02	202.99	-	1,296.01
Brought forward losses	2,525.03	361.48	-	2,886.51
Net deferred tax asset to be recognised*	NIL	NIL	NIL	NIL

* As per the Indian Accounting Standard – 12 on "Income Taxes", the Company have deferred tax asset, primarily comprising of unabsorbed depreciation and carry forward losses under tax laws. The management is of the view that it is prudent not to recognize the deferred tax assets (Net) in accordance with accounting policy adopted by the Company.

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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

30 Earnings Per Share (EPS)

The following table reflects the income and shares data used in computation of the basic and diluted earnings per share:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023 *
Net profit / (loss) attributable to equity shareholders (Rs. in lakhs)	3,354.24	(1,952.03)
Calculation of weighted average number of equity shares -		
Number of equity shares at the beginning of the year	-	-
Number of equity shares outstanding as at the end of the year	50,000	-
Weighted average number of equity shares outstanding during the year for calculation of basic earnings per share	50,000	-
Effect of dilution (refer note 42(iii)(c))	-	50,000
Weighted average number of equity shares outstanding during the year for calculation of diluted earnings per share	50,000	50,000
Nominal value of equity shares (Rs.)	10	10
Basic earnings per equity shares (Rs.)	6,708.48	NA
Diluted earnings per equity shares (Rs.)	6,708.48	NA

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity. Effect of Anti-dilutive has been ignored.

* Basic EPS has not been calculated for the year 2022-23 as equity shares have been considered as extinguished and cancelled w.e.f. 11 January 2022 pursuant to issue of Certificate of sale issued by official liquidator and Hon'ble NCLT-Ahmedabad order dated 1 February 2023, (refer Note 42(iii)(a) and (d))

31 Contingent liabilities and commitments

(i) Contingent Liabilities: (As Certified by the management)

As stated in note 42(iii)(g), all rights and entitlements of, claims or demands (including in relation to or on account of tax) made by or liabilities or obligations owed or payable to any creditor/ claimant/ statutory authorities / government departments, etc. (including but not limited to liabilities, interest and penalties, duties, etc. on account of income tax, TDS, TCS, GST, Custom duty, etc.) by the Company pertaining to the period prior to 11 January 2022, has been deemed to be permanently settled and discharged. Further, all pending civil and criminal litigations/ inquiries/ complaints/ assessments etc. pending against the Company pertaining to the period prior to 11 January 2022, have been considered as permanently settled and discharged and accordingly contingent liabilities have been disclosed as NIL.

Further, no demands have been received during the FY 2022-23 and FY 2023-24.

(ii) Commitments:

Capital commitment (net of advances) and Other Commitment: As at 31 March 2024- Rs. 70.70 lakhs (As at 31 March 2023 - Rs. 71.38 lakhs)

32 Revenue from contracts with customers

For the year ended 31 March 2024				
Particulars	Goods	Services	Other operating revenue	Total
Revenue by geography				
Domestic	20,245.38	4.25	1,085.05	21,334.68
Export	-	-	-	-
Total	20,245.38	4.25	1,085.05	21,334.68
Revenue by time				
Revenue recognised at a point in time				21,330.43
Revenue recognised over time				4.25
Total				21,334.68

For the year ended 31 March 2023				
Particulars	Goods	Services	Other operating revenue	Total
Revenue by geography				
Domestic	17,853.43	4.20	1,034.76	18,892.39
Export	-	-	-	-
Total	17,853.43	4.20	1,034.76	18,892.39
Revenue by time				
Revenue recognised at a point in time				18,888.19
Revenue recognised over time				4.20
Total				18,892.39

Contract balances:

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables	2,443.56	1,704.80
Contract liabilities		
- Advance received from customers	29.55	23.26



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

Advance received from customers are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

(i) Advances received from customers

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Balance as at the beginning of the year	23.26	17.88
Amount received during the year	29.35	23.26
Performance obligations satisfied	(23.26)	(17.88)
Balance as at the end of the year	29.35	23.26

There are no remaining performance obligations unsatisfied (or partially unsatisfied) as of the end of reporting period.

There are no significant adjustment between the contracted price and revenue recognised.

33 Impairment of assets

The Company ("CGU") has incurred cash losses in previous years. In terms of requirements of INDAS – 36 "Impairment of Assets", the Company has carried out an impairment assessment using value in use model which is based on the net present value of the future cash flows, after considering current economic conditions and trends, estimated future operating results, growth rates and anticipated future economic conditions etc. Based on the assessment, the Company believes that carrying amount of does not exceed its recoverable amount and accordingly no impairment loss is required to be recognized.

34 Operating segments

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one broad business segment viz. "Aluminium foil" and substantially sale of the product is within the country. Hence, the disclosure requirement of Ind AS 108 of "Segment Reporting" is not considered applicable.

Information about major customers:

Revenue of NIL lakhs in 31 March 2024 (31 March 2023 - Rs. 2020.61 lakhs) from one related party was derived whose revenue was greater than 10% revenue of the Company's total revenue.

Information about geographical areas:

a) Revenue from customers

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Within India	21,334.68	18,892.39
Outside India	-	-
Total	21,334.68	18,892.39

b) Non current assets other than financial instruments and tax assets

Particulars	As at 31 March 2024	As at 31 March 2023
Within India	3,945.63	4,253.33
Outside India	-	-
Total	3,945.63	4,253.33



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

35 Employee Benefits

A. Post employment benefit plans

i) Defined contribution plans

The Company makes contributions, determined as specified percentage of employee salaries in respect of qualifying employees towards provident fund, which is defined contribution plans. The Company has no obligation other than to make the specified contributions. The contributions are charged to statement of profit and loss as they accrue. The amount recognised as expense towards contribution are as follows:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Company's contribution to provident fund	26.52	24.12
Company's contribution to employee's state insurance scheme	3.99	4.97

ii) Defined benefit plans

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of Rs. 20 Lakhs at the time of separation from the Company.

The most recent actuarial valuation for gratuity was carried out as at 31 March 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, was measured using the Projected Unit Credit Method. The gratuity liability of the Company is funded.

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and the Statement of Profit and Loss.

I. Net liability recognised in the Balance Sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation	114.24	101.16
Less: Fair value of plan assets	(104.22)	(87.33)
Net Liability recognised in Balance Sheet	10.02	13.83

II. Expense recognised in the Statement of Profit and Loss

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current Service Cost	12.68	13.37
Interest cost on the net defined benefit liability/ (asset)	1.03	1.29
Expense recognised in the Statement of Profit and Loss	13.71	14.66

III. Remeasurement recognised in the Other Comprehensive Income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial (gains)/ losses		
- Change in demographic assumptions	1.53	-
- Change in financial assumptions	3.03	(2.27)
- Experience adjustments (i.e. actual experience vs assumptions)	23.01	(5.04)
Return on plan assets, excluding amount recognised in net interest expense	0.98	0.29
Remeasurement recognised in the Other Comprehensive Income	28.55	(7.02)



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

IV. Movement in the present value of defined benefit obligation

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Present value of defined benefit obligation at the beginning of the year	101.16	88.68
Current service cost	12.68	13.37
Interest cost	7.55	6.42
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	1.53	-
- Change in financial assumptions	3.03	(2.27)
- experience variance (i.e. actual experience vs assumptions)	23.01	(5.04)
Benefits paid	(34.72)	-
Present value of defined benefit obligation as at end of the year	114.24	101.16

V. Movement in the plan assets recognised

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Fair value of plan assets at the beginning of the year	87.33	70.88
Investment Income	6.52	5.13
Employer's Contribution	46.07	11.61
Return on plan assets, excluding amount recognised in net interest expense	(0.98)	(0.29)
Benefits paid	(34.72)	-
Fair value of plan assets as at end of the year	104.22	87.33

VI. Bifurcation of present value of obligation at the end of the year

Particulars	As at 31 March 2024	As at 31 March 2023
Current liability (Short term)	2.41	3.23
Non-current liability (Long term)	7.61	10.60

VII. Principal actuarial assumptions

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.20%	7.45%
Salary escalation rate (per annum)	8.00%	8.00%
Retirement age (in years)	60 Years	60 Years
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal rate (per annum)		
- upto 30 years	2.00%	4.00%
- 31-44 years	2.00%	5.00%
- Above 44 years	2.00%	2.00%

VIII. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Decrease	Increase
As at 31 March 2024		
Discount rate (1% movement)	129.68	101.37
Salary escalation rate (1% movement)	101.48	128.86
Attrition Rate (50% of attrition rates)	115.45	113.18
Mortality Rate (10% of mortality rates)	114.28	114.22
As at 31 March 2023		
Discount rate (1% movement)	113.32	90.87
Salary escalation rate (1% movement)	90.83	113.13
Attrition Rate (50% of attrition rates)	102.58	99.97
Mortality Rate (10% of mortality rates)	101.18	101.15



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

IX. Risk exposure

Interest rate risk: The plan exposes the Company to the risk off all in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity risk: This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of liquid assets not being sold in time.

Salary escalation risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended). There is a risk of change in regulations requiring higher gratuity payouts (e.g. increase in the maximum limit on gratuity of Rs. 20 lakhs).

X. Expected maturity analysis on undiscounted basis of the defined benefit obligations in future years

Particulars	As at 31 March 2024	As at 31 March 2023
Less than 1 year	2.41	3.23
Between 2-5 years	31.52	38.55
Between 6-10 years	42.15	39.56
More than 10 years	264.33	200.09
Total	340.41	281.43

XI. The weighted average duration of the defined benefit plan obligation as at 31 March 2024 is 13 years.

XII. Expected Contribution during the next annual reporting period is Rs. 23.04 lakhs



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

36 Related Party Disclosures

Related party disclosures as per Ind AS 24 and Companies Act 2013 (as identified and certified by the Management) including name of the related party, related party relationship, transactions and outstanding balance including commitments where control exists and with whom transactions have taken place during the reporting period are as follows:

(a) Names of related parties and related party relationships

Holding company	OFB Tech Private Limited (with effect from 11 January 2022)
Key managerial personnel	Deepak Yadav (with effect from 21 August 2023) Lokesh Garg (with effect from 21 August 2023) Vikram Singh (with effect from 01 August 2023)
Fellow subsidiaries	OMAT Business Private Limited Laxmi Foils Private Limited Accordd Organics Private Limited Dhara Foods Private Limited

(b) Transactions with related parties

Name of Related Party	Nature of Transaction	Year ended 31 March 2024	Year ended 31 March 2023
OFB Tech Private Limited	Purchase of goods	2,961.44	16,391.87
	Purchase of property, plant & equipment	47.00	-
	Professional charges	112.47	74.75
	Loan taken	5,533.00	281.87
	Loan repaid	1,154.07	49.89
	Other borrowing cost	0.36	-
	Sales of goods	261.60	2,020.61
	Interest expense	476.30	52.97
	Expenses paid on behalf of Company	-	39.59
OMAT Business Private Limited	Sales of goods	831.48	136.02
	Sales of property, plant & equipment	10.00	-
	Purchase of goods	152.28	37.11
	Purchase of property, plant & equipment	12.15	-
Laxmi Foils Private Limited	Sales of goods	126.49	7.34
	Purchase of goods	124.85	17.68
Accordd Organics Private Limited	Purchase of goods	42.03	-
Dhara Foods Private Limited	Staff welfare expenses (including not availed Goods and Services Tax)	13.85	-

(c) Outstanding balances

Name of Related Party	Nature of Transaction	As at 31 March 2024	As at 31 March 2023
OFB Tech Private Limited	Trade Payable	703.31	4,414.11
	Trade Receivable	5.26	74.51
	Advance Contribution	1.51	6,500.00
	Interest Payable	32.40	-
	Borrowing	4,610.91	231.98
OMAT Business Private Limited	Trade Payable	42.65	43.79
	Trade Receivable	263.80	0.11
Laxmi Foils Private Limited	Trade Payable	147.20	-
	Trade Receivable	126.48	4.90
Dhara Foods Private Limited	Trade Payable	1.42	-

(d) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. (Read with note 45)

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37 Financial risk management objectives and policies

The Company's financial risk management is an integral part of business plan and execution of business strategies. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of properly defined framework. The Company's principal financial liabilities comprising of borrowings, trade payables, other financial liabilities and financial assets comprising of trade receivables, cash and cash equivalents, other financial assets that derive directly from its operations.

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

The Company's board of directors oversees compliance with the Company's risk management procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

A. 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: currency risk, interest rate risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade receivables, trade payables, borrowings, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i) 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 exchange rates. The Company is not exposed to any foreign currency risk as there is no transactions in foreign currency.

ii) Interest rate risk

The Company's main interest rate risk arises from non-current and current borrowings with variable rates, which expose the Company to cash flow interest rate risk. Currently the Company's borrowings are within acceptable risk levels, as the Company does not have borrowings at variable rate. The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	-	-
Fixed rate borrowings	4,610.91	231.98
Total	4,610.91	231.98

iii) Other price risks

Other price risk is the risk that fair value of a financial instrument will fluctuate due to change in market trade price. Other Price risk arises from financial assets such as Investment in equity investments and bonds. The Company is not exposed to such risk as the company does not have any investment at reporting date.

B. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables). The carrying amount of all financial assets represents the maximum credit exposure.

(i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company Management has established a procedure under which each new customer is analysed individually for creditworthiness. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed at periodic intervals. Any sales exceeding those limits require approval from authorised personnel of the Company.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

(ii) Cash and cash equivalents

The Company held cash and bank balances of Rs. 708.31 lakhs (31 March 2023 - Rs. 130.61 lakhs). These cash and bank balances are held with high rated banks and therefore does not carry any significant credit risk.

(iii) Others

Other than receivables reported above, the Company has no other material financial assets which carries any significant credit risk.



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

C. Liquidity risk

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral 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.

As at 31 March 2024	Less than 1 Year	1 year to 2 years	2 Years to 5 Years	More than 5 years	Total
Borrowings (read with note 14 & 17)	4,566.41	28.95	15.55	-	4,610.91
Trade payables	2,715.22	-	-	-	2,715.22
Other financial liabilities	192.90	-	-	-	192.90
Total	7,474.54	28.95	15.55	-	7,519.04

As at 31 March 2023	Less than 1 Year	1 year to 2 years	2 Years to 5 Years	More than 5 years	Total
Borrowings	117.03	97.70	17.25	-	231.98
Trade payables	4,749.89	-	-	-	4,749.89
Other financial liabilities	105.74	-	-	-	105.74
Total	4,972.67	97.70	17.25	-	5,087.62



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

38 Financial Instruments

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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.

I. Fair Value Measurement

The classification of financial assets and financial liabilities by accounting categorisation for the year are as follows:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Amortised cost	Fair value through profit and loss	Amortised cost	Fair value through profit and loss
Non-current				
Other financial assets	116.63	-	113.03	-
Current				
Trade receivables	2,443.56	-	1,704.80	-
Cash and cash equivalents	708.31	-	130.61	-
Other financial assets	0.42	-	-	-
Total financial assets	3,268.92	-	1,948.44	-
Non-current				
Borrowings	44.50	-	114.95	-
Current				
Borrowings	4,566.41	-	117.03	-
Trade payables	2,715.22	-	4,749.89	-
Other financial liabilities	192.90	-	105.74	-
Total financial liabilities	7,519.04	-	5,087.62	-

The Company considers that the carrying amounts of amortised cost of financial assets and financial liabilities recognised in the financial statements are approximate to their fair values.

(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:

- Recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial Instruments at amortised cost

Particulars	As at 31 March 2024		As at 31 March 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Non-current				
Other financial assets	116.63	116.63	113.03	113.03
Current				
Trade receivables	2,443.56	2,443.56	1,704.80	1,704.80
Cash and cash equivalents	708.31	708.31	130.61	130.61
Other financial assets	0.42	0.42	-	-
TOTAL	3,268.91	3,268.91	1,948.44	1,948.44
Non-current				
Borrowings	44.50	44.50	114.95	114.95
Current				
Borrowings	4,566.41	4,566.41	117.03	117.03
Trade payables	2,715.22	2,715.22	4,749.89	4,749.89
Other financial liabilities	192.90	192.90	105.74	105.74
TOTAL	7,519.04	7,519.04	5,087.62	5,087.62

Level 1: Hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

Valuation technique used to determine fair value

Cash and cash equivalents, trade receivable, other financial assets, borrowings, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



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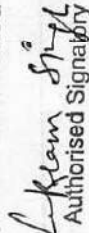
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39 Financial Ratios

Particulars	Measure (in times & percentage)	As at 31 March 2024	As at 31 March 2023	% change from 31 March 2024 to 31 March 2023	Reasons for significant variance (more than 25%) from 31 March 2024 to 31 March 2023
Liquidity Ratio					
Current Ratio	Times	0.84	0.85	-1.18%	Not Applicable
Solvency Ratio					
Debt-Equity Ratio	Times	0.68	-0.08	-976.32%	Due to equity shares issued during the year.
Debt Service Coverage Ratio	Times	0.67	-76.97	-100.87%	Due to reduction in losses compared to previous year
Profitability ratio					
Net Profit Ratio	Percentage	16.00%	-10.00%	-360.00%	Due to reduction in losses & creation of deferred tax assets during the year
Return on Equity Ratio	Percentage	176.00%	96.00%	83.33%	Due to losses during the current year.
Return on Capital employed	Percentage	-1.00%	68.00%	-101.47%	Due to losses during the current year.
Return on Investment	Percentage	N/A	N/A	N/A	Not Applicable
Utilization Ratio					
Trade receivables turnover ratio	Times	10.29	12.17	-15.45%	Not Applicable
Inventory turnover ratio	Times	6.93	13.73	-49.53%	Due to increase in inventory
Trade payables turnover ratio	Times	4.96	6.55	-24.27%	Not Applicable
Net capital turnover ratio	Times	-18.07	-25.49	-29.11%	Due to current liabilities exceeding its current assets and increase in revenue from operations

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Elements of Ratios

Particulars	Numerator	Denominator	As at 31 March 2024 Numerator	As at 31 March 2023 Denominator
Liquidity Ratio				
Current Ratio	Current assets	Current liabilities	6,386.23	7,366.79
				4,303.71
				5,046.93
Solvency Ratio				
Debt-Equity Ratio	Total debt	Total equity	4,610.91	6,824.15
Debt Service Coverage Ratio	Earning available for Debt Service (Profit before tax + Non-cash operating expenses like depreciation and amortisation + Finance cost etc.)	Debt Service (Finance cost)	211.67	316.15
				(1,490.35)
				19.36
Profitability ratio				
Net Profit Ratio	Net Profit after taxes	Revenue from operations	3,354.24	21,334.68
		Average Shareholder's Equity		(1,952.03)
Return on Equity Ratio	Net Profit after taxes	Average Shareholder's Equity	3,354.24	1,907.73
		Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	(167.58)	11,435.06
Return on Capital employed	Earning before interest and taxes	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)		(1,898.62)
				(2,776.72)
Return on Investment	Profit before tax+ Finance cost*(1- tax rate)	Average investments	NA	NA
				NA
Utilization Ratio				
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	21,334.68	2,074.18
				18,892.39
Inventory turnover ratio	Cost of goods sold	Average inventory	16,467.49	2,377.83
				16,681.90
Trade payables turnover ratio	Net purchases	Average trade payables	18,531.61	3,732.56
				19,266.75
Net capital turnover ratio	Revenue from operations	Working capital	21,334.68	(1,180.56)
				18,892.39
				-(741.23)



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Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

40 Additional disclosures required by Schedule III (Division II) of the Companies Act, 2013

40.1 Details of Benami properties

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

40.2 Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

40.3 Registration of charges or satisfaction with Registrar of Companies (ROC)

As stated in note 42, OFB Tech Private Limited has become beneficial owner of the Company w.e.f. 11 January 2022 on execution of sale order and as per NCLT-Ahmedabad order dated 1 February 2023, pursuant to which debts owed by the Company as at 10 January 2022 from lenders have been partially settled through repayment by Official Liquidator and balance amount had been written back in the year 2021-22. As on 31 March 2024, there are no secured outstanding loans or interest thereon due to any lender. Further, in view of above, the Company is in process of filing necessary forms for satisfaction of charges.

40.4 Compliance with number of layers of Companies

The Company has no subsidiary therefore compliance u/s (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 related to the number of layers is not applicable to the Company.

40.5 Details of crypto / virtual currency

The Company have not traded or invested in crypto currency or virtual currency during the year ended 31 March 2024 and 31 March 2023.

40.6 Undisclosed income

The Company have not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 such as search or survey or any other relevant provisions of the Income Tax Act, 1961.

40.7 Corporate Social Responsibility

The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, the provisions of section 135 of the Companies Act, 2013 towards Corporate Social Responsibility is not applicable to the Company.

40.8 Utilization of funds

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

40.9 Income tax search or survey

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

40.10 Wilful defaulter

The classification/ declaration of Company as a 'wilful defaulter' has been deemed to have been removed from the date of sale certificate of 11 January 2022, subject to compliance of applicable laws, rules and regulations (read with note 42(iii)(j)).

40.11 Scheme of arrangement

The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year.

40.12 Core Investment Company (CIC)

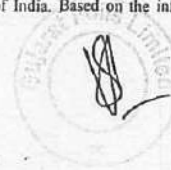
The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Based on the information and explanations provided by the management of the Company, the Group has no CICs as part of the Group.

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Gujarat Foils Limited

Vikram Singh
Authorised Signatory



Gujarat Foils Limited

Notes to the financial statements as at and for the year ended 31 March 2024

(All amounts are in ₹ lakhs, unless otherwise stated)

42 Acquisition of the Company by OFB Tech Private Limited

- (i) In earlier years, a financial creditor had filed an application under section 7 of Insolvency and Bankruptcy Code, 2016 ('Code') for initiation of the Corporate Insolvency Resolution Process ('CIRP') of the Company. During the year ended 31 March 2022, e-auction for sale of the Company as a going concern was conducted by the Liquidator in accordance with the provisions of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 wherein OFB Tech Private Limited ('OFB') emerged as the successful bidder and pursuant to payment of sale consideration of Rs. 6,500 lakhs, certificate of sale dated 11 January 2022 ('Sale Certificate') was issued in favour of OFB.

An application with Hon'ble NCLT- Ahmedabad Bench (NCLT Ahmedabad) has been submitted by OFB, through liquidator for claiming certain reliefs and concessions with respect to purchase of Company as going concern.

- (ii) NCLT-Ahmedabad, vide its order dated 1 February 2023, granted certain reliefs and concessions along with certain directions.
- (iii) Taking into consideration the order of NCLT-Ahmedabad, the management of the Company has taken into consideration the following matters/ assumptions in preparation of financial statements for the year ended 31 March 2023 and 31 March 2024 :-
- a) The entire existing issued and paid up equity and preference share capital of the Company as at 11 January 2022 has been considered as extinguished/ cancelled w.e.f. 11 January 2022. Accordingly, issued and paid up equity and preference share capital amount so extinguished/ cancelled including balance in securities premium account as at 11 January 2022 was transferred to Capital Reserve. During the current financial year 2023-24, the effect of the said reduction in the share capital in the records of registrar of companies has been given.
- b) No changes have been made in Authorised Share Capital Balances.
- c) Pending bifurcation of sale consideration of Rs. 6,500 lakhs paid by OFB into equity share capital/ Loans, the sale consideration amount during FY 22-23 was shown under Advance Contribution from Holding Company. Later, on receipt of NCLT- Ahmedabad order dated 1 February 2023, on 29 August 2023, the Company had allotted 50,000 numbers of equity shares of face value of Rs. 10 each at a security premium of 12,990 per share against the above stated sale consideration.
- d) Pending allotment of equity share capital against sale consideration of Rs. 6,500 lakhs paid by OFB till 31 March 2023, Basic earning per share for the year ended 31 March 2023 has not been calculated and disclosed.
- e) Pursuant to the order of NCLT- Ahmedabad dated 1 February 2023, the Company had applied for delisting of its equity shares from Bombay Stock Exchange and the shares of the Company have been delisted w.e.f. 31 May 2023. Later on, the company is in the process of filing necessary forms / application for getting the Listed status changed on Master Data maintained by Registrar of Companies.
- f) As per the order of NCLT- Ahmedabad, all security interests, encumbrances, claim(s), counter claim(s), charge of secured creditors/ lenders created over the assets of every nature, whatsoever, of the Company have been considered as unconditionally and irrevocably released. In this regard, the Company is in process to file necessary e-forms with MCA/ ROC for satisfaction of all charges.
- g) All rights and entitlements of, claims or demands (including in relation to or on account of tax) made by or liabilities or obligations owed or payable to any creditor/ claimant/ statutory authorities / government departments, etc. (including but not limited to liabilities, interest and penalties, duties, etc. on account of income tax, TDS, TCS, GST, Custom duty, etc.) by the Company pertaining to the period prior to 11 January 2022, has been deemed to be permanently settled and discharged. Further, all pending civil and criminal litigations/ inquiries/ complaints/ assessments etc. pending against the Company pertaining to the period prior to 11 January 2022, have been considered as permanently settled and discharged.
- h) Pursuant to Section 17 of the Code, during the continuation of CIRP, the powers of the Board of Directors of the Company stand suspended and the powers of the Board of Directors and management of affairs of the Company being vested earlier with resolution professional and later with the Official Liquidator. Pursuant to NCLT - Ahmedabad order dated 1 February 2023, the Company was permitted to reconstitute the Board of Directors. Accordingly, three new directors has been appointed in August 2023.
- i) The brought forward tax losses and unabsorbed depreciation of the Company has been considered as carried forward and available for set off against future income as allowed under Section 79(2)(c) and Section 72 of the Income Tax Act, 1961 which are subject to consideration by Income Tax authorities.
- j) As stated above, pursuant to reliefs and concessions granted by NCLT-Ahmedabad vide order dated 1 February 2023, the Company has been granted approval to cease to be wilful defaulter w.e.f. date of sale certificate of 11 January 2022, subject to compliance of applicable laws, rules and regulations.

- 43** Certain balances of trade receivables / trade payables, etc are subject to confirmation/ reconciliations. Management believe that on reconciliation / confirmations there will not be any material impact on profit for the year and also state of affairs as at 31 March 2024.

- 44** The Company was under CIRP process during the period from 30 November 2017 to 15 September 2019 and under liquidation process from 16 September 2019 till 10 January 2022 (read with note 42) and the affairs of the Company were being run by the CIRP and Official Liquidator respectively during the above stated period. During the continuation of CIRP process and liquidation process; the powers of the Board of Directors of the Company stand suspended and the powers of the Board of Directors and management of affairs of the Company being vested earlier with resolution professional and later with the Official Liquidator. Pursuant to NCLT - Ahmedabad order dated 1 February 2023 there is change in the ownership and control and Company has been granted certain relief / concessions respectively, according to which the Company was permitted to reconstitute the Board of Directors. Accordingly, three new directors have been appointed in August 2023 and subsequently, the Company has prepared and maintained secretarial records as per the provisions of the Companies Act, 2013.

- 45** Inventory record is maintained on overall quantity basis and Company is in process of maintaining inventory records grade wise and in the opinion of the management, there will not be any material impact of the same on the valuation of inventory. Consumption of stores and spares, raw materials has been accounted for based on the balancing figures i.e., opening stock plus purchases less physical inventory at the year end. In the opinion of the management considering security arrangements in the Company, there is no impact on the physical inventory lying at the factory premises on account of theft/ pilferage. Management of the Company Transactions with related parties are made on arm's length basis based on internal assessment done and taken on record by the Board of Directors.

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Vikram Singh
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Notes to the financial statements as at and for the year ended 31 March 2024

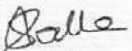
(All amounts are in ₹ lakhs, unless otherwise stated)

- 46 The Company has been incurring losses in earlier years and has incurred loss during the year. As at 31 March 2024, current liabilities exceeds current assets by Rs. 1180.56 lakhs.
However, plant is in running conditions and the Company's management is confident of its ability to generate the expected cash flows to be able to meet its obligations as and when arises. Considering the Company's present capabilities with business environment and support from holding company, the Company will be able to meet its liability as and when fall due.
- 47 **Compliance with Audit Trail for accounting software:**
The Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
- 48 The Company is currently taking back-up of its books of accounts and other relevant books and papers maintained in electronic mode on an electronic tape-based storage device on daily basis. The Company is in the process of developing the necessary infrastructure to take back-up of books of accounts and relevant books and papers on server located in India to comply with the notification issued by the Ministry of Corporate Affairs on 05 August 2022 amending the Companies (Accounts) Rules, 2014.
- 49 **Asset held for sale:**
The Company has identified certain assets for disposal. The management was in discussions with potential buyers. Based on preliminary discussions with potential buyers/external valuation during the previous year ended 31 March 2023, the carrying value of these assets had been considered as fair value:
Details of assets and liabilities of "Windmill" classified as held for sale:

Particulars	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	-	50.94

- 50 Previous year's figures have been regrouped/reclassified wherever necessary, to confirm to current period's classification.

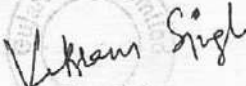
For Lodha & Co LLP
Chartered Accountants
ICAI Firm Regn. No.: 301051E/E300284



(Gaurav Lodha)
Partner
Membership No.: 507462

Place: Gurugram
Date: 1 June 2024



For and on behalf of the Board of Directors of
Gujarat Foils Limited

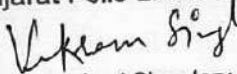

Vikram Singh
Director
DIN: 06595417


Lokesh Garg
Director
DIN: 06804212

Place: Gurugram
Date: 1 June 2024

Place: Gurugram
Date: 1 June 2024

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Gujarat Foils Limited

Authorised Signatory