

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BABA ADVANCE MATERIALS LIMITED**

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **BABA ADVANCE MATERIALS LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2025, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including material 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its profit, total 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined there are no such matters to be communicated in our report.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Managements and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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 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 financial controls 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 an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit report 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 purpose 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 for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
- f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A) (b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g) 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 as amended, 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 as at March 31, 2025 on its financial position in its financial statements.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards.
- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, if any; and
- d) (i) 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;

(ii) 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;

(iii) 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 (i) and (ii) above, contain any material misstatement.

- e) The Company has neither declared nor paid any dividend during the year.
- f) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level to log any direct changes for the accounting software used for maintaining the books of account. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

C. As 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/ payable 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/ payable 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 Maheshwari & Co.
Chartered Accountants
Firm’s Registration No.105834W

Sd/-
Vikas Asawa
Partner
Membership No. 172133
UDIN: 25172133BMHZYW3991

Place: Mumbai
Date: May 02, 2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment and right-of-use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - 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 any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets 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, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder,
- ii.
 - a) According to the information and explanations given to us, the Company does not have any inventory.
 - b) According to information and explanations given to us, The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets.
- 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 advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties, during the year.
 - (a) According to the information and explanations given to us by the Management, the company has not provided loans or advances, any guarantee or security to any other entity during the year.
 - (b) According to the information and explanations given to us and based on the audit procedures conducted by us we are of the opinion that, the company has not made any investments during the year and the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the Company's interest.

- (c) According to the information and explanations given to us and based on our examination of the records of the Company, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.
 - (d) According to the information and explanations given to us and basis of our examination of the record of the Company, there is no overdue amount for more than ninety days in respect of loans given.
 - (e) According to the information and explanations given to us and basis of our examination of the record of the Company there is no loan or advance granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
 - (f) According to the information and explanations given to us and basis of our examination of the record of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. According to information and explanations given to us and on the basis of our examination of the records, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investment and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder during the year. Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us, the maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013, in respect of the activities carried on by the Company. We have broadly reviewed the books of account relating to materials; Labor and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a) According to the information and explanation given to us, the Company has been generally regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, Goods and Service Tax, custom duty, excise duty, value added tax, cess and other material statutory dues as applicable with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as on the last day of the financial year for a year of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of Goods and Service Tax, sales tax, service tax, customs duty, excise duty, value added tax and cess, which have not been deposited on account of any dispute with the relevant authorities.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(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 been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loan during the year. Hence, reporting on clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act), hence reporting on clause 3(ix)(f) of the Order 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 and no material fraud on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year, if any (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable to the Company.

- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- xiv. (a) Based on information and explanations given to us and our audit procedure, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) As the Company did not have an internal audit system in place during the year under audit, there were no internal audit reports available for our review in planning and performing our audit procedures.

- xv. 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 persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 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) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. 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 financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For Maheshwari & Co.
Chartered Accountants
Firm's Registration No.105834W

Sd/-
Vikas Asawa
Partner
Membership No. 172133
UDIN: 25172133BMHZYW3991

Place: Mumbai
Date: May 02, 2025

ANNEXURE ‘B’ TO THE INDEPENDENT AUDITORS’ REPORT ON THE FINANCIAL STATEMENTS OF BABA ADVANCE MATERIALS LIMITED FOR THE YEAR ENDED MARCH 31, 2025

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)(g) under the heading ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of **BABA ADVANCE MATERIALS LIMITED** (“the Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2025, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Managements 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects...

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future years are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Maheshwari & Co.
Chartered Accountants
Firm's Registration No.105834W

Sd/-
Vikas Asawa
Partner
Membership No. 172133
UDIN: 25172133BMHZYW3991

Place: Mumbai
Date: May 02, 2025

BABA ADVANCE MATERIALS LIMITED

CIN: U23935GJ2023PLC144606

Address: Plot no 440/4, Road No. 82/A G.I.D.C Sachin, Surat, Gujarat, India, 394230

Email : cs@amiorganics.com

Standalone Balance Sheet as at March 31, 2025

In ₹ '00

Particulars	Note No.	As at	
		March 31, 2025	March 31, 2024
		Audited	Audited
ASSETS			
Current assets			
Financial Assets		-	-
i) Trade receivables	2	-	86,553.00
ii) Cash and cash equivalents	3	17,777.45	1,000.00
Other current assets	4	68.74	9,323.10
Total Current Assets		17,846.19	96,876.10
Total Assets		17,846.19	96,876.10
EQUITY and LIABILITIES			
Equity			
Equity Share Capital	5	1,000.00	1,000.00
Other Equity	6	15,454.99	15,069.07
Total Equity		16,454.99	16,069.07
Current liabilities			
i) Trade Payables			
a) Total outstanding dues of micro enterprises and small enterprises	7	-	-
b) Total outstanding dues of other than micro enterprises and small enterprises		901.28	62,000.02
Other current liabilities	8	250.00	13,453.00
Current Tax Liability	9	239.92	5,354.01
Total Current liabilities		1,391.20	80,807.03
Total liabilities		1,391.20	80,807.03
Total Equity and Liabilities		17,846.19	96,876.10

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For **Maheshwari & Co.**
Chartered Accountants
FRN: 105834W

For and on behalf of Board of Directors,
Baba Advance Materials Limited

Sd/-
Vikas Asawa
Partner
Membership No. 172133
Place: Surat
Date: May 02,2025

Sd/-
Nareshkumar R. Patel
Director
DIN: 00906232
Place: Surat
Date: May 02,2025

Sd/-
Chetankumar C. Vaghasia
Director
DIN: 01375540

BABA ADVANCE MATERIALS LIMITED

CIN: U23935GJ2023PLC144606

Address: Plot no 440/4, Road No. 82/A G.I.D.C Sachin, Surat, Gujarat, India, 394230

Email : cs@amiorganics.com

Standalone Statement of Profit & Loss for the year ended March 31, 2025

In ₹ '00

Particulars	Note No.	For The Year ended	
		March 31, 2025	March 31, 2024
		Audited	Audited
Income			
Revenue From Operations	10	30,000.00	73,350.00
Other Income		-	-
Total Income		30,000.00	73,350.00
Expenses			
Cost of materials consumed	11	25,000.00	51,775.00
Changes in inventories of finished goods, Stock in Trade and work in progress	12	-	-
Finance costs	13	2,208.98	-
Other expenses	14	2,379.10	1,151.92
Total Expenses		29,588.08	52,926.92
Profit/(loss) before tax		411.92	20,423.08
Tax expense			
Current tax		26.00	5,354.01
Deferred tax		-	-
Total Tax expense		26.00	5,354.01
Profit/(loss) after tax for the year		385.92	15,069.07
Total Comprehensive Income for the year		385.92	15,069.07
Earnings per equity share (Face Value of Rs. 10 each)			
Basic (₹)	15	3.86	150.69
Diluted (₹)		3.86	150.69

The accompanying notes form an integral part of the standalone financial statements

As per report of even date attached

For **Maheshwari & Co.**

Chartered Accountants

FRN: 105834W

For and on behalf of Board of Directors,

Baba Advance Materials Limited

Sd/-

Vikas Asawa

Partner

Membership No. 172133

Place: Surat

Date: May 02,2025

Sd/-

Nareshkumar R. Patel

Director

DIN: 00906232

Place: Surat

Date: May 02,2025

Sd/-

Chetankumar C. Vaghasia

Director

DIN: 01375540

BABA ADVANCE MATERIALS LIMITED

CIN: U23935GJ2023PLC144606

Address: Plot no 440/4, Road No. 82/A G.I.D.C Sachin, Surat, Gujarat, India, 394230

Email : cs@amiorganics.com

Standalone Statement of Cash Flow for the Year ended March 31,2025

In ₹ '00

Particulars		For The Year Ended	
		March 31, 2025	March 31, 2024
		Audited	Audited
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit Before Tax		411.92	20,423.08
<u>Adjustments for:</u>			
Finance Cost		2,208.98	-
Operating profit before working capital changes		2,620.90	20,423.08
Movement in working capital			
(increase) / decrease in trade receivables		86,553.00	(86,553.00)
(increase) / decrease in other current assets		9,254.36	(9,323.10)
Increase / (decrease) in trade payables		(61,098.74)	62,000.02
Increase / (decrease) in other liabilities		(13,203.00)	13,453.00
Cash generated/(used) in operations		24,126.52	-
Income tax paid (net)		(5,140.09)	-
Net cash (used)/generated by operating activities	(A)	18,986.43	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets		-	-
Investments		-	-
Interest received		-	-
Net cash (used in) / generated by investing activities	(B)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance cost		(2,208.98)	-
Issue of Equity Shares		-	1,000.00
Net cash (used)/generated in financing activities	(C)	(2,208.98)	1,000.00
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	16,777.45	1,000.00
Cash and cash equivalents at the beginning of the year		1,000.00	-
Cash and cash equivalents at the end of the year (Refer Note No.2)		17,777.45	1,000.00

The accompanying notes form an integral part of the standalone financial statements

As per report of even date attached

For **Maheshwari & Co.**

Chartered Accountants

FRN: 105834W

For and on behalf of Board of Directors,

Baba Advance Materials Limited

Sd/-

Vikas Asawa

Partner

Membership No. 172133

Place: Surat

Date: May 02,2025

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Chetankumar C. Vaghasia

Director

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BABA ADVANCE MATERIALS LIMITED

CIN: U23935GJ2023PLC144606

Address: Plot no 440/4, Road No. 82/A G.I.D.C Sachin, Surat, Gujarat, India, 394230

Email : cs@amiorganics.com

Standalone Statement of change in Equity for the year ended March 31, 2025

A. Equity Share Capital**Current reporting year**

In ₹ '00

Particulars	As at March 31, 2025
As at April 1, 2024	1,000.00
Changes in Equity Share Capital during the year	-
As at March 31, 2025	1,000.00

Previous reporting year

In ₹ '00

Particulars	As at March 31, 2024
As at April 1, 2023	-
Changes in Equity Share Capital during the year	1,000.00
As at March 31, 2024	1,000.00

B. Other Equity**Current Reporting Year**

In ₹ '00

Particulars	Retained Earnings	Total
Balance as at April 1, 2024	15,069.07	15,069.07
Add: Profit/(Loss) during the year	385.92	385.92
Total Comprehensive Income/(Expense)	15,454.99	15,454.99
Add/(Less): Adjustments	-	-
Balance As at March 31, 2025	15,454.99	15,454.99

Previous reporting year

In ₹ '00

Particulars	Retained Earnings	Total
Balance as at April 1, 2023	-	-
Changes in Accounting Policy or Prior Period Errors	-	-
Restated balance as at 1 April, 2023	-	-
Add: Profit/(Loss) during the year	15,069.07	15,069.07
Total Comprehensive Income/(Expense)	15,069.07	15,069.07
Add/(Less): Adjustments	-	-
Balance As at March 31, 2024	15,069.07	15,069.07

The accompanying notes form an integral part of the standalone financial statements

As per report of even date attached
For **Maheshwari & Co.**
Chartered Accountants
FRN: 105834W

For and on behalf of Board of Directors,
Baba Advance Materials Limited

Sd/-
Vikas Asawa
Partner
Membership No. 172133
Place: Surat
Date: May 02, 2025

Sd/-
Nareshkumar R. Patel
Director
DIN: 00906232
Place: Surat
Date: May 02, 2025

Sd/-
Chetankumar C. Vaghasia
Director
DIN: 01375540

Company overview

Baba Advance Materials Limited ("the Company") was incorporated as a wholly owned subsidiary of "Ami Organics Limited" on September 13, 2023 having CIN No: U23935GJ2023PLC144606 having its registered office at Plot no 440/4, Road No. 82/A, G.I.D.C Sachin, Surat, Gujarat, India, 394230. The Company is engaged in business of speciality chemical and related activities.

The Standalone Financial Statements are approved by the company's Board of Directors on May 02, 2025.

1 Summary of Material Accounting Policies

a. Statement of compliance

The Financial statement of the company comprise the balance sheet as of March 31, 2025 and March 31, 2024, the related statement of profit and loss (including other comprehensive income) for the year ended, the statement of changes in equity and the statement of cash flows for the year ended March 31, 2025 and March 31, 2024 and the Material accounting policies, and other explanatory information (together referred to as 'financial statements').

The Financial statement has been prepared on a going-concern basis.

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act and other accounting principles generally accepted in India.

These Financial statements do not reflect the effects of events that occurred after the respective dates of the board meeting held for the approval of the financial statements as at and for the year ended March 31, 2025, as mentioned above.

The accounting policies are applied consistently and presented in the financial statement except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

This note provides a list of the accounting policies adopted in the preparation of the financial statement. These policies have been consistently applied to all the year presented unless otherwise stated.

The Financial statement have been prepared on an accrual basis under the historical cost convention except where the Ind AS requires a different accounting treatment.

b. Functional and presentation currency

These Financial statements are presented in ₹, which is also functional currency of the Company. All amounts disclosed in the financial statement and notes have been rounded off to the nearest "Hundred" with two decimals, unless otherwise stated.

c. Historical cost convention

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, except for the following:

- certain financial assets and liabilities which are measured at fair value or amortised cost;
- defined benefit plans and
- share-based payments .

d. Current and non-current classification

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

An asset is classified as current when it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle, held primarily for the purpose of being traded, expected to be realized within 12 months after the reporting date; cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current it is expected to be settled in the Company's normal operating cycle, it is held primarily for the purpose of being traded, it is due to be settled within 12 months after the reporting date, or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

The company has ascertained its operating cycle as twelve months for current and non-current classification of assets and liabilities.

e. Use of estimates

The preparation of financial statement in conformity with Ind AS requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenditure for the period and disclosures of contingent liabilities as at the Balance Sheet date. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

Critical accounting estimates:

(a) Useful lives of Property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(b) Income Taxes

Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

(c) Deferred Taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period is reduced.

(d) Expected credit losses on financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

(f) Defined benefit plans and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(g) Leases

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.

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.

Accounting Policies

The accounting policies set out below have been applied consistently to the year presented in the financial statements.

1.1 (a) Revenue recognition

Revenue is recognised when control of goods is transferred to a customer in accordance with the terms of the contract. The control of the goods is transferred upon delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from services, including those embedded in contract for sale of goods, namely, freight and insurance services mainly in case of export sales, is recognised upon completion of services.

Revenue is measured based on the consideration to which the Company expects to be entitled as per contract with a customer. The consideration is determined based on the price specified in the contract, net of the estimated variable consideration. Accumulated experience is used to estimate and provide for the variable consideration, using the expected value method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. Contracts with customers are for short-term, at an agreed price basis having contracted credit period ranging up to 180 days. The contracts do not grant any rights of return to the customer. Returns of goods are accepted by the Company only on an exception basis. Revenue excludes any taxes or duties collected on behalf of government that are levied on sales such as goods and services tax.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

(b) Other income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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

1.2 Inventories

(a) Raw materials - valued at the lower of cost or net realisable value. The cost is determined on FIFO /specific identification basis.

(b) Finished goods - valued at the lower of cost or net realisable value. The cost of material is determined on FIFO/ specific identification basis.

(c) Work-in-progress - valued at material cost including appropriate production overhead.

(d) Stores and spares - valued at the lower of cost or net realisable value. Cost is determined on FIFO basis.

(e) Due allowances - made for slow | non-moving, defective and obsolete inventories based on estimates made by the Company.

1.3 Fair value measurement

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.

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.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

1.4 Foreign currency transactions and translation

i) Functional and presentation currency:

Items included in the Standalone Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (functional currency). The Standalone Financial Statements of the Company are presented in Indian currency, which is also the functional currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Standalone Statement of Profit and Loss, except that they are deferred in other equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) presented in the Standalone Statement of Profit and Loss are on a net basis within other income.

Non-monetary items that are measured at fair value and denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss). Non-monetary items that are measured in terms of historical cost in a foreign currency are not revalued.

1.5 Taxes**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided in full using the liability method 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 liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.6 Contingent liabilities and Contingent Assets

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by future events not wholly within the control of the entity.

Contingent assets require disclosure only. If the realisation of income is virtually certain, the related asset is not a contingent asset and recognition is required.

1.7 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

1.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

1.9 a) Property, plant and equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

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

Property, plant and equipment that are not ready for intended use as on the date of Standalone Balance Sheet are disclosed as 'capital work-in-progress'.

Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss.

The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration. Computer software cost is amortised over a period of three years using the straight-line method.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product/patent.

Depreciation and amortisation

The charge in respect of periodic depreciation is derived after determining an estimate of expected useful life and the expected residual value of the assets at the end of its useful life. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

The depreciation on tangible assets is calculated on SLM method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Estimated Useful Life
Plant and machinery	20 years
Office equipment	5 years
Computers/Servers	3/6 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years
Computer Software's (Perpetual)	3 Years

The useful life has been determined based on technical evaluation done by the Management/experts, which are different from the useful life prescribed in Part C of Schedule II of the Act in order to reflect actual use of the assets. The residual values, useful life and method of depreciation of property, plant and equipment are reviewed annually and adjusted prospectively, if appropriate.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Land accounted under finance lease is amortised on a straight-line basis over the primary period of lease.

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of profit and loss when the asset is derecognised.

1.10 Financial instruments**Initial recognition**

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

Subsequent measurement**(A) Non derivative financial instruments****(i) Financial Assets at amortised cost**

A financial assets is measured at the amortised cost if both the following conditions are met :

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

(iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

(a) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. If not, the fee is deferred until the draw down occurs.

Borrowings are removed from the Standalone Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income/(expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(B) Derivative financial instruments

The company holds derivatives financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Company has taken all the forward contract from the bank.

The company have derivative financial assets/financial liabilities which are not designated as hedges;

Derivatives not designated are initially recognised at the fair value and attributable transaction cost are recognised in statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit and loss. Asset/Liabilities in this category are presented as current asset/current liabilities.

Derecognition

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

1.11 Borrowing costs

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

Other borrowing costs are expensed in the period in which they are incurred.

1.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

1.13 Employee Benefits**i) Defined contribution plans (Provident Fund)**

In accordance with Indian Law, eligible employees receive benefits from Provident Fund, which is defined contribution plan. Both the employee and employer make monthly contributions to the plan, which is administered by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

ii) Defined benefit plans (Gratuity)

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Standalone Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The liability so provided is paid to a trust administered by the Company, which in turn invests in eligible securities to meet the liability as and when it becomes due for payment in future. Any shortfall in the value of assets over the defined benefit obligation is recognised as a liability with a corresponding charge to the Standalone Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate at the beginning of the period to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Standalone Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

The Company recognises all Remeasurement of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans 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 obligation can be estimated reliably.

1.14 Lease

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

At the commencement date of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has the right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, lease liability is measured at the present value of the lease payments to be paid during the non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently, the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

1.15 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

1.16 Research and Development expenditure

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible assets is recognised as an expense when it is incurred. Items of Property, Plant and Equipment and acquired Intangible assets are used for research and development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible assets.

2 Trade Receivable			In ₹ '00
Particulars	As at 31 March 2025	As at 31 March 2024	
Unsecured, considered good	-	86,553.00	
Total	-	86,553.00	

Trade Receivables Ageing schedule

Current reporting Year								In ₹ '00
Particulars	Undue Considered Good	Outstanding for following periods from due date of payment					As at 31 March 2025	
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years		
Undisputed Trade receivables								
-considered good	-	-	-	-	-	-	-	-
-which have significant increase in credit	-	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-	-
Disputed Trade receivables								
-considered good	-	-	-	-	-	-	-	-
-which have significant increase in credit	-	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	-	-	-
Provision for Expected Credit Loss								-
Total								-

Previous reporting year								In ₹ '00
Particulars	Undue Considered Good	Outstanding for following periods from due date of payment					As at 31 March 2024	
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years		
Undisputed Trade receivables								
-considered good	86,553.00	-	-	-	-	-	-	-
-which have significant increase in credit	-	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-	-
Disputed Trade receivables								
-considered good	-	-	-	-	-	-	-	-
-which have significant increase in credit	-	-	-	-	-	-	-	-
-credit impaired	-	-	-	-	-	-	-	-
Sub Total	86,553.00	-	-	-	-	-	-	86,553.00
Provision for Expected Credit Loss								-
Total								86,553.00

3 Cash and cash equivalents			In ₹ '00
Particulars	As at 31 March 2025	As at March 31, 2024	
Balances with Banks	17,777.45	1,000.00	
Total	17,777.45	1,000.00	

4 Other current assets			In ₹ '00
Particulars	As at 31 March 2025	As at March 31, 2024	
Balances with government authorities	68.74	9,323.10	
Total	68.74	9,323.10	

5 Equity Share Capital			In ₹ '00
Particulars	As at 31 March 2025	As at March 31, 2024	
Authorised Share Capital			
10,000 Equity Shares of Rs. 10 each	1,000.00	1,000.00	
Issued, subscribed & fully paid up			
10,000 Equity Shares of Rs. 10 each	1,000.00	1,000.00	
Total	1,000.00	1,000.00	

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders.
In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of Share Capital					In ₹ '00
Particulars	As at 31 March 2025		As at March 31, 2024		
	Number of Shares	Amount	Number of Shares	Amount	
Opening Balance	10,000	1,000.00	10,000	1,000.00	
Changes due to prior period error	-	-	-	-	
Issued during the year	-	-	-	-	
Deletion	-	-	-	-	
Closing balance	10,000	1,000.00	10,000	1,000.00	

Equity Share holder holding more than 5%				
Name of Share Holder	As at 31 March 2025		As at March 31, 2024	
	No of Shares	% of Shareholding	No of Shares	% of Shareholding
Ami Organics Limited	9,998	100%	9,998	100%
Nareshkumar R. Patel (Held on behalf of Ami Organics Limited)	1	0%	1	0%
Chetankumar C. Vaghasia (Held on behalf of Ami Organics Limited)	1	0%	1	0%

Shares held by promoters at 31 March 2025

Name of Promotor	Class of shares	No. of Shares	% of total shares	% Change during the year
Ami Organics Limited	Equity	9,998	100%	-
Nareshkumar R. Patel (Held on behalf of Ami Organics Limited)	Equity	1	0%	-
Chetankumar C. Vaghasia (Held on behalf of Ami Organics Limited)	Equity	1	0%	-

Shares held by promoters at 31 March 2024

Name of Promotor	Class of shares	No of Shares	% of total shares	% Change during the year
Ami Organics Limited	Equity	9,998	100%	-
Nareshkumar R. Patel	Equity	1	0%	-
Chetankumar C. Vaghasia	Equity	1	0%	-

6 Other Equity

Particulars	As at 31 March 2025	As at March 31, 2024
Retained Earnings	15,454.99	15,069.07
Total	15,454.99	15,069.07

Movement of Other Equity

Particulars	As at 31 March 2025	As at March 31, 2024
Retained Earnings		
Balance at the beginning of the year	15,069.07	-
Add: Profit/(Loss) during the year	385.92	15,069.07
Less: Appropriation		
Dividend on Equity Shares (Incl. DDT)	-	-
Balance at the end of the year	15,454.99	15,069.07

7 Trade Payables - Current

Particulars	As at 31 March 2025	As at March 31, 2024
Total outstanding dues of Creditor of other than Micro Enterprise and small enterprise	901.28	62,000.02
Total	901.28	62,000.02

Trade Payables ageing schedule 31 March, 2025

Particulars	Undue	Outstanding for following periods from due date of payment As at March 31, 2025					Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	-	-	-	-	-	-	-
(ii) Others	901.28	-	-	-	-	-	901.28
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total	901.28	-	-	-	-	-	901.28

Trade Payables ageing schedule 31 March, 2024

Particulars	Undue	Outstanding for following periods from due date of payment As at March 31, 2024					Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years		
MSME	-	-	-	-	-	-	-
Others	62,000.02	-	-	-	-	-	62,000.02
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
Total	62,000.02	-	-	-	-	-	62,000.02

8 Other current liabilities

Particulars	As at 31 March 2025	As at March 31, 2024
Statutory liabilities	-	13,203.00
Provision for Expenses	250.00	250.00
Total	250.00	13,453.00

9 Current Tax Liability

Particulars	As at 31 March 2025	As at March 31, 2024
Current Tax Liability	239.92	5,354.01
Total	239.92	5,354.01

10 Revenue From Operations

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Sale of Goods Domestic	30,000.00	73,350.00
Total	30,000.00	73,350.00

11 Other Income

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Interest Income	-	-
Total	-	-

11 Cost of materials consumed

In ₹ '00

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Raw Material consumed		
Opening stock	-	-
Purchases	25,000.00	51,775.00
Less: Closing stock	-	-
Total	25,000.00	51,775.00

12 Changes in inventories of finished goods, Stock in Trade and work in progress

In ₹ '00

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Opening stock		
Raw Material	-	-
Finished Goods	-	-
Less: Closing Stock		
Raw Material	-	-
Finished Goods	-	-
Total	-	-

13 Finance costs

In ₹ '00

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Interest expenses	2,208.98	-
Total	2,208.98	-

14 Other expenses

In ₹ '00

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Legal & Professional	35.40	301.92
Inward Freight Charges (Normal)	219.00	-
Rent Expenses	1,200.00	600.00
Audit Fee	250.00	250.00
Miscellaneous Expenses	674.70	-
Total	2,379.10	1,151.92

15 Current Tax

In ₹ '00

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Current Tax	26.00	5,354.01
Total	26.00	5,354.01

16 Earning per share

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Profit for the year	385.92	15,069.07
Profit attributable to equity shareholders	385.92	15,069.07
Weighted average number of Equity Shares	10,000	10,000
Earnings per share basic (Rs)	3.86	150.69
Earnings per share diluted (Rs)	3.86	150.69
Face value per equity share (Rs)	10.00	10.00

17 Related Party Disclosure**(i) List of Related Parties****Enterprises in which relative of key management personnel have significant influence**

-Hare Krishna Bath Fittings LLP
 -Alkoxide Fine Chem Private Limited
 -Globe BioCare
 -Ami Procure Private Limited
 -Religen Inc
 -Prodigy Biotech Inc

Holding Company

-Ami Organics Limited

Key Managerial Personnel

-Nareshkumar R. Patel (Director)
 -Chetankumar C. Vaghasia (Director)
 -Virendra Nath Mishra (Director)

Relative of KMP

-Shitalben Patel - Wife of Nareshkumar R. Patel
 -Parulben C. Vaghasia - Wife of Chetankumar C. Vaghasia
 -Chhagan R Vaghasia - Father of Chetankumar C. Vaghasia
 -Bhanuben C Vaghasia - Mother of Chetankumar C. Vaghasia

(ii) Related Party Transactions

The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (Ind AS) -24 'Related Party Disclosures' and the same have been relied upon by the auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the current year /previous year, except where control exists, in which case the relationships have been mentioned irrespective of transactions with the related party.

In ₹ '00

Particulars	For Year ended 31 March 2025	For Year ended 31 March 2024
Share Subscription Money Received	-	1,000.00
Loan Received	70,000.00	-
Loan Repayment	70,000.00	-
Rent Expense	1,200.00	600.00
Interest Charged on Loan Received	2,208.98	-
Reimbursement of Expenses	10,639.66	281.92

Balances of Related Party Outstanding at the end of year

In ₹ '00

Particular	For Year ended 31 March 2025	For Year ended 31 March 2024
Reimbursement Payable	224.95	281.92
Rent Payable	300.00	600.00
Total	524.95	881.92

18 Financial Instrument

The payables of the company are to the Holding Company ("Ami Organics Limited"), so Risks related to Financial Instruments such as Market Risk, Credit Risk and Foreign Currency fluctuations Risk are not applicable. Accordingly the same need not to be disclosed.

19 Capital Management

The Company manages its capital to ensure that it will continue as a going concern, while maximising the return to shareholders.

20 Ratio Analysis

Since the company is still in Pre-operative stage, ratio analysis will not give the correct picture, hence the same need not be disclosed.

21 Other statutory information

- a) The Company has not entered into 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.
- b) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- c) The Company is not declared wilful defaulter by any bank or financial institution or other lenders.
- d) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- (e) The Company does not have transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- f) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, if any) whose title deeds are not held in the name 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.
- g) The Company does not have any Benami property, where any proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.
- h) No loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.
- i) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- j) Other than the nature of transactions described above;
- (i) No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding that the Intermediary shall directly or indirectly lend or invest in party identified in any manner whatsoever by or on behalf of the Company ("Ultimate beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding 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;
- k) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Also, there are no previously unrecorded income and related assets that have required to be recorded in the books of account during the year.
- l) The Company does not have any borrowings from banks or financial institutions which is taken on the basis of security of current assets

22 Subsequent Events

No subsequent event has been observed which may require an adjustment to the statement of financial position.

23 In the opinion of the Management, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

24 Balances in the accounts of Trade Receivables, Loans and Advances, Trade Payables and Other Current Liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

25 There was no impairment loss on the fixed assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS)–36 'Impairment of Assets.

The tax rate used for the reconciliation above is the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

The Company has elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 which gives a one time irreversible option to domestic companies for payment of corporate tax at reduced rates. Accordingly, the Company has re-measured its deferred tax asset (net) basis the rate prescribed in the said section.

26 The Company has a single operations and there is / are no reportable segments (business and/or geographical) in accordance with the requirements under Indian Accounting Standard 108 "Operating Segments". Accordingly no disclosures are required under secondary segment reporting.

27 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2025.

Signature to Notes "1 to 27"

As per our report of even date attached
For **Maheshwari & Co.**
Chartered Accountants
FRN: 105834W

For and on behalf of Board of Directors,
Baba Advance Materials Limited

Sd/-
Vikas Asawa
Partner
Membership No. 172133
Place: Surat
Date: May 02,2025

Sd/-
Nareshkumar R. Patel
Director
DIN: 00906232
Place: Surat
Date: May 02,2025

Sd/-
Chetankumar C. Vaghasia
Director
DIN: 01375540