

4TH ANNUAL REPORT

F. Y 2023-2024

RENDEX PHARMACEUTICALS PRIVATE LIMITED

CIN: U24304GJ2020PTC119176

BOARD OF DIRECTORS

1. AAKASHBHAI MANSUKHBHAI GANGADIYA
2. CHETAN RUGNATHBBHAI MATHOLIYA
3. JAYESHKUMAR AMARSHIBHAI SABAVA

AUDITORS

M/S KRUPAL BHUVA & CO

Chartered Accountants

Ahmedabad-382350

REGISTERED OFFICE

SURVEY No: 586 & 231

Near SKF Bearing , Bavla-Bagodara

Bavla, Ahmedabad

Gujarat, India-382220

REDNEX PHARMACEUTICALS PRIVATE LIMITED

[CIN: U24304GJ2020PTC119176]

Regd. Office: Survey No. 586 and 231, Near SKF Bearing, Bavla Bagodara N.H. 8A,
Bavla, Ahmedabad- 382220, Gujarat, India

E-mail ID: info@rednexpharma.com

Contact No.:+91-8490935293

BOARD'S REPORT

To,
The Members,
REDNEX PHARMACEUTICALS PRIVATE LIMITED

Your Directors have pleasure in presenting the 4th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2024.

FINANCIAL HIGHLIGHTS

During the year under review, performance of your Company is as under:

(₹ in Hundred)

Particulars	Year ended 31 st March, 2024	Year ended 31 st March, 2023
Revenue from operations	24,45,587	1,70,254
Other Income	4,436	350
Total Income	24,50,023	1,70,604
Expenses (Excluding Depreciation and Amortization Expense)	21,22,418	2,12,709
Depreciation and Amortization Expense	2,12,972	41,891
Total Expenses	23,35,390	2,54,600
Profit Before Tax	1,14,633	(83,996)
Tax Expense		
Current tax	14,060	0
Deferred Tax/ (Deferred Income)	(6,668)	559
Provision of Income Tax	0	0
Profit / (Loss) for the Year	1,07,241	(84,555)

STATE OF THE COMPANY'S AFFAIRS

During the year under review, the Company has generated total income of Rs. 24,50,023 hundred as compared to total income of Rs. 1,70,604 hundred in the previous financial year and incurred total expenses of Rs. 23,35,390 hundred as compared to Rs. 2,54,600 hundred in the previous financial year. During the year under review, the Company has earned profit of Rs. 1,07,241 hundred as compared to loss of Rs. 84,555 hundred in the previous financial year.

CHANGE IN NATURE OF THE BUSINESS, IF ANY

During the year under review, there is no change in the nature of the business of the Company.

SHARES

The Company has not issued any kind of shares/ securities during the year under review.

DIVIDEND

In view of the future business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the year ended on 31st March, 2024.

RESERVES AND SURPLUS

The profit of Rs. 1,07,241 Hundred earned by the Company during the year has been added to the surplus in Statement of Profit and Loss for the year ended on 31st March, 2024.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

The Company has received loan from its directors and relatives of directors and Rs. 4,17,304 Hundred was outstanding as at the year end. The declarations have been received from them that the said loans have not been given out of funds acquired by them by way of borrowing or accepting loans or deposits from others.

SUBSIDIARIES, ASSOCIATES OR JOINT VENTURE COMPANIES

During the year under review, the Company does not have any Subsidiary, Associate or Joint Venture Company.

WEB LINK OF ANNUAL RETURN, IF ANY

The Company doesn't have any website.

DIRECTORS

The Board of Directors of the Company is duly constituted. There has been no change in the constitution of Board during the year under the review.

MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, Four meetings of the Board of Directors of the Company were held.

COMPOSITION OF COMMITTEE OF THE BOARD

As per the provisions of the Act, the Company is not required to constitute any Committee prescribed under the Act.

STATUTORY AUDITORS

Pursuant to the provision of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, **M/s. Krupal Bhuva & Co., Chartered Accountants**, having Firm Registration No. 0146585W, were appointed as the Statutory Auditors of the Company in the 1st Annual General Meeting (AGM) held on 10th December, 2021 to hold office from the conclusion of the 1st AGM till the conclusion of the 6th AGM of the Company to be held in the year 2026.

AUDITORS' REPORT

The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any comments. The Auditors' Report does not contain any qualification, reservation and adverse remarks.

REPORTING OF FRAUD BY AUDITOR

The Auditors of the Company have not reported any instances of fraud committed against the Company, by its officers or employees as specified under section 143(12) of the Act.

DISCLOSURE OF MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act. Accordingly, such accounts and records are not made and maintained by the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any loan, provided any guarantee and made any investment under Section 186 of the Act. The Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has not entered into any contract / arrangement / transaction with related parties which required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8 of the Companies (Accounts) Rules, 2014. Hence, disclosure as required in the Form AOC-2 is not attached with this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A) Conservation of Energy

The steps taken or impact on conservation of energy	The Management has already set process for energy utilization. No specialized steps are considered necessary for further improvement.
The steps taken by the company for utilizing alternate sources of energy	Nil
The capital investment on energy conservation equipment	Nil

B) Technology Absorption

The efforts made towards technology absorption	The Company is using indigenous technology and there is no plan for introducing new technology as of now.
The benefits derived like product improvement, cost reduction, product development or import substitution	Not measurable
In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)- a) the details of technology imported b) the year of import; c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	N.A.
The expenditure incurred on research and development	N.A.

C) Foreign Exchange Earnings and Outgo

The foreign exchange earnings and outgo during the financial year ended 31st March, 2024 is as follows:

(₹ in Hundred)

Particulars	31 st March, 2024	31 st March, 2023
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

MATERIAL CHANGES BETWEEN THE DATES OF THE END OF FINANCIAL YEAR AND BOARD'S REPORT

There have been no material changes and commitments, affecting the financial position of the Company between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Board's Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, there have been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

OBLIGATION OF THE COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

There has no case filed during the period under review, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has complied with the provision relating to the constitution of Internal Complain Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company is well equipped with adequate internal financial controls. The Company has a continuous monitoring mechanism which enables the organization to maintain the standard control systems and help them in managing defaults, if any, on timely basis because of strong reporting mechanisms followed by the Company.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Board has formulated Risk Management Policy, which includes identification, assessment and prioritization of risk, followed by risk mitigation minimization measures. Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The disclosures as per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable as the Company is not required to constitute Corporate Social Responsibility Committee under Section 135 of the Act.



SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DISCLOSURES OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, no applications were made or proceedings initiated/pending under the Insolvency and Bankruptcy Code, 2016.

DISCLOSURES OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

Your Directors state that during the year under review, there was no instance of one time settlement with any Bank or Financial Institution.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, your Directors state that-

- a) in the preparation of the annual accounts for the financial year ended 31st March 2024, the applicable accounting standards have been followed along with proper explanation to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis; and

- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

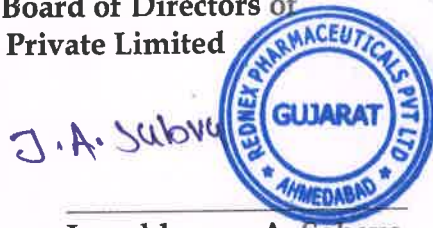
ACKNOWLEDGMENT

The Directors express their sincere appreciation to the valued employees, shareholders, bankers, customers, vendors, regulatory authorities and clients for their continuous support.

For and on behalf of the Board of Directors of
Rednex Pharmaceuticals Private Limited



Chetan R. Matholiya
Director
DIN: 09013701



Jayeshkumar A. Sabava
Director
DIN: 09013702

Date : 01/09/2024
Place : Ahmedabad

J. A. Sabava



Independent Auditor's Report

TO,
THE MEMBERS OF
REDNEX PHARMACEUTICALS PRIVATE LIMITED
AHMEDABAD.

Report on Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **REDNEX PHARMACEUTICALS PRIVATE LIMITED** ("the Company") which comprises the Balance Sheet as at **March 31, 2024**, the Statement of Profit and Loss for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the Profit for the year ended on that date.

Basis for Opinion

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



Other Information - Board of Directors' Report

The Company's Board of Directors is responsible for the preparation and the presentation of its Report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the Board Report and in doing so, consider whether the Board Report is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this Board Report; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records; relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibility for the Audit of the Financial Statements

A. 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.

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

1. 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.
2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. 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.



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

D. 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.

E. 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.

Report on Other Legal and Regulatory Requirements

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

B. As required by Section 143(3) of the Act, based on our audit we report that:

1. 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.
2. 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.
3. The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the relevant books of account.
4. In our opinion, the aforesaid financial statements comply with the AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



5. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

6. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

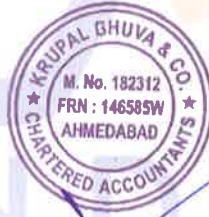


- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Board of Directors of the Company has not proposed any dividend for the year.
- vi. Based on our examination which included test checks and information given to us, the company has used accounting software, which did not records audit trails through out the year.

Date: 01/09/2024

Place: Ahmedabad

UDIN: 24182312BKEATH1571



For, Krupal Bhuva & Co.
Chartered Accountants
(FRN: 146585W)



(CA Krupal Bhuva)

Proprietor

M.No: 182312



Annexure 'A' to the Independent Auditor's Report of
REDNEX PHARMACEUTICALS PRIVATE LIMITED

Referred to Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the Year ended March 31, 2024

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- 1) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(B) The Company has intangible assets as on the Balance Sheet date and same is properly Recorded in the Books of Account of the Company.

(b) The company ensured that Property, Plant and Equipment have been physically verified by the management at reasonable intervals and also prepare a physical verification report for record purpose.

(c) According to the information and explanations given to us and the records examined by the immovable property of land and buildings which are freehold, are held in the name of the company as at the balance sheet date.

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

(e) There is no proceedings initiated against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) (a) The company has ensured that Inventory has been verified by the management at reasonable intervals and no material discrepancies were noticed on physical verification of inventory.

(b) The loan has been taken by company for working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets which is as follows:

Sr. No.	Nature of Facility	Name of Bank	Existing Limit
1	Cash Credit	STATE BANK OF INDIA	5 crores
2	Bank Guarantee	STATE BANK OF INDIA	0.25 crores
3	Term Loan	STATE BANK OF INDIA	11 crores
	TOTAL		16.25 crores



- 3) (a) The company has not made any Loans and Advances during the year to any other entity. Therefore the reporting for loans and advances under sub clause 3(c) to 3(f) is not applicable to the company.
- (b) No investments and guarantees provided by the company during the year.
- (c) No loans and Advances have been given by the company.
- (d) No amount has been overdue for more than 90 days.
- (e) No loan or advance in the nature of loan granted has fallen due during the year or has been renewed or extended or fresh loans granted to settle the overdues of existing loans given.
- (f) No loan has been granted by company which are either repayable on demand or without specifying any terms or period of repayment.
- 4) According to the information and explanations given by the management the company has complied with the provisions of Section 186 of the Companies Act 2013. Further company has not given any Guarantee, loan & Advances, Investment or provided any security covered under section 185 of Companies Act 2013.
- 5) The Company has not accepted any deposit from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) According to the information, the maintenance of cost records has not been specified by the central government under section 148(1) of the Companies Act 2013.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of accounts, and records, the company has been generally regular in depositing undisputed statutory dues including Income Tax, Duty of Excise, Cess, Goods and Services Tax and any other material statutory dues with the appropriate authorities. According to Information and explanations given by management, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than Six Months from the date on when they become payable.
- (b) No such statutory dues are pending to be deposited to government.
- 8) In our opinion and according to the information and explanations given to us, the company does not have unrecorded income in the previous years.
- 9) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Further, Working Capital term loan is under Moratorium.



- (b) Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, term loans have been used for the object for which they were obtained.
- (d) On an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) On an overall examination of the financial statements of the Company, we report that the Company is not having subsidiaries, associates or joint ventures. Hence, the question of taking any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures does not arise.
- 10) (a) The company has not raised money by way of Initial Public Offer or further public offer including debt instruments and term loans. Accordingly the provisions of clause 3 (x) of the order are not applicable to the company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- 11) (a) Based on the examination of books and records of the company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the company or on the company has been reported or noticed during the course of audit.
- (b) No fraud has been detected during the year. So there is no requirement of filling of ADT-4.
- (c) The company is not required to maintain whistle blowing mechanism within the entity as company is neither listed company nor accepting deposits from public.
- 12) (a) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, so there is no such requirement of compliance of the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability.
- (b) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, so company is not required to maintain ten percent unencumbered term deposits.



- (c) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, so there is not such requirement of monitoring in default of payment of interest on deposits or repayment thereof for any period.
- 13) In our opinion and according to information and explanations given to us the company is in compliance of Section 188 of the Companies Act 2013, where applicable for all the Transactions with the Related Parties and the details of the related party transactions have been disclosed in the Financial Statements as required by the standards. Further the company is not required to constitute the Audit Committee as per the section 177 of the Companies Act, 2013 and accordingly the provision of Clause 3(xiii) not applicable to the company.
- 14) (a) The company is not required to maintain Internal Audit System.
(b) No such reports found as company is not required to conduct internal audit as per the provision of section 138 of Companies Act, 2013.
- 15) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- 16) (a) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the CARO 2020 is not applicable to the Company.
(b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India
(d) The Company is not in a Group so there is no other CIC as part of the Group.
- 17) Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- 18) There has not been any resignation of the statutory auditors during the year.
- 19) (a) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our audit procedures, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.



- 20) (a) The provision relating to the Corporate Social Responsibility (CSR) is not applicable to the company.
- (b) The company was not Required to spent any amount toward CSR expenditure. As provision relating to the Corporate Social Responsibility (CSR) is not applicable to the company.
- 21) The company has no subsidiaries, joint ventures, associates, so the provisions relating to the consolidation is not applicable.
- 22) No Qualification and Adverse Remark by the statutory Auditor under CARO 2020.

Date : 01/09/2024
Place : Ahmedabad



For, KRUPAL BHUVA & CO.
CHARTERED ACCOUNTANTS
F.R.N.0146585W

Krupal
Proprietor KRUPAL BIPINBHAI BHUVA
M. No. 182312
UDIN:24182312BKEATH1571

REDNEX PHARMACEUTICALS PRIVATE LIMITED

CIN:U24304GJ2020PTC119176

Balance Sheet as at 31st March 2024

(₹ in hundreds unless otherwise stated)

Particulars	Not e	As at 31st March 2024	As at 31st March 2023
I. EQUITY & LIABILITIES			
(1) <u>Share Holders' Funds :</u>		442,479	335,239
(a) Share Capital	1	425,000	425,000
(b) Reserves & Surplus	2	17,479	89,761
(2) Share application money pending allotm			
(3) <u>Non - Current Liabilities</u>		1,919,651	1,035,938
(a) Long-Term Borrowing	3	1,919,651	1,035,379
(b) Deferred Tax Liabilities (Net)		-	559
(c) Other long-term liabilities		-	-
(d) Long-term provisions		-	-
(4) <u>Current Liabilities</u>		757,504	153,494
(a) Short Term Borrowing		-	-
(b) Trade payables	4	745,834	153,494
(c) Other current liabilities	5	11,670	-
(d) Short Term Provision		-	-
Total		3,119,634	1,524,671
II. ASSETS			
(1) <u>Non - Current Assets</u>		1,493,164	1,018,684
Property, Plant & Equipment and			
(a) Intangible Assets	6		-
(i) Property, Plant & Equipment		1,487,056	1,018,684
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non Current Investment		-	-
(c) Deferred Tax Asset	7	6,108	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
(2) <u>Current Assets</u>		1,626,470	505,987
(a) Current investments		-	-
(b) Inventories	8	673,924	191,841
(c) Trade Receivables	9	610,384	99,919
(d) Cash & Cash Equivalents	10	116,136	2,006
(e) Short-term loans and advances		-	-
(c) Other Current Asset	11	226,026	212,221
Total		3,119,634	1,524,671
<u>Significant Accounting Policies</u>	20		

The Notes referred to above form an integral part of the Balance sheet

As per our audit report of even date

For Krupal Bhuva & Co.
Chartered Accountants
FRN NO. 0146585W

For Rednex Pharmaceuticals Private Limited
On Behalf of Board of Directors

Krupal B. Bhuva
Krupal B. Bhuva
Proprietor
M. NO. 182312

UDIN:24182312BKEATH1571

Place : Ahmedabad
Dtae: 01/09/2024

Chetan R. Matholiya
Chetan R. Matholiya
Director
DIN:09013701

Director
DIN:09013701

J. A. Sabava
J. A. Sabava
Director
DIN:09013702

Director
DIN:09013702

Place : Ahmedabad
Date: 01/09/2024



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PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st March 2024

(₹ in hundreds unless otherwise stated)

	Particulars	Note No.	1st April 2023 to 31st March 2024	1st April 2022 to 31st March 2023
I	Revenue from Operations	12	2,445,587	170,254
II	Other Income	13	4,436	350
III	TOTAL INCOME (I + II)		2,450,023	170,604
IV	EXPENSES			
	Material Purchase	14	2,280,226	343,741
	Cost of Materials Consumed		-	-
	Purchases of stock in trade		-	-
	Changes in inventories	15	(482,083)	(191,841)
	Employee Benefit Expenses	16	126,729	17,034
	Finance Costs	17	120,253	18,703
	Depreciation and Amortization Expenses	18	212,972	41,891
	Other Expenses	19	77,293	25,072
	TOTAL EXPENSES		2,335,390	254,600
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		114,633	(83,996)
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items and Tax		114,633	(83,996)
VIII	Extraordinary Items		-	-
IX	Profit Before Tax		114,633	(83,996)
X	Tax Expense			
	Current Tax		14,060	-
	Deferred Tax		6,668	(559)
XI	Profit/(Loss) for the period from Continuing Operations(IX-X)		107,241	(84,555)
XII	Profit/ (Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	-
XV	Profit(Loss) for the Period(XI+XIV)		107,241	(84,555)
XVI	Earnings per Equity Share			
	-Basic		0.03	(0.20)
	-Diluted		0.03	(0.20)
	Significant Accounting Policies	20		

The Notes referred to above form an integral part of the Profit and Loss Statement.

As per our report of even date

For Krupal Bhuva & Co.

Chartered Accountants

FRN NO, 0146585W


Krupal B. Bhuvan
Proprietor

M. NO. 182312

UDIN:24182312BKEATH1571

Place : Ahmedabad

Date: 01/09/2024



For Rednex Pharmaceuticals Private Limited

On Behalf of Board of Directors


Chetan R. Matholiya
Director
DIN:09013701

Jayeshkumar A.
Director
DIN:09013702

Place : Ahmedabad

Date: 01/09/2024




Notes forming part of the Balance Sheet as at 31st March 2024

1. Share Capital

1.1 Authorized, Issued, Subscribed and Paidup share capital

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Authorized Share Capital				
Equity Shares of ₹ 10.00 each	4,250,000	425,000	4,250,000	425,000
Total	4,250,000	425,000	4,250,000	425,000
Issued Share Capital				
Equity Shares of ₹ 10.00 each	4,250,000	425,000	4,250,000	425,000
Total	4,250,000	425,000	4,250,000	425,000
Subscribed and fully paid				
Equity Shares of ₹ 10.00 each	4,250,000	425,000	4,250,000	425,000
Total	4,250,000	425,000	4,250,000	425,000

1.2 Reconciliation of share capital

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares (Face Value Rs 10.00)				
Shares outstanding at the beginning of the year	100,000	10,000	100,000	10,000
Share Issued/alloted during the year	4,150,000	415,000	4,150,000	415,000
Shares outstanding at the end of the year	4,250,000	425,000	4,250,000	425,000

1.3 Shareholders holding more than 5% of Share

Particulars	As at 31st March 2024		As at 31st March 2023	
	No of Shares	% of holding	No of Shares	% of holding
Aakashbhai Mansukhbhai Gangadiya	1,416,528	33.33	1,416,528	33.33
Chetan Rugnathbhai Matholiya	1,416,528	33.33	1,416,528	33.33
Jayeshkumar Amarshibhai Sabava	1,416,944	33.34	1,416,944	33.34

1.4 Promoters Holding

Particulars	As at 31st March 2024		As at 31st March 2023	
	No of Shares	% of Total Shares	No of Shares	% of Total Shares
Equity shares with voting rights				
Aakashbhai Mansukhbhai Gangadiya	1,416,528	33.33	1,416,528	33.33
Chetan Rugnathbhai Matholiya	1,416,528	33.33	1,416,528	33.33
Jayeshkumar Amarshibhai Sabava	1,416,944	33.34	1,416,944	33.34

1.5 Reconciliation of Promoters Holding

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares (Face Value Rs 10.00)				
Shares outstanding at the beginning of the year	4,250,000	425,000	100,000	10,000
Shares Issued during the year	-	-	4,150,000	415,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,250,000	425,000	4,250,000	425,000



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REDNEX PHARMACEUTICALS PRIVATE LIMITED

CIN:U24304GJ2020PTC119176

Notes forming part of the Balance Sheet as at 31st March 2024

Notes : 2 : Reserve & Surplus

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
(1) Surplus		
Opening balance	(89,761)	(5,207)
Add : Profit / (Loss) During the Year	107,241	(84,555)
Add/(Less) : Adjustments for Deferred Tax		
Closing balance	17,479	(89,761)
Total	17,479	(89,761)

Notes : 3 : Long Term Borrowings

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
Secured Loan:		
State Bank of India(Tearm Loan)	1,075,882	507,908
State Bank of India(C.C. Loan)	426,464	151,627
Unsecured Loan:		
Unsecured Loan from Director	360,827	305,367
Unsecured Loan from Related Parties	56,478	70,478
Total	1,919,651	1,035,379

Notes : 4 : Trade Payables

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
a) Total outstanding dues of micro enterprises and small enterprises		
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	745,834	153,494
Total	745,834	153,494

4.1 Trade Payables aging schedule as on March 31, 2024 and March 31, 2023

Particulars	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	
(i) MSME						
as on 31-03-2024	-					
as on 31-03-2023	-					
(ii) Others						
as on 31-03-2024	-	745,834				745,833.83
as on 31-03-2023	-	153,494				153,493.97
(iii) Disputed dues - MSME						
as on 31-03-2024	-					
as on 31-03-2023	-					
(iv) Disputed dues - Others						
as on 31-03-2024	-					
as on 31-03-2023	-					
Total Trade Payable as at 31-03-2024	-	745,834				745,834
Total Trade Payable as at 31-03-2023	-	153,494				153,494

Notes : 5 : Other Current Liabilities

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
Income Tax Payable	11,355	-
Tds Payable	315	-
Total	11,670	-

Notes: 7 Deferred Tax Asset

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Balance	559	-
Deferred Tax Liabilities		
Closing Balance of Fixed Asset as per Co's Act	1,487,056	41,891
Less:		
Deferred Tax Asset		
WDV as per income tax act	1,522,090	45,152
Closing Balance	35,593	3,260
Income tax Rate %	17.16	17.16
Net Deferred Tax Liabilities / (Assets) (a+b-c) Total	-6,108	559



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REDNEX PHARMACEUTICALS PRIVATE LIMITED

Notes: 06

(₹ in hundreds unless otherwise stated)

F. Y. 2023-24

FIXED ASSETS

Block of Assets	Gross Block				Depreciation				Net Block	
	01/04/2023	Additions	31/03/2024	01/04/2023	For the Year	Residual Value	31/03/2024	31/03/2024	31/03/2024	
	Rupees	Rupees	Rupees	Rupees	Rupees	Adjustment	Rupees	Rupees	Rupees	
NON-DEPRECIABLE ASSETS	4,44,867.94	47,274.85	4,92,142.79	0.00	0.00	0.00	0.00	4,92,142.79	4,44,867.94	
TANGIBLE ASSETS										
COMPUTERS AND DATA PROCESSING UNITS	12,281.07	11,508.50	23,789.57	1,891.88	8,962.92	0.00	0.00	12,934.77	10,389.19	
ELECTRICAL INSTALLATIONS AND EQUIPMENT	79,723	52,853.48	1,32,576.48	7,476.69	27,692.18	0.00	0.00	97,407.61	72,246.31	
FURNITURE AND FITTINGS	1,01,205.71	1,37,824.68	2,39,030.39	7,863.66	47,168.39	0.00	0.00	1,83,998.34	93,342.05	
PLANT AND MACHINERY	4,22,498.13	4,31,881.32	8,54,379.45	24,659.25	1,29,148.07	0.00	0.00	7,00,572.13	3,97,838.88	
Total (Tangible Assets)	6,15,707.91	6,34,067.98	12,49,775.89	41,891.48	2,12,971.56	0.00	0.00	9,94,912.85	5,73,816.43	
Grand Total	10,60,575.85	6,81,342.83	17,41,918.68	41,891.48	2,12,971.56	0.00	0.00	14,87,055.64	10,18,684.37	



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Notes : 8 : Inventories

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
Closing Stocks	673,924	191,841
Total	673,924	191,841

Notes : 9 : Trade Receivables

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
Trade Receivables	610,384	99,919
Total	610,384	99,919

Notes : 10 : Cash & Cash Equivalents

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
Cash on Hand	15,432	400
Balances with Banks :		
In Current Accounts with Bank	100,704	1,606
In Deposit Accounts in Bank		
Total	116,136	2,006

Notes : 11 : Other Current Assets

(₹ in hundreds unless otherwise stated)

Particulars	As at 31st March 2024	As at 31st March 2023
Advance for Materials	-	-
GST Receivable	128,950	146,259
Tds	-	35
Tcs	-	54
State Bank of India Pdr	16,668	17,006
Ugvl Deposit	41,316	
Pre Operative Exp	39,092	48,865
Total	226,026	212,221



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Notes forming part of the Profit & Loss Statement for the year ended 31st March 2024

Notes : 12 : Revenue from Operations (₹ in hundreds unless otherwise stated)		
Particulars	1st April 2023 to 31st March 2024	1st April 2022 to 31st March 2023
Revenue from Operations	2,445,587	170,254
Total	2,445,587	170,254

Notes : 13 : Other Income (₹ in hundreds unless otherwise stated)		
Particulars	1st April 2023 to 31st March 2024	1st April 2022 to 31st March 2023
Interest On Deposit	2,315	350
Interest on Ids Refund	10	
Discount	591	
Prior Period Income	1,520	
Total	4,436	350

Notes : 14 : Material Purchase (₹ in hundreds unless otherwise stated)		
Particulars	1st April 2023 to 31st March 2024	1st April 2022 to 31st March 2023
Material Purchase	2,280,226	343,741
Total	2,280,226	343,741

Note : 15 : Changes in inventories (₹ in hundreds unless otherwise stated)		
Particulars	1st April 2023 to 31st March 2024	1st April 2022 to 31st March 2023
1) Opening Stocks	191,841	-
2) Less : Closing Stock in Hand (As per Mgmt confirmaton)	673,924	191,841
Total	(482,083)	(191,841)

Notes : 16 : Employee Benefit Expenses (₹ in hundreds unless otherwise stated)		
Particulars	1st April 2023 to 31st March 2024	1st April 2022 to 31st March 2023
Job Work & labour Exp	33,938	
Salary Exp.	80,860	14,997
Remuneration To Director	2,903	1,500
PF Exp.	9,028	538
Total	126,729	17,034

Note : 17 : Finance Cost (₹ in hundreds unless otherwise stated)		
Particulars	1st April 2023 to 31st March 2024	1st April 2022 to 31st March 2023
Bank Charges	50	103
Interest on loan	113,653	17,792
Loan Processing Fees exp	-	809
Loan Renwal Fees exp	6,550	
Total	120,253	18,703

Notes : 18 : Depreciation and Amortization Exp (₹ in hundreds unless otherwise stated)		
Particulars	1st April 2022 to 31st March 2023	1st April 2021 to 31st March 2022
Depreciation Exp	212,972	41,891
Total	212,972	41,891

Notes : 19 : Other Expenses (₹ in hundreds unless otherwise stated)		
Particulars	1st April 2023 to 31st March 2024	1st April 2022 to 31st March 2023
Accounting Fees exp	255	150
Audit fees	2,000	500
Courier Chage Exp	80	-
Electricity Exp	42,976	3,906
Factory Exp	1,782	513
Insurance Exp	936	1,146
Internet Exp	450	113
Laboratry Exp	4,389	561
Legal Fees Exp	118	
Licence Fees Exp	40	
Machinery Exp	4,511	
Machinery Repairing Exp	525	
Office Exp	706	1,999
Pre Operative Exp	9,988	13,465
Professional Fees Exp	3,933	1,913
Professional Tax Exp	72	175
Stamp Duty Exp	-	415
Security Exp	1,100	
Stationary Exp	59	
Rent Exp	652	
Transport Exp	2,721	216
Total	77,293	25,072



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REDNEX PHARMACEUTICALS PRIVATE LIMITED
CIN:U24304GJ2020PTC119176
Statement Showing Cash Flow of For the year ended 31st March 2024

(₹ in hundreds unless otherwise stated)

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
1. Cash Flow From Operating Activities				
Profit After Tax As per Profit & Loss A/c	107,241	107,241	(84,556)	(84,556)
Adjustment For:				
Depreciation and amortisation	212,972		41,891	
Interest Income	(2,325)		(350)	
Interest Expense	113,653		17,792	
	324,299		59,333	
Operating Profit Before Changes in Working Capital		324,299		59,333
		431,540		(25,223)
Changes in working capital				
(Increase)/ decrease in Stock	(482,083)			(191,841)
(Increase)/ decrease in sundry debtors	(510,465)			(36,585)
(Increase)/ decrease in loan and advances	-			
(Decrease)/increase in current liabilities and provisions	604,010			124,820
(Decrease)/increase in bank borrowing for working Capital	274,837			151,627
(Increase)/ decrease in other current Assets	(13,805)			(163,193)
	304,035			(140,395)
Taxes paid (net of refunds)				
	-			
Net cash from/(used in) operating activities (A)		304,035		(140,395)
2. Cash Flow From Investing Activities				
Purchase of Fixed assets (Including capital advances, capitalisation of interest & pre operative expenses)	(687,452)		(634,417)	
Long Term Loan And advances	-		-	
Proceeds from sale of fixed assets	-		-	
Proceeds of sales of Investment	-		-	
Interest received	2,325		350	
	(685,127)		(634,067)	
Net Cash Flow From Investing Activities (B)		(685,127)		(634,067)
3. Cash Flow From Financing Activities				
Finance Charges / Interest charges paid	(113,653)		(17,792)	
Proceeds from borrowings	608,875		378,091	
Increase in share capital	-		415,000	
Increase in share premium	-		-	
	495,222		775,299	
Net Cash Flow From Financing Activities (C)		495,222		775,299
Total Cash Flow During The Year (A+B+C)		114,130		837
Opening Balance of Cash & Cash Equivalents		2,006		1,169
Closing Balance of Cash & Cash Equivalents		116,136		2,006

For Krupal Bhuvu & Co.

Chartered Accountants
FRN NO. 0146585W



Krupal B. Bhuvu
Krupal B. Bhuvu

Proprietor
M. NO. 182312
UDIN:23182312BGXIPT4398
Place : Ahmedabad
Date: 01/09/2024

For Rednex Pharmaceuticals Private Limited

On Behalf of Board of Directors

Chetan R. Matholiya
Chetan R. Matholiya

Director
DIN:09013701

J.A. Sabava

Jayeshkumar A.
Sabava

Director
DIN:09013702

Place : Ahmedabad
Date: 01/09/2024



Note: 20 Notes to Standalone Financial Statements for the Year ended on 31st March 2024
(All Figures of Financial item are stated in ₹ in hundreds)

Reporting Entity :-

REDNEX PHARMACEUTICALS PRIVATE LIMITED is a private company limited by shares incorporated in India, having CIN: U24304GJ2020PTC119176. Its registered office is located at Survey No. 586 and 231, Near SKF Bearing, Bavla Bagodara N.H 8A, Bavla Ahmedabad, Gujarat, India

The Company is engaged in the business of Manufacturing of Pharmaceuticals medicine & syrup.

[A] Significant Accounting Policies:-

1 Accounting Conventions :-

The Financial Statements are prepared under historical cost convention on accrual basis as a going concern and in accordance with the generally accepted accounting principles (GAAP) in India, the accounting standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) and as per the requirements of the accounting standards referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

2 Current & Non-Current Classification :-

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

An asset is treated as current when it satisfies any of the following criteria :-

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period;

All other assets are classified as non-current.

A liability is treated as current when it satisfies any of the following criteria :-

- i. Expected to be settled in normal operating cycle
- ii. Held primarily for the purpose of trading;
- iii. Expected to be due within twelve months after the reporting period;
- iv.

No unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between procurement of goods / services and their realization in cash and cash equivalents. The company has identified twelve months for the purpose of classification of assets and liabilities as current and non-current.

3 Property, Plant & Equipment :-

i) Recognition & Measurement

Property, Plant & Equipment (PPE) are stated at the cost net off recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any. Such Cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its location and condition and are net of CENVAT credits, Input Tax Credit & subsidy availed on the same, if any.

Property, Plant & Equipment not ready for the intended use on the date of Balance Sheet is disclosed as "Capital work-in Progress".

Items of tangible assets that have been retired from active use or Assets identified and evaluated technically as obsolete and held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements under "Other current assets". Any expected loss is recognised immediately in the Statement of Profit and Loss.

The residual values & useful lives are reviewed at each Balance sheet date and adjusted prospectively, if appropriate.



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(ii) **Subsequent Expenditure :**

Subsequent expenditure on additions and betterment of operational properties are capitalized, only if, it is probable that future economic benefits associated with the expenditure will flow to the company. Any expenditures for maintenance and repairs are charged to Statement of Profit and Loss as incurred.

(iii) **Depreciation on Property, Plant & Equipment**

Depreciation on Property, Plant & Equipment, except land, is provided on Written down method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Depreciation on addition made to the fixed assets had been provided on pro rata basis.

4 Intangible Assets:-

(i) **Recognition & Measurement**

Intangible assets, if any, are stated at cost of acquisition net of recoverable taxes, trade discounts, rebates less accumulated amortization and impairment loss, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for the intended use.

Expenditure on internally generated intangible assets should be recognized as an expense when it is incurred, unless it is probable that the expenditure will enable the assets to generate the future economic benefits.

Intangible assets are reviewed at each Balance sheet date. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed, and if there is significant change in the expected pattern of economic benefits from the assets, amortization method is changed.

(ii) **Subsequent Expenditure :**

Subsequent expenditure is capitalized, 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 assets is recognized in the Statement of Profit & Loss as incurred.

(iii) **Amortization on Intangible Assets**

Amortization on Intangible assets is provided on straight-line basis over the period of their expected useful life.

5 Revenue Recognition :-

i) **Revenue from Operations :**

Revenue from Operations is recorded as and when bills are issued.

ii) **Income from Investments :**

Income from Investments will be recognized when right to receive the payment is established.

6 Foreign Currency Transaction :-

Transactions in foreign currency will be accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities are translated at closing rates of exchange at the reporting date. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Profit and Loss Account for the year.

In the case of forward contracts, the difference between the forward rate and the exchange rate on the date of the transaction will be recognized in the Profit and Loss Account over the life of the contract.



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7 Investments :-

Investments are classified into long term and short term investments.

Short term investments are stated at cost or market value whichever is lower.

Long term investments are stated at cost.

Cost includes acquisition charges such as brokerage, fees and duties other than Securities Transaction Tax. Market value is arrived at an amount obtainable from the sale of an investment in open market, net of expenses necessarily to be incurred on or before disposal.

A provision for diminution in value of long term investment is made on each investment individually only if such decline is other than temporary.

8 Borrowing Costs :-

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets for its intended use or sale has been capitalized as a part of such assets. All other borrowing costs are charged to Profit and Loss Accounts in the year in which they are incurred.

9 Retirement Benefits :-

The Company has the following employee benefits plans :

i) Short-Term Employee benefits :

Short term employee benefits are recognized as an expense in the profit and loss account of the year in which the related services is rendered by the employee.

ii) Defined Contribution Plan :

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the Provident Fund scheme as expenditure, when an employee renders service.

iii) Defined Benefit Plan :

Gratuity is defined benefit obligation. The company manages the Fund on its own for the payment of gratuity to the employees. The Company's obligation in respect of gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation.

iv) Other Long-Term Employee benefits:

Other Long-Term employee benefits are recognized as an expense in the Statement of profit and loss account of the year in which the employees rendered services.



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10 Tax on Income :-

The Tax Expenses for the period comprises of Current Tax and Deferred Tax.

Current tax; is recognized in Statement of Profit & Loss, is determined on the basis of the taxable income computed in accordance with the applicable provisions of Income Tax Act, 1961.

The deferred tax is recognised for all timing differences between the book profits and the tax profits for the year, and quantified using the corresponding tax bases used in the computation of taxable profit.

Deferred tax asset are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Any utilization of MAT credit during the year is set-off against the current tax.

Provision of taxation shown after adjustment of advance tax and available Tax credits, if any.

11 Accounting Estimates :-

The presentation of financial statements requires judgments, estimates and assumption to be made that affect application of accounting policies and the reported amount of assets, liabilities, income and expenses. Difference between the actual result and estimates are recognized in the period in which the results are known or materialized.

12 Provisions :-

(i) General

A provision is recognized when the company has a present obligation as a result of past event and it is probable that there will be an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best management estimate required to settle the obligation at each Balance Sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best management estimates.

(ii) Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of company or a present obligation of resources because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize contingent liability but discloses its existence in the Standalone Financial Statements.

13 Extra ordinary & prior period items :-

The nature of amount of each extraordinary & prior period items are separately disclosed in the statement of profit and loss in a manner that its impact on current profit or loss can be perceived.

14 Accounting for Government Grants :-

Government Grants/Subsidy are recognized when there is reasonable assurance that the company will comply with the conditions attached to them. Government Grants/Subsidy in form of revenue subsidy is treated as revenue receipts and credited to profit and loss account.

Government Grants/Subsidy in respect of specific assets is credited to respective assets accounts and are reduced to the cost of those assets. While subsidy/grants in respect of specified group of assets have been credited to respective assets proportionately on basis of which subsidy/grants have been received.



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15 Impairment of Assets:-

The carrying amount of assets are reviewed at each balance sheet date and if estimated recoverable amount is found less than its carrying amount, impairment loss is recognised and assets are written down to their recoverable amount.

16 Earning per Share :-

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares (unless the effect is anti-dilutive).

B) Notes on Accounts

- 1) The notes referred in the balance sheet and statement of profit and loss form an integral part of the accounts.
- 2) Figures of previous are regrouped and rearranged wherever necessary and rounded off to the nearest rupee for better presentation of accounts.
- 3) The Balances of Depositors, Creditors, Debtors, Loans and Advances, and Unsecured Loans are subject to confirmations and reconciliation, if any.
- 4) Whenever the original bills are missing reliance is placed upon the vouchers authenticated by authorized person.
- 5) In the opinion of the board of directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of the business.
- 6) The micro, small and medium Enterprises development Act, 2006 is operational w.e.f. 02.10.2006. Since the company does not possess the relevant data regarding the micro, small and medium Enterprises, we are unable to report thereon.
- 7) In compliance of AS-20 on Earnings per Share, issued by the ICAI, the elements considered for calculation of Earning per Share (Basic and Diluted) are as under:

(₹ in hundreds unless otherwise stated)

Sr No.	Particulars	Current Year Amount	Previous Year Amount
1	Net Profit after Tax available for the Equity Shareholders	107,241	(84,555)
2	Weighted average number of Equity Shares	4,250,000	4,250,000
3	Nominal/Face Value of Equity shares (Rupees)	10	10
4	Basic and Diluted Earnings Per Share (Rupees)	0.03	(0.02)

(Amount in bracket represents negative value.)

- 8) As per information and explanation given to us the company has deferred tax Liabilities which have been recognized.

Working of the Deferred Tax shown in the book is as under.

Sr No.	Particulars	Current Year Amount	Previous Year Amount
1	Deferred tax asset on :-		
	Fixed Assets	(6,108.00)	-
2	Sub-Total	(6,108.00)	-
3	Deferred tax liability on:-		
	Fixed Assets	-	559
4	Sub-Total	-	559
5	Net Deferred Tax Asset/(Liability)	(6,108)	(559)

The amount offered to statement of profit and loss account by creation of deferred tax is Rs. -6667.58/-



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9) The Note required under clause T part I of Schedule III – Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities in respect of:

Particulars	Current Year Amount	Previous Year Amount
Claims against the company not acknowledged as Debts	-	-
Guarantees	-	-
Other money for which the company is contingently liable.	-	-

10) The break-up of payment to Auditors is as under:-

(₹ in hundreds unless otherwise stated)

Particulars	Current Year Amount	Previous Year Amount
As an Auditor	2000	500
For taxation matters	-	-
For Company Law Matters	-	-
For Management services	-	-
For other services	-	-
For Internal Audit	-	-
For Reimbursement of expenses	-	-

11) Related Party Disclosure:

A) Related Party

Sr. No	Name of Related Parties	Description of relationship
1	Aakashbhai Mansukhbhai Gangadiya	Director
2	Chetan Rugnathbhai Matholiya	Director
3	Jayeshkumar Amarshibhai Sabava	Director
4	Dakshaben Jayeshbhai Sabava	Relative of Director
5	Kartikbhai Mansukhbhai Gangadiya	Relative of Director
6	Mitalben Chetanbhai Matholiya	Relative of Director
7	Shaileshbhai Rugnathbhai Matholiya	Relative of Director

B) Transactions with the Related Parties

(₹ in hundreds unless otherwise stated)

Particulars	Current Year Amount	Previous Year Amount
<u>Unsecured Loan Taken</u>		
Director	66,210	450,892
Relative of Director	1,000	54,335
Total	67,210	505,227
<u>Unsecured Loan Repay</u>		
Director	10,750	-
Relative of Director	15,000	-
Total	25,750	505,227

C) Outstanding balances

(₹ in hundreds unless otherwise stated)

Particulars	Current Year Amount	Previous Year Amount
<u>Unsecured Loan Taken</u>		
Director	360,827	450,892
Unsecured Loan taken from Director Relatives	56,478	70,478
Total	417,304	521,370

D) Disclosure of Material Transactions

(₹ in hundreds unless otherwise stated)

Particulars	Current Year Amount	Previous Year Amount
<u>Material Transactions</u>		
<u>Unsecured Loan Taken</u>		
Relative of Director	56,478	70,478
Total	56,478	70,478



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12) The Note required under clause (viii) part II of Schedule III:-

- (a) C.I.F. Value of Imports: Not applicable since Service industry
(b) Particulars of Expenditure in Foreign Exchange:

Particulars	Current Year Amount	Previous Year Amount
Royalty, Know-how	Nil	Nil
Profession & Consultation fees	Nil	Nil
Interest	Nil	Nil
Export Promotion Expenses	Nil	Nil
Traveling Exps.	Nil	Nil

(c) Total Value of Raw Material and Stores/Spares Consumed and Percentage thereof:
Not applicable since Service industry

(d) Dividend remitted in foreign currency:-

Particulars	Current Year Amount	Previous Year Amount
No. of Non Resident Shareholders	Nil	Nil
No. Shares Held by them	N.A.	N.A.
Dividend Remitted	N.A.	N.A.

(e) Particulars of Earnings in Foreign Exchange:-

Particulars	Current Year Amount	Previous Year Amount
Export of Goods / Services (F.O.B.) basis	Nil	Nil
Royalty, Know-how	Nil	Nil
Profession & Consultation fees	Nil	Nil
Interest	Nil	Nil
Dividend	Nil	Nil
Other Earnings	Nil	Nil

- 13) **Borrowing obtained on the basis of security of current assets**
During the period under consideration the company has not taken any borrowings from bank or financial institution based on security of current assets.
- 14) **Utilization of borrowing**
As per information and explanation given by the management and from the verification of books of accounts, the company has not taken any borrowings from bank or financial institution.
- 15) **Title deeds of immovable properties**
As per information and explanation given by the management and evidence make available to us, there is immovable properties held by the company which title deeds is in the name of company.
- 16) **Details of Benami Property held**
As per the information and explanation given by the management to us no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 17) **Undisclosed income**
As per the information and explanation given by the management, there were no Undisclosed income of the Company during the period under consideration. The management has disclosed all the incomes which pertains to the company during the period under consideration.
- 18) **Details of crypto currency or virtual currency**
As per the information and explanation given by the management and from the verification of books of accounts the company has not traded or invested in crypto currency during the period under consideration.
- 19) **Wilful defaulter**
As per the information and explanation given by the management, the company has not been declared wilful defaulter by any bank or financial Institution or other lender during the period under consideration.



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20) Accounting Ratios

Sr. No.	Particulars	Current Year	Previous Year	Variance
1	Current Ratio			
	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.10:1	2.97:1	Decreased by 29%
2	Debt-Equity Ratio			
	$\frac{\text{Debt}}{\text{Equity}}$	3.40:1	4.13:1	Increased by 18%
3	Debt Service Coverage Ratio			
	$\frac{\text{Earnings available for debt service}}{\text{Debt Service}}$	NA	NA	NA
4	Return On Equity Ratio			
	$\frac{\text{Net Profits after taxes - Preference Dividend}}{\text{Average Shareholder's Equity}}$	0.25	19.89	Increased by 101.25%
5	Inventory Turnover Ratio			
	$\frac{\text{Cost of Goods Sold OR Sales}}{\text{Average Inventory}}$	3.63	0.89	Increased by 307.86%
6	Trade Receivables Turnover Ratio			
	$\frac{\text{Net Credit Sales}}{\text{Average Trade Receivable}}$	4.00	2.43	NA
7	Trade Payables Turnover Ratio			
	$\frac{\text{Net Credit Purchase}}{\text{Average Trade Payable}}$	3.06	2.23	NA
8	Net Profit Ratio			
	$\frac{\text{Net Profit}}{\text{Net Sales}}$	4.39	-49.66	Increased by 108.84%
9	Net Capital Turnover Ratio			
	$\frac{\text{Net Sales}}{\text{Average Working Capital}}$	4	1.13	Increased by 253.98%
10	Return on capital employed (ROCE)			
	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	0.54	NA	NA
11	Return On Investment			
	$\frac{\text{Return/Profit/Earnings}}{\text{Investments}}$	0.25	-19.9	Increased by 101.25%



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