

Unit No. 401, Signature Towers,
Floor 4, S-Plot No. DC-II,
Lal Kothi, Dist. Jaipur,
Rajasthan – 302015
Tel: +91 141 661 1900
Fax: +91 141 661 1999

Independent Auditor's Report

To the Members of Encase Packaging Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Encase Packaging Private Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 on the financial statements.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Encase Packaging Private Limited

to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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.

Other Matter

The financial statements of the Company for the period ended 31 March 2022 were audited by the predecessor auditor who had expressed an unmodified opinion on 20 May 2022.

Independent Auditor's Report (Continued)

Encase Packaging Private Limited

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 A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a 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 Ind AS specified under Section 133 of the Act.
 - e. The matters described in the Basis for Disclaimer of Opinion paragraph in "Annexure B" with respect to adequacy and operating effectiveness of the internal financial controls with reference to financial statements of the Company, in our opinion, may have an adverse effect on the functioning of the Company.
 - f. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - g. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph in "Annexure B".
 - h. 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".
- B. 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:
 - a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35(vi) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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.
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35(vii) to the financial statements, no funds have been received by the Company from

Independent Auditor's Report (Continued)

Encase Packaging Private Limited

any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sunil Sharma

Partner

Place: Jaipur

Membership No.: 411446

Date: 10 July 2023

ICAI UDIN:23411446BGSGCQ5991

Annexure A to the Independent Auditor's Report on the Financial Statements of Encase Packaging Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies/discrepancy were/was noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable property where the Company is the lessee and the lease agreement is duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

Annexure A to the Independent Auditor's Report on the Financial Statements of Encase Packaging Private Limited for the year ended 31 March 2023 (Continued)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax ('GST'), Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Income-Tax and GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions or any other lender, except those mentioned below:

Nature of borrowing including debt securities	Name of lender*	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks , if any
Term loan	Indian Overseas Bank	Rs. 4.32 lacs	Interest	25	None
		Rs. 1.59 lacs	Interest	15	None
		Rs. 1.63 lacs	Interest	4	None
		Rs. 1.65 lacs	Interest	16	None

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not

Annexure A to the Independent Auditor's Report on the Financial Statements of Encase Packaging Private Limited for the year ended 31 March 2023 (Continued)

applicable.

- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The provisions of Section 177 of the Act read with Rule 4 of The Companies (Appointment and Qualifications of Directors) Rules, 2014, are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.
- (b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us by management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as detailed in note 35(xi) to the financial statements. For reporting on this clause / sub clause, while we have performed audit procedures set out in the Guidance Note on CARO 2020, we have relied on and not been able to independently validate the

Annexure A to the Independent Auditor's Report on the Financial Statements of Encase Packaging Private Limited for the year ended 31 March 2023 (Continued)

information provided to us by the management of the Company with respect to entities outside the consolidated Group but covered in the Core Investment Companies (Reserve Bank) Directions, 2016.

- (xvii) The Company has not incurred cash losses in the current financial year and there was cash loss of Rs. 57.50 lacs in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and we have duly taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sunil Sharma

Partner

Place: Jaipur

Membership No.: 411446

Date: 10 July 2023

ICAI UDIN:23411446BGSGCQ5991

Annexure B to the Independent Auditor's Report on the financial statements of Encase Packaging Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Disclaimer of Opinion

We were engaged to audit the internal financial controls with reference to financial statements of Encase Packaging Private Limited ("the Company") as on 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

We do not express an opinion on internal financial controls with reference to financial statements of the Company. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report below, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls with reference to financial statements and whether such internal financial controls were operating effectively as at 31 March 2023.

We have considered the disclaimer reported in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer does not affect our opinion on the financial statements of the Company.

Basis for Disclaimer of Opinion

According to the information and explanations given to us, the Company has not established its internal financial controls with reference to financial statements on criteria based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance note") issued by the Institute of Chartered Accountant of India ('ICAI').

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements.

Because of the matter described in Disclaimer of Opinion paragraph above, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to financial statements of the Company.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to

Annexure B to the Independent Auditor's Report on the financial statements of Encase Packaging Private Limited for the year ended 31 March 2023 (Continued)

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 controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sunil Sharma

Partner

Place: Jaipur

Membership No.: 411446

Date: 10 July 2023

ICAI UDIN:23411446BGSGCQ5991

ENCASE PACKAGING PRIVATE LIMITED (CIN:U21000AP2021PTC119871)**Balance Sheet as at 31 March 2023****(All amount in lacs of Indian Rupees, except share data and as stated otherwise)**

Particulars	Note No.	31 March 2023	31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	581.91	530.44
Other intangible assets	5	0.62	-
Financial assets			
Others	6	4.36	10.59
Other tax assets (net)	7	3.47	-
Other non-current assets	8	10.98	7.03
Total non-current assets		601.34	548.06
Current assets			
Inventories	9	70.92	78.86
Financial assets			
Trade receivables	10	108.48	124.87
Cash and cash equivalents	11	5.34	74.14
Others	12	38.60	-
Other current assets	13	90.03	84.55
Total current assets		313.37	362.42
Total Assets		914.71	910.48
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14A	500.00	500.00
Other equity	14B	(157.72)	(216.16)
Total equity		342.28	283.84
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	15	191.55	261.31
Provisions	16	4.68	3.52
Total non-current liabilities		196.23	264.83
Current liabilities			
Financial liabilities			
Borrowings	15	218.04	91.77
Trade payables	17		
- total outstanding dues of micro enterprises and small enterprises;		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		55.50	74.01
Other financial liabilities	18	82.54	149.00
Other current liabilities	19	19.56	46.61
Provisions	16	0.56	0.42
Total current liabilities		376.20	361.81
Total liabilities		572.43	626.64
Total Equity and Liabilities		914.71	910.48
Significant accounting policies	3		

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

As per our attached report of even date

For B S R & Co. LLP*Chartered Accountants*

ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of

Encase Packaging Private Limited**Sunil Sharma***Partner*

Membership No. : 411446

Place: Jaipur

Date: 10 July 2023

Silpa Lingareddy*Director*

DIN: 07683418

Place: Sricity

Date: 10 July 2023

Pavankumar Pullula*Director*

DIN: 05214075

Place: Sricity

Date: 10 July 2023

ENCASE PACKAGING PRIVATE LIMITED (CIN:U21000AP2021PTC119871)
Statement of Profit and Loss for the year ended 31 March 2023
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note No.	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Revenue from operations	20	968.51	224.01
Other income	21	32.26	26.24
Total Income		1,000.77	250.25
Expenses			
Cost of materials consumed	22	176.95	91.58
Change in inventories of finished goods, stock-in-trade and work-in-progress	23	23.11	(48.00)
Employee benefits expense	24	202.85	72.63
Finance costs	25	42.56	22.91
Depreciation and amortization expense	26	31.32	16.10
Other expenses	27	469.48	143.93
Total expenses		946.27	299.15
Profit / (loss) before tax		54.50	(48.90)
Tax expenses	28	-	-
Profit / (loss) for the year / period		54.50	(48.90)
Other comprehensive income			
(i) Remeasurement of defined benefit plans		3.94	-
Total comprehensive profit / (loss) for the year / period		58.44	(48.90)
Earnings per equity share	29		
Basic and diluted		1.09	(2.33)
Significant accounting policies	3		

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

As per our attached report of even date

For B S R & Co. LLP
Chartered Accountants
ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of
Encase Packaging Private Limited

Sunil Sharma
Partner
Membership No. : 411446
Place: Jaipur
Date: 10 July 2023

Silpa Lingareddy
Director
DIN: 07683418
Place: Sricity
Date: 10 July 2023

Pavankumar Pullula
Director
DIN: 05214075
Place: Sricity
Date: 10 July 2023

Particulars	Note No.	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
A Cash flow from operating activities			
Profit / (loss) for the year / period		58.44	(48.90)
Adjustment for :			
Depreciation and amortisation expense	26	31.32	16.10
Liabilities no longer required back		(11.99)	-
Unrealised foreign exchange difference (net)		(3.72)	(1.48)
Finance costs	25	42.56	22.91
Operating profit/ (loss) before working capital changes		116.61	(11.37)
Working capital adjustments :			
Decrease / (increase) in trade receivables		20.11	(114.36)
Decrease / (increase) in inventories		7.94	(54.73)
(Increase) / decrease in other assets		(37.85)	3.75
(Decrease) in trade payables, provisions, other current liabilities		(26.73)	(40.24)
Cash generated from/(used in) operating activities		80.08	(216.95)
Income taxes paid (net)		(3.47)	-
Net cash generated from/ (used in) operating activities (A)		76.61	(216.95)
B Cash flow from investing activities			
Purchase of property, plant and equipment and intangible asset		(161.91)	(47.80)
Net cash used in investing activities (B)		(161.91)	(47.80)
C Cash flow from financing activities			
Proceeds from issue of share capital		-	300.00
Securities premium received on issuance of share capital		-	99.90
Proceeds from long-term borrowings		331.00	-
Repayment of long-term borrowings		(400.76)	-
Movement in short-term borrowings (net)		126.27	(38.96)
Interest paid		(40.01)	(22.91)
Net cash generated from financing activities (C)		16.50	338.03
Net (decrease)/ increase in cash and cash equivalents (A+B+C)		(68.80)	73.28
Opening balance of cash and cash equivalents		74.14	0.86
Closing balance of cash and cash equivalents		5.34	74.14
Cash and cash equivalents comprises	11		
Cash on hand		0.12	1.21
Balance with bank in current account		5.22	72.93
		5.34	74.14
Significant accounting policies	3		

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

Notes

1 The Cash Flow Statement has been prepared under the 'indirect method' as set out in Ind AS-7 "Statement of Cash Flows", as specified under section 133 of the Companies Act, 2013.

2 Change in financial liabilities arising from financial activities

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Opening balance of short term borrowings	91.77	130.73
Movement in short term borrowings (net)	126.27	(38.96)
Closing balance of short term borrowings	218.04	91.77

As per our attached report of even date

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of

Encase Packaging Private Limited

Sunil Sharma

Partner

Membership No. : 411446

Place: Jaipur

Date: 10 July 2023

Silpa Lingareddy

Director

DIN: 07683418

Place: Sricity

Date: 10 July 2023

Pavankumar Pullula

Director

DIN: 05214075

Place: Sricity

Date: 10 July 2023

A Equity share capital:

Balance as at 01 April 2022	Changes in equity share capital due to prior period errors	Changes in equity share capital during the current year	Balance as at 31 March 2023
500.00	-	-	500.00

Balance as at 28 October 2021	Share issued on conversion from LLP to company	Changes in equity share capital during the current period	Balance as at 31 March 2022
-	200.00	300.00	500.00

B Other equity:

For the year ended 31 March 2023	Reserves and Surplus		
	Securities premium	Retained earnings	Total
Balance as at 01 April 2022	99.90	(316.06)	(216.16)
Profit for the year	-	54.50	54.50
Other comprehensive income for the year	-	3.94	3.94
Total comprehensive income for the year	-	58.44	58.44
Transfer to retained earnings	-	-	-
Balance as at 31 March 2023	99.90	(257.62)	(157.72)

For the period ended 31 March 2022	Reserves and Surplus		
	Securities premium	Retained earnings	Total
Balance as at 28 October 2021	-	-	-
Retained earning transferred on account of conversion from LLP to company	-	(267.16)	(267.16)
Loss for the period	-	(48.90)	(48.90)
Share premium received on issue of shares	99.90	-	99.90
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	99.90	(316.06)	(216.16)
Transfer to retained earnings	-	-	-
Balance as at 31 March 2022	99.90	(316.06)	(216.16)

Gain on remeasurement of defined employee benefit plans amounting to Rs. 3.94 lacs and Rs. nil is recognised as a part of retained earnings for the year/period ended 31 March 2023 and 31 March 2022 respectively.

Significant accounting policies

3

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

As per our attached report of even date

For B S R & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of

Encase Packaging Private Limited

Sunil Sharma

Partner

Membership No. : 411446

Place: Jaipur

Date: 10 July 2023

Silpa Lingareddy

Director

DIN: 07683418

Place: Sricity

Date: 10 July 2023

Pavankumar Pullula

Director

DIN: 05214075

Place: Sricity

Date: 10 July 2023

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

1. Reporting entity

Encase Packaging Private Limited (the “Company”) was converted from Encase Packaging LLP (the “LLP”) on 28 October 2021 under the provisions of Indian Companies Act. Company is domiciled in India, with its registered office situated at 1200, Thespia Dr, Sri City, Chittoor, AP 517646. The Company is in the business of Manufacture of paper and paper product. The Company is a subsidiary of Vaibhav Global Limited (“VGL”) from 15 March 2022.

2. Basis of preparation**a. Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company’s Board of Directors on 10 July 2023.

Details of the Company’s accounting policies are included in Note 3.

b. Functional and presentation currency

The financial statements are presented in Indian Rupees (Rs.) which is also the Company’s functional currency. All amounts have been rounded off to the nearest lacs, except share data and as stated otherwise.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value

d. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

e. Measurement of fair value

The Company records certain financial assets and liabilities at fair value on a recurring basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on 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

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)

Notes to the financial statements for the year ended 31 March 2023

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

- a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.
- c) Cost approach – Replacement cost method.

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

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

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 39 and 40 – financial instruments

f. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)

Notes to the financial statements for the year ended 31 March 2023

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

3. Significant accounting policies

a. Foreign currency transaction

Transactions in foreign currencies are translated into the functional currencies of Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss.

b. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)

Notes to the financial statements for the year ended 31 March 2023

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

The estimated useful lives of items of property, plant and equipment for the current and comparative periods along with the comparison of useful life as per Schedule II of the Act are as follows:

Asset	Estimated useful life (in years)	Useful life as per schedule II (in years)
Building	30	30
Plant and machinery	15	15
Electric installation	10	10
Furniture and fixtures	10	10
Office equipment	5	5
Computer	3	3

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

In respect of used assets acquired under conversion from Limited Liability Partnership ('LLP') to Private Limited Company, the useful life of the assets is determined basis the original date of acquisition under LLP.

c. Intangible assets**i. Recognition and measurement**

Intangible assets include computer software. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in Statement of Profit and Loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Estimated useful life(in years)
Computer software	3

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

d. Financial Instruments**i) Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. For an item not at fair value through profit and loss (FVTPL) at transaction costs that are directly attributable to its acquisition or

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)

Notes to the financial statements for the year ended 31 March 2023

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

issue.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost; and
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

iii) De-recognition**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 rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

iv) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Obsolesces and defective inventories are duly provided for and valued at net realisable value or cost whichever is lower. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

Identification of a specific item and determination of estimated net realizable value involve technical judgments of the management which is also supported by valuation from an independent valuer, wherever required.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

f. Impairment of financial instruments

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, and trade receivables. The cash resources of the Company are invested in banks and liquid funds after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables. The Company follows 'simplified approach'. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. ECL impairment loss allowance (or reversal)

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

recognized during the period is recognized as income / expense in the statement of profit and loss. This amount is reflected in a separate line in the statement of profit and loss as an impairment gain or loss. In balance sheet ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

g. Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

h. Employee benefits**i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

i. Provision (other than for employee benefits)

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities and commitments are reviewed at each balance sheet date.

j. Revenue recognition**i. Sale of product**

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer. Control is considered to be transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

ii. Other operating revenues

Duty benefits are recognized on accrual basis and when the right to entitlement has been established.

k. Lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and

periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the leases if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

j. Income taxes**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)**Notes to the financial statements for the year ended 31 March 2023**

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

k. Goods and services tax (GST)

Expenses and assets are recognised net of the amount of sales/ value added taxes/ goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

l. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to aquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

m. Cash and short-term deposits

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

n. Earnings per share

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares outstanding during the period.

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

o. Significant accounting estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Encase Packaging Private Limited (CIN: U21000AP2021PTC119871)

Notes to the financial statements for the year ended 31 March 2023

(All amounts are in lacs of Indian Rupees, except share data and stated otherwise)

p. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company is evaluating the impact, if any, in its financial statements which is not expected to be material.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

4. Property, plant and equipment***Reconciliation of carrying amount**

Particulars	Leasehold land	Building	Plant and equipment	Electric installation and equipments	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Cost									
Balance as at 28 October 2021	-	-	-	-	-	-	-	-	-
Additions during the period	93.96	107.20	313.01	19.90	5.70	2.15	4.62	-	546.54
Balance as at 31 March 2022	93.96	107.20	313.01	19.90	5.70	2.15	4.62	-	546.54
Additions	-	51.32	22.10	0.11	4.57	0.33	3.23	0.93	82.59
Balance as at 31 March 2023	93.96	158.52	335.11	20.01	10.27	2.48	7.85	0.93	629.13
Accumulated depreciation									
Balance as at 28 October 2021	-	-	-	-	-	-	-	-	-
Depreciation charge for the period	-	1.56	8.85	1.03	0.28	0.28	4.10	-	16.10
Balance as at 31 March 2022	-	1.56	8.85	1.03	0.28	0.28	4.10	-	16.10
Depreciation charge for the year	4.33	3.72	19.58	1.78	0.63	0.41	0.60	0.07	31.12
Balance as at 31 March 2023	4.33	5.28	28.43	2.81	0.91	0.69	4.70	0.07	47.22
Carrying amount (net)									
Balance as at 31 March 2023	89.63	153.24	306.68	17.20	9.36	1.79	3.15	0.86	581.91
Balance as at 31 March 2022	93.96	105.64	304.16	18.87	5.42	1.87	0.52	-	530.44

Property, plant and equipment includes right-of-use assets of INR 93.96 lacs (31 March 2022: INR 95.83 lacs) related to leased properties that do not meet the definition of investment property. (refer note 37)

* Refer note 33 for assets hypothecated as security against bank borrowings.

5. Other intangible assets

Particulars	Softwares
Balance as at 28 October 2021	-
Additions during the period	-
Balance as at 31 March 2022	-
Additions during the year	0.82
Balance as at 31 March 2023	0.82
Accumulated amortisation	
Balance as at 28 October 2021	-
Amortisation charge for the period	-
Balance as at 31 March 2022	-
Amortisation charge for the year	0.20
Balance as at 31 March 2023	0.20
Carrying amount (net)	
Balance as at 31 March 2022	-
Balance as on 31 March 2023	0.62

6. Other non-current financial assets

Particulars	31 March 2023	31 March 2022
Security deposits, unsecured and considered good	4.36	10.59
	4.36	10.59

7. Other tax assets (net)

Particulars	31 March 2023	31 March 2022
Deposits with tax authorities	3.47	-
	3.47	-

8. Other non-current assets

Particulars	31 March 2023	31 March 2022
Capital advances	10.98	7.03
	10.98	7.03

9. Inventories*

Particulars	31 March 2023	31 March 2022
(at lower of cost and net realisable value)		
Raw material	46.03	30.86
Work in progress	0.79	5.05
Finished goods	24.10	42.95
	70.92	78.86

* Refer note 33 for assets hypothecated as security against bank borrowings.

10. Trade receivables*

Particulars	31 March 2023	31 March 2022
Current		
Unsecured, considered good#	108.48	124.87
	108.48	124.87

* Refer note 33 for assets hypothecated as security against bank borrowings.

Includes receivables from related parties, refer note 31

Ageing of trade receivables

As at 31 March 2023	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	92.23	14.21	2.04	-	-	-	108.48
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-

Ageing of trade receivables

As at 31 March 2022	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	-	124.87	-	-	-	-	124.87
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-

11. Cash and cash equivalents*

Particulars	31 March 2023	31 March 2022
Balances with bank:		
- On current account	5.22	72.93
Cash on hand	0.12	1.21
	5.34	74.14

* Refer note 33 for assets hypothecated as security against bank borrowings.

12. Others current financial assets*

Particulars	31 March 2023	31 March 2022
Other receivable	38.60	-
	38.60	-

* Refer note 33 for assets hypothecated as security against bank borrowings.

13. Other current assets*

Particulars	31 March 2023	31 March 2022
Unsecured, considered good		
Advances other than capital advances		
Advance to suppliers	3.18	6.55
Others		
Balances with government authorities	85.62	76.66
Prepaid expenses	0.42	-
Other receivables	0.81	1.34
	90.03	84.55

* Refer note 33 for assets hypothecated as security against bank borrowings.

14A. Equity share capital

Particulars	31 March 2023	31 March 2022
Authorised shares		
5,000,000 equity shares of Rs. 10 each (31 March 2022 : 5,000,000 equity shares of Rs. 10 each)	500.00	500.00
	500.00	500.00
Issued, subscribed and fully paid-up shares		
5,000,000 equity shares of Rs. 10 each (31 March 2022 : 5,000,000 equity shares of Rs. 10 each)	500.00	500.00
Total issued, subscribed and fully paid-up share capital	500.00	500.00

a) Reconciliation of the number of shares outstanding at the end of the reporting period

Equity shares of Rs. 10 each issued, subscribed and fully paid	31 March 2023		31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the period	5,000,000	500.00	-	-
Share issued on account of conversion from LLP to company	-	-	2,000,000	200.00
Share capital issued during the period	-	-	3,000,000	300.00
Balance at the end of the period	5,000,000	500.00	5,000,000	500.00

b) Terms / rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. 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.

c) Details of shareholding more than 5% shares in the Company

Name of the shareholder	31 March 2023		31 March 2022	
	% of Holding	No. of shares	% of Holding	No. of shares
Vaibhav Global Limited	3,000,000	60.00%	3,000,000	60.00%
Pavan Kumar Pullula	700,000	14.00%	700,000	14.00%
Silpa Linga Reddy	700,000	14.00%	700,000	14.00%
Voleti Ram Kumar	600,000	12.00%	600,000	12.00%

d) Shareholding of promoters

As at 31 March 2023					
Name of the promoter (Equity shares of Rs. 10 each fully paid up)	No. of shares at the commencement of the reporting period	Change during the year	No. of shares at the end of the reporting period	% of total shares	% change during the year
Pavan Kumar Pullula	700,000	-	700,000	14.00%	-
Silpa Linga Reddy	700,000	-	700,000	14.00%	-
Total	1,400,000	-	1,400,000	28.00%	-
As at 31 March 2022					
Name of the promoter (Equity shares of Rs. 10 each fully paid up)	No. of shares at the commencement of the reporting period	Change during the period	No. of shares at the end of the reporting period	% of total shares	% change during the period
Pavan Kumar Pullula	360,000	340,000	700,000	14.00%	-94.44%
Silpa Linga Reddy	700,000	-	700,000	14.00%	-
Total	1,060,000	340,000	1,400,000	28.00%	-94.44%

14A Equity share capital (continued)

d) Shareholding of promoters as at 31 March 2022

Name of the promoter (Equity shares of Rs. 10 each fully paid up)	No. of shares at the commencement of the reporting period	Change during the year	No. of shares at the end of the reporting period	% of total shares	% change during the year
Pavan Kumar Pullula	-	700,000	700,000	14.00%	100.00%
Silpa Linga Reddy	-	700,000	700,000	14.00%	100.00%
Total	-	1,400,000	1,400,000	28.00%	

e) Details of holding and subsidiary Company

Vaibhav Global Limited is the Immediate Holding Company of the Company and Brett Enterprises Private Limited is the Ultimate Holding Company.

f) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the balance sheet date is Nil.

14B Other equity

Particulars	31 March 2023	31 March 2022
Reserves and Surplus		
Securities premium reserve:		
Opening Balance	99.90	-
Premium received on issuance of share capital	-	99.90
Closing balance	99.90	99.90
Retained earnings:		
Opening balance	(316.06)	-
Retained earning transferred on account of conversion from LLP to company	-	(267.16)
Net profit / (loss) for the year / period	54.50	(48.90)
Other comprehensive income for the year/ period	3.94	-
Closing balance	(257.62)	(316.06)
Total other equity	(157.72)	(216.16)

14C Nature of reserve

a) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of the Companies Act, 2013.

b) Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

15. Borrowings

Particulars	Non-current		Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Loan repayable on demand				
Secured Loans				
- From banks [refer note (a) below]	-	-	89.34	91.77
Unsecured Loans				
- From related parties	-	14.80	89.00	-
Term loans				
Secured Loans				
- From banks [refer note (b) below]	231.25	246.51	-	-
Current maturities of non-current borrowings shown as current borrowings	(39.70)	-	39.70	-
Total	191.55	261.31	218.04	91.77

S.No.	Particulars	Rate of interest	Repayment schedule	Terms and conditions	31 March 2023	31 March 2022
(a) Cash credit facility from Bank						
	Indian Overseas Bank	1 Year MCLR plus 0.20% plus 1.65%	Repayable on demand	The facility is secured against hypothecation of the stock and receivables and personal guarantee of promoters	-	91.77
	ICICI Bank	Repo rate plus spread 2.60%	Repayable on demand	The term loan is secured against current assets of the Company and equitable mortgage of the land and building situated at 1200, Thespia Dr, Sri City, Chittoor, Andhra Pradesh and corporate guarantee of Vaibhav Global Limited (Holding Company)	89.34	-

15. Borrowings (continued)

S.No.	Particulars	Rate of interest	Repayment schedule	Terms and conditions	31 March 2023	31 March 2022
(b)	Term loan from Bank					
	Indian Overseas Bank	1 Year MCLR plus 0.20% plus 1.65%	In 60 monthly installments of principal amount and interest on monthly basis	The term loan is secured against hypothecation of the machinery and utilities, equitable mortgage of the land and building situated at 1200, Thespia Dr, Sri City, Chittor, Andhra Pradesh and personal guarantee of promoters	-	246.51
	ICICI Bank	Repo rate plus spread 2.60%	In 60 monthly installments of principal amount after moratorium till September 2023 and interest on monthly basis	The term loan is secured against current assets of the Company and equitable mortgage of the land and building situated at 1200, Thespia Dr, Sri City, Chittor, Andhra Pradesh and corporate guarantee of Vaibhav Global Limited (Holding Company)	202.00	-
		1 Year MCLR plus spread 1%	In 24 monthly installments of principal amount after moratorium till September 2022 and interest on monthly basis	The term loan is secured against paripassu charge with the existing credit facilities in terms of cash flows and security	29.25	-
					320.59	338.28

16. Provisions

Particulars	Non-current		Current	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Provision for employee benefits				
Provision for gratuity	3.84	3.52	0.46	0.42
Provision for leave encashment	0.84	-	0.10	-
	4.68	3.52	0.56	0.42

17. Trade payables

Particulars	31 March 2023	31 March 2022
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	55.50	74.01
	55.50	74.01

Trade payables ageing schedule

As at 31 March 2023	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	12.32	43.18	-	-	-	55.50
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	12.32	43.18	-	-	-	55.50
As at 31 March 2022	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-
Others	8.46	65.55	-	-	-	74.01
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	8.46	65.55	-	-	-	74.01

18. Other financial liabilities

Particulars	31 March 2023	31 March 2022
Employee benefit payables	13.28	13.74
Capital creditors	59.35	133.90
Interest accrued but not due	3.91	1.36
Other payables	6.00	-
	82.54	149.00

19. Other current liabilities

Particulars	31 March 2023	31 March 2022
Advance from customers	13.07	39.96
Other liabilities	2.82	-
Statutory dues payable	3.67	6.65
	19.56	46.61

20. Revenue from operations

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Sale of products *	955.03	223.02
Other operating revenues	13.48	0.99
	968.51	224.01

* includes sales to related parties, refer note 31

21. Other income

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Foreign exchange gain (net)	20.22	1.48
Liabilities no longer required written back	11.99	24.70
Other income	0.05	0.06
	32.26	26.24

22. Cost of material consumed

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Opening stock of raw material	30.86	24.13
Add: Purchases during the year/ period	192.12	98.31
	222.98	122.44
Less: Closing stock of raw material	(46.03)	(30.86)
	176.95	91.58

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

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Inventory at the beginning of the year / period		
Work-in-progress	5.05	-
Finished goods	42.95	-
	48.00	-
Inventory at the end of the year / period		
Work-in-progress	0.79	5.05
Finished goods	24.10	42.95
	24.89	48.00
	23.11	(48.00)

24. Employee benefits expense

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Salaries and wages*	181.55	56.99
Contribution to provident and other funds (refer note 30)	15.02	9.32
Staff welfare expenses	6.28	6.32
	202.85	72.63

* includes remuneration paid to related parties, refer note 31

25. Finance costs

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Interest expenses on financial liabilities measured at amortised cost *	41.05	22.91
Other finance cost	1.51	-
	42.56	22.91

* includes interest paid to related parties, refer note 31

26. Depreciation and amortisation expense

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Depreciation of property, plant and equipment	31.12	16.10
Amortisation of intangible assets	0.20	-
	31.32	16.10

27. Other expenses

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
a. Manufacturing and direct expenses		
Job work charges	166.65	57.19
Stores and consumables	4.71	0.15
Power and fuel	17.44	8.67
Repair and maintenance- machinery	2.43	-
Other manufacturing and direct expenses	5.85	0.45
	197.08	66.46
b. Administrative and selling expenses		
Rent	4.41	1.50
Rates and taxes	28.72	3.58
Insurance	2.69	0.10
Commission and brokerage	8.51	0.02
Travelling and conveyance	30.97	12.72
Accounting charges	5.32	-
Legal and professional fees (refer below note (i))	16.39	11.10
Postage and telephone	3.46	1.77
Printing and stationery	0.85	0.17
Repairs and maintenance building and others	1.83	1.03
Packing and forwarding	156.32	19.50
Security	5.97	3.20
Directors' remuneration	-	14.77
Advertising and sales promotion	1.88	-
Utility	3.79	-
Miscellaneous	1.29	8.01
	272.40	77.47
	469.48	143.93

(i) Payment to auditors

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Statutory audit	10.00	3.00
	10.00	3.00

28. Tax Expenses**(a) Tax expense charged to statement of profit or loss**

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Current tax	-	-
Deferred tax	-	-
	-	-

(b) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Profit / (Loss) before tax	54.50	(48.90)
Enacted tax rate	25.17%	25.17%
Tax expense as per statutory income tax rate	13.72	(12.31)
Less: Deferred tax asset not recognised (refer below note)	(13.72)	12.31
Income tax reported in statement of profit and loss and effective tax rate	-	-

As at 31 March 2023, the Company has unabsorbed business losses and depreciation as per Income Tax Act, 1961. In the absence of probable certainty of sufficient future taxable profits, deferred tax assets has been recognised only to the extent of deferred tax liability.

29. Earning / (loss) per share

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Basic and diluted loss per share		
The calculation of loss attributable to equity shareholders and weighted average numbers of equity shares outstanding for purpose of basic and diluted loss per share calculation are as follows-		
(i) Profit / (loss) for the year / period, attributable to equity holders	54.50	(48.90)
(ii) Weighted average number of equity shares		
Opening balance	5,000,000	-
Effect of shares issued	-	2,098,837
Weighted average number of equity shares for the year / period	5,000,000	2,098,837
Earning / (loss) per share	1.09	(2.33)

30. Employee benefit obligation**A) Defined contribution plan**

The Company has recognised the following amount in the Statement of profit and loss:

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Employer's contribution to Employee's Provident Fund	8.14	3.83
Employer's contribution to Employee's State Insurance	2.58	1.55
	10.72	5.38

B) Defined benefit plan**(i) Gratuity**

The Company has a defined benefit gratuity plan. Every employee gets a gratuity on retirement/termination/resignation at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Details of actuarial valuation carried out on balance sheet date is as under:

a) Net benefit expense recognised in the statement of profit or loss:

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Current service cost	4.03	2.90
Past service cost	-	1.04
Interest cost on benefit obligation	0.27	-
Net benefit expenses	4.30	3.94

b) Position of the assets and obligation

Particulars	31 March 2023	31 March 2022
Present value of the obligations	(4.33)	(3.94)
Fair value of plan assets	0.79	-
Assets / (liability) recognised in balance sheet	(3.54)	(3.94)

c) Changes in the defined benefit obligation

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	31 March 2023		
	Defined benefit obligation	Fair value of plan assets	Benefit liability/ (asset)
Opening balance	3.94	-	3.94
Gratuity cost charged to profit and loss			
Current service cost	4.03	-	4.03
Interest expense	0.27	-	0.27
Benefits paid	-	-	-
Remeasurement gains / (losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expenses)	-	0.03	(0.03)
Actuarial changes arising from change in demographic assumptions	(0.60)	-	(0.60)
Actuarial changes arising from change in financial assumptions	(2.10)	-	(2.10)
Experience adjustments	(1.21)	-	(1.21)
Contribution by employer	-	0.76	(0.76)
Closing balance	4.33	0.79	3.54

Particulars	31 March 2022		
	Defined benefit obligation	Fair value of plan assets	Benefit liability/ (asset)
Opening balance	-	-	-
Gratuity cost charged to profit and loss			
Current service cost	2.90	-	2.90
Past service cost	1.04	-	1.04
Benefits paid	-	-	-
Remeasurement gains / (losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expenses)	-	-	-
Actuarial changes arising from change in demographic assumptions	-	-	-
Actuarial changes arising from change in financial assumptions	-	-	-
Experience adjustments	-	-	-
Contribution by employer	-	-	-
Closing balance	3.94	-	3.94

30. Employee benefit obligation (continued)**d) The principal assumptions used in determining gratuity obligations for the Company's plan is shown below:**

Particulars	31 March 2023	31 March 2022
Discount rate	7.50%	6.90%
Future salary increases	3.00%	7.00%
Retirement age (years)	60 Years	60 Years
Mortality rates	100% of IALM 2012-14	100% of IALM 2012-14
Employee turnover withdrawal rate (%)	6.23%	10.00%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

e) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption are shown as below:

Impact on defined benefit obligation	31 March 2023	31 March 2022
Discount rate		
Increase by 1%	(0.36)	(0.32)
Decrease by 1%	0.42	0.37
Future salary		
Increase by 1%	0.44	0.37
Decrease by 1%	(0.34)	(0.32)

Sensitivities due to mortality & withdrawals are insignificant. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

f) Defined benefit liability and employer contribution:

The scheme is managed on unfunded basis. So, Expected contributions to defined benefit obligation for the year ending 31 March 2023 is nil. The expected maturity analysis of defined benefit plan is as follows:

Particulars	31 March 2023	31 March 2022
Year		
- Within the next 12 months (next annual reporting period)	0.46	0.14
- Above 1 to 5 years	1.67	0.50
More than 5 to 10 Year	1.83	0.55
More than 10 Year	6.62	1.99
Total expected payments	10.58	3.17

The average duration of the defined benefit plan obligation at the end of the reporting period is 9 years.

(ii) Leave obligations

The amount of the provision of Rs. 0.94 lacs (31 March 2022 : Rs. Nil) is presented as current and non current. The Company has provided for the liability on the basis of actuarial valuation. Amount of Rs. 0.10 lacs (31 March 2022 : Rs. Nil) has been classified as current whereas Rs. 0.84 lacs (31 March 2022 : Rs. Nil) classified as non-current.

31. Related party transactions**A. List of related parties:****Ultimate Holding Company**

Brett Enterprises Private Limited (w.e.f. 15 March 2022)

Immediate Holding Company

Vaibhav Global Limited (w.e.f. 15 March 2022)

Directors

Mrs. Silpa Lingareddy

Mr. Vineet Ganeriwala (upto 1 November 2022)

Mr. Nitin Panwad (w.e.f. 1 November 2022)

Mr. Pushpendra Singh (w.e.f. 15 March 2022)

Mr. Raj Kumar Singh (w.e.f. 15 March 2022)

Mr. Pavan Kumar Pullula

Fellow subsidiaries with whom transactions have occurred

STS Global Supply Limited, Hongkong (w.e.f. 15 March 2022)

Shop LC Global Inc. (w.e.f. 15 March 2022)

Shop TJC Limited (w.e.f. 15 March 2022)

Other (significant influence) where transactions have taken place:

Greenbox Art Private Limited

B. Details of material related party transactions and balances:

Particulars	Vaibhav Global Limited	STS Global Supply Limited, Hongkong	Shop LC Global Inc.	Shop TJC Limited	Greenbox Art Private Limited	Total
Transactions during the year ended 31 March 2023						
Sale of goods	2.05	-	587.97	162.24	-	752.26
Purchase of property, plant and equipment	0.93	-	-	-	-	0.93
Loan received	90.11	-	-	-	-	90.11
Loan repaid	1.11	-	-	-	-	1.11
Guarantee commission paid	8.51	-	-	-	-	8.51
Interest paid	3.57	-	-	-	-	3.57
Expenses reimbursement (net)	(10.04)	-	-	-	-	(10.04)
Transactions during the period ended 31 March 2022						
Sale of goods	63.26	-	95.44	-	-	158.70
Purchase of property, plant and equipment	-	57.18	-	-	-	57.18
Shares issued	399.90	-	-	-	-	399.90
Expenses reimbursement (net)	(0.07)	-	-	-	-	(0.07)

Particulars	Vaibhav Global Limited	STS Global Supply Limited, Hongkong	Shop LC Global Inc.	Shop TJC Limited	Greenbox Art Private Limited	Total
Balance as at 31 March 2023						
Borrowings	89.00	-	-	-	-	89.00
Trade receivable	-	-	66.03	23.18	-	89.21
Trade payable	-	-	-	-	13.41	13.41
Other payable	14.22	-	-	-	-	14.22
Capital creditors	-	57.49	-	-	-	57.49
Balance as at 31 March 2022						
Trade receivable	-	-	97.20	-	-	97.20
Trade payable	-	-	-	-	76.41	76.41
Other payable	2.00	-	-	-	-	2.00
Capital creditors	-	57.49	-	-	-	57.49

Note: The Immediate Holding Company has given corporate guarantee of Rs. 471.00 lacs as per the terms and conditions mentioned in sanction letter issued by the ICICI Bank Ltd. for the credit facilities obtained.

Subsequent to year end, the Immediate Holding Company has issued letter of support for financial assistance to the Company for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the Company for the year ended 31 March 2023.

C. Details of related party transactions and balances with directors

Particulars	Mrs. Silpa Lingareddy	Mr. Pavan Kumar Pullula	Total
Transaction during the year ended 31 March 2023			
Remuneration	15.58	15.58	31.16
Transaction during the period ended 31 March 2022			
Remuneration	7.39	7.39	14.78

Particulars	Mrs. Silpa Lingareddy	Mr. Pavan Kumar Pullula	Total
Balance as at 31 March 2023			
Loan repayable	-	-	-
Remuneration payable	1.25	1.25	2.50
Balance as at 31 March 2022			
Loan repayable	14.80	-	14.80
Remuneration payable	2.07	2.07	4.14

32. Dues to micro and small suppliers

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year-end has been made based on information received and available with the Company.

S. No.	Particulars	31 March 2023	31 March 2022
i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting year;		
	- Principal amount	Nil	Nil
	- Interest thereon	Nil	Nil
ii)	the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii)	the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
v)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	Nil	Nil

33. Assets hypothecated as security

The carrying amount of assets hypothecated as security are as under:

Particulars	31 March 2023	31 March 2022
a) Non-current assets		
Leasehold land	89.63	93.96
Buildings	153.24	105.64
b) Current assets	313.37	362.42
Total assets hypothecated as security	556.24	562.02

34. Commitments and contingencies**A) Commitments**

Particulars	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital account {net of advances Rs. 10.98 lacs (31 March 2022: Rs. 7.03 lacs)} and not provided for	-	-

- B)** The Company is required to comply with the transfer pricing regulations, which are contemporaneous in nature. The Company is in process of assessing whether transactions with associate enterprises undertaken during the current year, are on an arm's length basis. Adjustments, if any, arising from the transfer pricing studies will be accounted for when the study is completed for the current year. The management is of the opinion that its transactions with associates are at arm's length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on the financial statements.

35. Other regulatory information

- i) The Company does not have any benami property where any proceedings have been initiated or pending against the Company for holding such benami property.
 - ii) The Company does not have any transactions with companies that have been struck off.
 - iii) The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies ('ROC') beyond the statutory period except as mentioned below:
- | Brief description of charge of satisfaction | Location of registrar | Period of delay | Reason for delay |
|--|--|-----------------|------------------------|
| Creation of charge for loan received in conversion from Encase Packaging LLP | Registrar of Companies, Andhra Pradesh | 286 | Technical difficulties |
| Satisfaction of charge for loan repaid | Registrar of Companies, Andhra Pradesh | 233 | Technical difficulties |
- iv) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
 - v) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
 - vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
 - vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
 - viii) The Company does not have any immovable property whose title deeds are not held in the name of the Company.
 - ix) The Company does not have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
 - x) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - xi) As per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016, the Company is not a Core Investment Company (CIC) and the group does not have any CIC.
 - xii) The Company has filed quarterly return/statement of current assets with the banks. Summary of reconciliation and reasons for material discrepancies as mentioned below

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	(Excess)/ shortage	Whether return/statement subsequently rectified
June 2022	Indian Overseas Bank	Inventories	69.12	35.95	33.17	No
		Trade receivables	157.53	134.00	23.53	No
		Trade payables	226.61	37.00	189.61	No
September 2022	ICICI Bank	Inventories	48.20	95.79	(47.59)	No
		Trade receivables	157.73	152.61	5.12	No
		Trade payables	277.58	39.07	238.51	No
December 2022	ICICI Bank	Inventories	24.94	93.94	(69.00)	No
		Trade receivables	161.13	160.83	0.29	No
		Trade payables	181.70	4.53	177.17	No
March 2023	ICICI Bank	Inventories	70.92	83.12	(12.20)	No
		Trade receivables	108.48	151.83	(43.35)	No
		Trade payables	55.50	3.21	52.29	No

36. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and the market confidence and to sustain future development of the business. Management monitors the return on capital.

The board of directors seeks to maintain a balance between the higher returns that might be possible with the higher level of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing short term borrowing less cash and cash equivalents. Adjusted equity comprises of all components of equity. The Company's adjusted net debt to equity ratio is as follows:

Particulars	31 March 2023	31 March 2022
Borrowings	409.59	353.08
Cash and cash equivalents	(5.34)	(74.14)
Net Debt	404.25	278.94
Equity share capital	500.00	500.00
Other equity	(157.72)	(216.16)
Net equity	342.28	283.84
Net debt to equity ratio	118.10%	98.27%

37. Leases

The Company leases office premises with contract terms of one to three years. These leases are short-term and/or leases of low-value items. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Company is a lessee is presented below.

i) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment

Particulars	Leasehold land
31 March 2023	
Balance as at 1 April 2022	93.96
Depreciation charge for the year	(4.33)
Additions to right-of-use assets	-
Balance as at 31 March 2023	89.63
31 March 2022	
Balance as at 28 October 2021	-
Additions to right-of-use assets	93.96
Depreciation charge for the period	-
Balance as at 31 March 2022	93.96

ii) Amounts recognised in profit or loss

Particulars	Year ended 31 March 2023	For the period 28 October 2021 to 31 March 2022
Expenses relating to short-term leases	4.41	1.50

38. Ratios

S.No.	Ratio	2023	2022	Variation#
1	Return on equity (in %)			
	Profit/(loss) for the year/period (A)	54.50	(48.90)	
	Equity share capital at the end of the year/period (B)	500.00	500.00	
	Other equity at the end of the year/period (C)	(157.72)	(216.16)	
	Total equity at the end of the year/period {(D) = (B) + (C)}	342.28	283.84	
	Equity share capital at the beginning of the year/period (E)	500.00	200.00	
	Other equity at the beginning of the year/period (F)	(216.16)	(267.16)	
	Total equity at the beginning of the year/period {(G) = (E) + (F)}	283.84	(67.16)	
	Average total equity* [(H) = {(D) + (G)}/2]	313.06	283.84	
	Return on equity (in %) {A/H}	17.41%	-17.23%	-201.05%
	* The equity balance as at 31 March 2022 is considered as average total equity for the previous period, being the year of incorporation.			
	Variation is primarily due to increase in level of operations of the Company during the current year as compared to previous period.			
2	Trade receivables turnover ratio (in times)			
	Revenue from operations (A)	968.51	224.01	
	Trade receivables at the beginning of the year/period (B)	124.87	-	
	Trade receivables at the end of the year/period (C)	108.48	124.87	
	Average trade receivables* [(D) = {(B) + (C)}/2]	116.68	124.87	
	Trade receivables turnover ratio (in times) {A/D}	8.30	1.79	362.72%
	* The trade receivables as at 31 March 2022 is considered as average trade receivables for the previous period, being the year of incorporation.			
	For variance refer reason mentioned against serial no. 1			
3	Inventory turnover ratio (in times)			
	Revenue from operations (A)	968.51	224.01	
	Inventories at the beginning of the year/period (B)	78.86	-	
	Inventories at the end of the year/period (C)	70.92	78.86	
	Average inventories* [(D) = {(B) + (C)}/2]	74.89	78.86	
	Inventory turnover ratio (in times) {A/D}	12.93	2.84	355.27%
	* The inventories as at 31 March 2022 is considered as average inventories for the previous period, being the year of incorporation.			
	For variance refer reason mentioned against serial no. 1			
4	Current ratio (in times)			
	Total current assets (A)	313.37	362.42	
	Total current liabilities (B)	376.20	361.81	
	Current ratio (in times) {A/B}	0.83	1.00	-16.84%
5	Net profit ratio (in %)			
	Profit/ (loss) for the year/period (A)	54.50	(48.90)	
	Revenue from operations (B)	968.51	224.01	
	Net profit ratio (in %) {A/B}	5.63%	-21.83%	-125.78%
	For variance refer reason mentioned against serial no. 1			
6	Net capital turnover ratio (in times)			
	Revenue from operations (A)	968.51	224.01	
	Total current assets (B)	313.37	362.42	
	Total current liabilities (C)	376.20	361.81	
	Working capital {(D) = (B) - (C)}	(62.83)	0.61	
	Net capital turnover ratio (in times) {A/D}	-15.42	367.23	-104.20%
	For variance refer reason mentioned against serial no. 1			
7	Return on capital employed (in %)			
	Profit/(loss) after exceptional items before tax (A)	54.50	(48.90)	
	Finance costs (B)	42.56	22.91	
	Profit/ (loss) before tax and finance cost {(C) = (A) + (B)}	97.06	(25.99)	
	Equity share capital (D)	500.00	500.00	
	Other equity (E)	(157.72)	(216.16)	
	Capital employed {(F) = (D) + (E)}	342.28	283.84	
	Return on capital employed (in %) {C/F}	28.36%	-9.16%	-409.69%
	For variance refer reason mentioned against serial no. 1			
8	Creditors turnover ratio (in times)			
	Cost of materials consumed (A)	176.95	91.58	
	Add: Closing stock (B)	46.03	30.86	
	Less: Opening stock (C)	30.86	24.13	
	Other expenses (D)	469.48	143.93	
	Total purchases {(E) = (A) + (B) - (C) + (D)}	723.32	290.50	
	Trade payables at the beginning of the year/period (F)	74.01	-	
	Trade payables at the end of the year/period (G)	55.50	74.01	
	Average trade payables* [(H) = {(F) + (G)}/2]	64.76	74.01	
	Creditors turnover ratio (in times) {E/H}	11.17	3.93	184.58%
	* The trade payables as at 31 March 2022 is considered as average trade payables for the previous period, being the year of incorporation.			
	For variance refer reason mentioned against serial no. 1			

38 Ratios (continued)

S.No.	Ratio	2023	2022	Variation#
9	Debt equity ratio (in %)			
	Borrowings (A)	409.59	353.08	
	Cash and cash equivalents (B)	5.34	74.14	
	Net debt {(C) = (A) - (B)}	404.25	278.94	
	Equity share capital (D)	500.00	500.00	
	Other equity (E)	(157.72)	(216.16)	
	Net equity {(F) = (D) + (E)}	342.28	283.84	
	Debt equity ratio (in %) {C/F}	118.10%	98.27%	20.18%
10	Debt service coverage ratio (in times)			
	Profit/(loss) for the year/period (A)	54.50	(48.90)	
	Depreciation and amortisation expense (B)	31.32	16.10	
	Interest expenses (C)	41.05	22.91	
	Earning available for debt services {(D) = (A) + (B) + (C)}	126.87	(9.89)	
	Interest expenses (E)	41.05	22.91	
	Principal repayments (F)	9.75	-	
	Debt service {(G) = (E) + (F)}	50.80	22.91	
	Debt service coverage ratio {D/G}	2.50	(0.43)	-678.53%
	For variance refer reason mentioned against serial no. 1			
11	Return on investment (in times)*			
	Income generated from investments (A)	-	-	
	Total investments (B)	-	-	
	Return on investment (in times) {A/B}	-	-	0.00%
	* Not applicable the Company does not holds any investments.			

The company was incorporated on 28 October 2021. Hence, comparable ratios and % change since last year cannot be ascertain (refer note 41)

39. Fair value measurements

i) **Financial assets and liabilities:**

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March 2023	Note	FVTPL	FVTOCI	Amortised cost	Total carrying value
Financial assets					
Cash and cash equivalents	11	-	-	5.34	5.34
Trade receivables	10	-	-	108.48	108.48
Other non current financial asset	6	-	-	4.36	4.36
Total		-	-	118.18	118.18
Financial liabilities					
Non-current borrowings	15	-	-	191.55	191.55
Current borrowings	15	-	-	218.04	218.04
Trade payables	17	-	-	55.50	55.50
Other financial liabilities	18	-	-	82.54	82.54
Total		-	-	547.63	547.63
As at 31 March 2022					
Financial assets					
Cash and cash equivalents	11	-	-	74.14	74.14
Trade receivables	10	-	-	124.87	124.87
Other non current financial asset	6	-	-	10.59	10.59
Total		-	-	209.60	209.60
Financial liabilities					
Non-current borrowings	15	-	-	261.31	261.31
Current borrowings	15	-	-	91.77	91.77
Trade payables	17	-	-	74.01	74.01
Other financial liabilities	18	-	-	149.00	149.00
Total		-	-	576.09	576.09

40. Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.

Risk management framework

Company is being driven by the market forces, its businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to, in the course of their daily operations. The risk management policies cover areas around all identified business risks including commodity price risk, foreign exchange risk etc., Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has an owner, who coordinates the risk management process.

The risk management framework aims to:

- Better understand our risk profile;
- Understand and better manage the uncertainties which impact our performance;
- Contribute to safeguarding Company value and interest of various stakeholders;
- Ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- Improve compliance with good corporate governance guidelines and practices as well as laws & regulations; and
- Improve financial returns

Treasury management

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury operates as per the delegation of authority from the Board. Day-to-day treasury operations are managed by Company's finance team. Long-term fund raising including strategic treasury initiatives are handled by a Treasury team. A monthly reporting system exists to inform senior management of investments, debt, currency and interest rate derivatives. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies.

Commodity price risk

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Company. The Company sells its products mainly to its group Companies whereby there is a regular negotiation / adjustment of prices on the basis of changes in the commodity prices.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(a) Liquidity

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Company is not able to generate sufficient cash flows from the current operations and therefore obtained short term and long term borrowings from financial institutions.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Financial liabilities	31 March 2023			
	< 1 year	1-3 Years	> 3 Years	Total
Non-current borrowings	39.70	90.55	61.30	191.55
Current borrowings	218.04	-	-	218.04
Trade payables	55.50	-	-	55.50
Other financial liabilities	82.54	-	-	82.54
Total	395.78	90.55	61.30	547.63

Financial liabilities	31 March 2022			
	< 1 year	1-3 Years	> 3 Years	Total
Non-current borrowings	-	-	261.31	261.31
Current borrowings	91.77	-	-	91.77
Trade payables	74.01	-	-	74.01
Other financial liabilities	149.00	-	-	149.00
Total	314.78	-	261.31	576.09

Collateral

The Company has hypothecated its trade receivables, inventory, advances and other current assets in order to fulfil the collateral requirements for the financial facilities in place. There are no other significant terms and conditions associated with the use of collateral.

(b) Foreign exchange risk

The Company operates internationally and exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US dollar. The Company is subject to the risk that changes in foreign currency values impact the Company exports revenue.

The exchange rate between Indian Rupee and foreign currencies has impact on results of the Company's operations. Consequently, the results of the Company's operations get effected as the Rupee appreciates/depreciates against these foreign currencies.

Particulars	31 March 2023	
	USD	GBP
Financial assets	67.30	23.18
Financial liabilities	57.49	-

Particulars	31 March 2022	
	USD	GBP
Financial assets	97.20	-
Financial liabilities	57.49	-

40. Financial risk management objective and policies (continued)

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 5% against the functional currency of the Company. A 5% appreciation / depreciation of the respective foreign currencies with respect to the functional currency would result in net decrease / increase in the Company's profit or loss and equity for the fiscal year 2023 and 2022 by Rs. 1.65 lacs and 1.99 lacs respectively.

(c) Interest rate risk

The Company is exposed to interest rate risk on short-term rate instruments. The borrowings of the Company are principally denominated in Indian rupees with floating rates of interest. These exposures are reviewed by appropriate levels of management on a monthly basis.

The exposure of the Company's financial liabilities as at balance sheet date to interest rate risk is as follows:

Particulars	31 March 2023	31 March 2022
Floating rate financial liabilities	320.59	338.28

The table below illustrates the impact of a 0.5% to 1.50% movement in interest rates on interest expense on loans and borrowings. The risk estimate provided assumes that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Movement in interest rates	31 March 2023	31 March 2022
0.50%	1.60	1.69
1%	3.21	3.38
1.50%	4.81	5.07

(d) Counterparty and concentration of credit risk

Credit risk refers to the risk that 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), deposits with banks, short term investments, foreign exchange transactions and other financial assets. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are wholesale or end-user customer, their geographic location, trade history with the Company. An impairment analysis is performed quarterly. The calculation is based on historical experience/ current facts available in relation to default and delays in collection thereof. The management historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

Financial assets other than trade receivables

With regards to other financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on these financial assets. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes. The carrying value of other financial assets other than cash and bank represents the maximum credit exposure.

41. Segment reporting

The Company is engaged in business of packing boxes, which constitute a single business segment, accordingly, disclosure requirements of Ind AS 108, "Operating Segments" are not required to be given.

42. Note on previous year financial figures

The Company was converted from Encase Packaging LLP to Encase Packaging Private Limited on 28 October 2021 under the provisions of the Companies Act, 2013. Accordingly, the previous year figures pertain to the period from 28 October 2021 to 31 March 2022. The same should be read considering above fact.

Signatures to notes 1 to 42

As per our attached report of even date

For BSR & Co. LLP

Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors of

Encase Packaging Private Limited

Sunil Sharma

Partner

Membership No. : 411446

Place: Jaipur

Date: 10 July 2023

Silpa Lingareddy

Director

DIN: 07683418

Place: Sricity

Date: 10 July 2023

Pavankumar Pullula

Director

DIN: 05214075

Place: Sricity

Date: 10 July 2023