



Date: March 25, 2025

The BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai-400001  
Scrip Code: 540203

The National Stock Exchange India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra(E), Mumbai-400051  
NSE Symbol: SFL

**Re: Disclosure pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)**

**Sub: Notice to the Equity Shareholders of Sheela Foam Limited (“the Company”) as per the directions of the Hon’ble National Company Law Tribunal, Mumbai Bench (“Hon’ble NCLT”)**

Dear Sir/Madam,

Pursuant to the provisions of Regulation 30 read with clause 12, Para A of Part A of Schedule III of the SEBI Listing Regulations, this is to inform that in terms of the Hon’ble NCLT Order dated March 12, 2025 in the matter of Company Scheme Application No. C.A (CAA)34(MB)/2025, following meeting is scheduled to be held for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement between Belvedere International Limited (“BIL” or “Transferor Company 1”), Kanvas Concepts Private Limited (“KCPL” or “Transferor Company 2”), Kurlon Retail Limited (“KRL” or “Transferor Company 3”), Komfort Universe Products And Services Limited (“KUPSL” or “Transferor Company 4”), Starship Value Chain and Manufacturing Private Limited (“SVC MPL” or “Transferor Company 5”), Kurlon Enterprise Limited (“KEL” or “Transferee Company” or “Amalgamating Company”) and Sheela Foam Limited (“SFL” or “Amalgamated Company” or “Company”) and their respective shareholders and creditors (the "Scheme"):

S. No	Meeting	Date of meeting	Time	Commencement of remote e-voting	End of remote e-voting	Cut-off date for e-voting
1.	Equity shareholders	28.04.2025	04:00 PM	24.04.2025	27.04.2025	21.04.2025

**SHEELA FOAM LTD.**

#14, Sleepwell Tower , Sector 135, Noida- 201301  
Ph: Int-91-120-4868400 •Email: contactus@sheelafoam.com  
Regd. Office: 1002 to 1006 The Avenue International Airport Road, Opp Hotel Leela Sahar,  
Andheri East, Mumbai, Maharashtra, India, 400059 • Ph: Int-91-22-28265686/88/89  
Toll Free: 1800 103 6664 • www.sleepwellproducts.com • www.sheelafoam.com  
CIN- L74899MH1971PLC427835



The Notice of meeting has been sent on March 25, 2025 to the equity shareholders whose names appear in the register of members/list of beneficial owners maintained by the Depositories as on March 21, 2025 in terms of the NCLT Order.

The Notice has been sent through e-mail to the equity shareholders whose e-mail IDs are registered with the Company.

The said Notice of meeting is also available on the Company's website [www.sheelafoam.com](http://www.sheelafoam.com) , websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

The Company has provided the remote e-voting facility (prior to the Meeting) and e-voting/ InstaPoll (during the Meeting) to all its equity shareholders and has engaged the services of National Securities Depository Limited ("NSDL") to provide the said e-voting facility.

We request you to take the above on record

Thanking you,  
Yours faithfully,

For **Sheela Foam Limited**

**Md. Iquebal Ahmad**  
**Company Secretary**  
**ACS – A20921**

**Enclosed:**

- 1. Notice of shareholders meeting**

**SHEELA FOAM LTD.**

#14, Sleepwell Tower , Sector 135, Noida- 201301

Ph: Int-91-120-4868400 •Email: [contactus@sheelafoam.com](mailto:contactus@sheelafoam.com)

Regd. Office: 1002 to 1006 The Avenue International Airport Road, Opp Hotel Leela Sahar,

Andheri East, Mumbai, Maharashtra, India, 400059 • Ph: Int-91-22-28265686/88/89

Toll Free: 1800 103 6664 • [www.sleepwellproducts.com](http://www.sleepwellproducts.com) • [www.sheelafoam.com](http://www.sheelafoam.com)

CIN- L74899MH1971PLC427835

**Sheela Foam Limited**  
**(CIN: L74899MH1971PLC427835)**  
**Registered Office: 1002 TO 1006 The Avenue International Airport Road, Opp Hotel Leela Sahar, Marol Naka, Mumbai, Mumbai, Maharashtra, India, 400059**  
**Corporate Office: 14, Sector-135, Noida 201301, Uttar Pradesh**  
**Email: investorrelation@sheelafoam.com Phone: + 91 22 2826 5686/ +91 120 4868400**

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**NOTICE OF MEETING OF EQUITY SHAREHOLDERS OF SHEELA FOAM LIMITED**

*(being convened pursuant to the order dated 12.03.2025 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench – [“NCLT”])*

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<b>Meeting details:</b>	
<b>Day</b>	<b>Monday</b>
<b>Date</b>	<b>April 28, 2025</b>
<b>Time</b>	<b>04:00 PM</b>
<b>Mode</b>	<b>VIDEO CONFERENCE (VC)/OTHER AUDIO-VISUAL MEANS (OAVM)</b>
<b>E-voting details:</b>	
<b>Start date &amp; time</b>	<b>24<sup>th</sup> April, 2025 at 10:00 AM IST</b>
<b>End date &amp; time</b>	<b>27<sup>th</sup> April, 2025 at 05:00 PM IST</b>

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The Notice of the Meeting, Statement under Sections 102, 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable SEBI Circulars and Annexure- 1 to Annexure-18 (page nos. 64 to 693) constitute a single and complete set of documents and should be read in conjunction with each other, as they form an integral part of this document.

**FORM NO. CAA 2**

**[Pursuant to Section 230 (3) of the Companies Act, 2013 and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016]**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT MUMBAI  
COMPANY APPLICATION NO. \_\_\_\_\_ OF 2024**

**IN THE MATTER OF THE COMPANIES ACT, 2013  
UNDER SECTION 230-232 READ WITH COMPANIES  
(COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS)  
RULES, 2016  
AND  
IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT  
BY AND BETWEEN**

**Belvedere International Limited (Transferor/ Applicant Company No. 1), Kanvas Concepts Private Limited (Transferor/ Applicant Company No. 2), Kurlon Retail Limited (Transferor/ Applicant Company No. 3), Komfort Universe Products and Services Limited (Transferor/ Applicant Company No. 4), Starship Value Chain and Manufacturing Private Limited (Transferor/ Applicant Company No. 5), (collectively hereinafter referred to as the "Transferor Companies"), respectively into Kurlon Enterprise Limited (hereinafter referred to as the "Transferee /Amalgamating /Applicant Company No. 6") with and into Sheela Foam Limited ("Amalgamated /Applicant Company No.7") and their respective shareholders and creditors**

**SHEELA FOAM LIMITED**

A company incorporated under the provisions of Companies Act, 1956.  
Through its Authorized Representative: Md. Iquebal Ahmad

**Registered Office:** 1002 to 1006,  
The Avenue International Airport Road,  
Opp. Hotel Leela, Sahar, Andheri (East),  
Marol Naka, Mumbai,  
Maharashtra- 400059  
**CIN:** L74899MH1971PLC427835  
**Email ID:** [investorrelation@sheelafoam.com](mailto:investorrelation@sheelafoam.com)

.....AMALGAMATED /APPLICANT COMPANY NO.7

**AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF  
SHEELA FOAM LIMITED**

*(being convened pursuant to the order dated 12.03.2025 passed by the Hon'ble National  
Company Law Tribunal, Mumbai Bench – [NCLT])*

To,  
**The Equity Shareholder(s) of Sheela Foam Limited  
("AMALGAMATED /APPLICANT COMPANY NO. 7")**

**NOTICE** is hereby given that the Hon'ble National Company Law Tribunal, Mumbai Bench, (the "NCLT"), by an order dated 12.03.2025, (the "**NCLT Order**"), has directed convening of a meeting of the equity shareholders of Sheela Foam Limited (the "Company"/ "Amalgamated /Applicant Company No. 7") for the purpose of considering, and if thought fit, approving the Draft Composite Scheme of Arrangement of (i) Amalgamation of Belvedere International Limited, Kanvas Concepts Private Limited, Kurlon Retail Limited, Komfort Universe Products and Services Limited, Starship Value Chain and Manufacturing Private Limited (collectively hereinafter referred to as the "**Transferor Companies**"), respectively into Kurlon Enterprise Limited (hereinafter referred to as the "**Transferee /Amalgamating /Applicant Company No. 6**"), (ii) Amalgamation of Kurlon Enterprise Limited with Sheela Foam Limited (hereinafter referred to as the "**Amalgamated/Applicant Company No.7**") and their respective shareholders and creditors (hereinafter referred to as the "**Scheme**") pursuant to Sections 230 to 232 of the Companies Act, 2013 (the " Act") read with the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 (the "CAA Rules") and other applicable provisions of the Act and the CAA Rules and other provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), applicable SEBI Circulars and Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India.

In pursuance of the said NCLT Order and as directed therein, further notice is hereby given that a meeting of the equity shareholders of the Amalgamated/Applicant Company No.7 will be held on Monday, April 28, 2025 at 04:00 pm IST Through video conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**") (hereinafter referred to as the "**Meeting**"), and the equity shareholders are hereby requested to attend the Meeting to transact the following business:



**TO CONSIDER AND IF THOUGHT FIT, APPROVE WITH OR WITHOUT MODIFICATION(S), TO PASS, THE FOLLOWING RESOLUTION FOR APPROVAL OF THE SCHEME:**

**“RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 (the “ Act”) read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “SEBI Listing Regulations”), SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (the “SEBI Master Circular”) as amended from time to time, the Memorandum and Articles of Association of the Company, any other applicable provisions of any other law for the time being in force, the approval/no adverse remark in the Observation Letters issued by Bombay Stock Exchange (“**BSE**”) and National Stock Exchange of India Limited (“**NSE**”) on November 25, 2024 and November 26, 2024, respectively and subject to approval of National Company Law Tribunal, Mumbai Bench, (the “**NCLT**”), and subject to such conditions and modifications as may be prescribed or imposed by the NCLT or by any regulatory or other authorities, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), and subject to such approvals, consents, permissions and sanctions, as may be applicable and required, the Scheme, draft of which was circulated to the members along with the Notice, be and is hereby approved;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the Scheme and to take decision regarding accepting such modifications, amendments, limitations and/or conditions, if any, which may be required and/ or imposed by the NCLT while approving the Scheme or by any regulatory or other authorities; to do all acts as may be required for the purpose of resolving any questions or doubts or difficulties that may arise or meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, including passing of such accounting entries and/or making such adjustments in the books of accounts as may be considered necessary or any matter(s) as may be considered ancillary and/or incidental in giving effect to the Scheme.”

The Hon’ble NCLT has appointed undersigned as Chairperson for the Meeting and Mr. Rahul Anand Drolia as the Scrutinizer for the Meeting.

The Scheme shall be considered as approved by the equity shareholders of Amalgamated Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the equity shareholders by remote e-voting and by e-voting, taken together, in terms of the provisions of Sections 230 - 232 of the Act. Further, the Scheme once approved by the equity shareholders as aforesaid, will be subject to the subsequent approval of the NCLT.

Further, in terms of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 (which rescinded the erstwhile SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021) (the "SEBI Master Circular"), the Scheme shall be acted upon only if the number of votes cast by the Public Shareholders (through remote e-voting and e-voting) in favour of the aforesaid resolution for approval of the Scheme is more than the number of votes cast by the Public Shareholders against it.

A copy each of the Notice including Scheme and other relevant documents under Section 230 of the Act can be obtained free of charge from the Registered Office of the Amalgamated Company at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059 or can be downloaded from the Company's website under the link [www.sheelafoam.com](http://www.sheelafoam.com)

The Scrutiniser will, immediately after the conclusion of e-voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock votes cast through remote e-voting in presence of two witnesses not in employment of the Company, a Scrutiniser's Report (of total votes cast in favour or against, invalid votes, if any) and submit the said report to the Chairperson of the Meeting. The Scrutiniser will also submit a separate report with regard to the result of the remote e-voting and e-voting in respect of the Public Shareholders. The Scrutinizer's decision on the validity of the votes cast shall be final.

The result of e-voting will be declared on or before 30th April, 2025 at 04:00 PM, and the same, along with the Scrutiniser's Report, will be displayed on the website of the Amalgamated Company at [www.sheelafoam.com](http://www.sheelafoam.com); websites of the BSE at [www.bseindia.com](http://www.bseindia.com) and the NSE at [www.nseindia.com](http://www.nseindia.com); and on the website of e-voting agency, National Securities Depository Limited (the "NSDL") at [www.evoting.nsdl.com](http://www.evoting.nsdl.com). The result shall be reported to the NCLT by the Chairperson within 30 (Thirty) days of conclusion of Meeting, as per Rule 14 of the CAA Rules and as directed in the NCLT Order.

The copy of the Scheme along with the statement under Sections 230, 232 read with Section 102 and other applicable provisions of the Act read with Rule 6 of the CAA Rules, and the documents as stated in the index (collectively referred as "**Annexures**") are enclosed herewith. In terms of the NCLT Order, the Notice of this Meeting together with Annexures is being sent via email to those equity shareholders of the Amalgamated Company whose names appear in the register of members/list of beneficial owners as on 21st March, 2025 and whose e-mail addresses are registered with the Amalgamated Company/ the relevant Depository(ies) as on the said date. For the equity shareholders who have not registered their e-mail address with the Amalgamated Company /the relevant Depository(ies), the Notice of this Meeting, together with Annexures can be downloaded from the website of the Amalgamated Company. A copy of this Notice and the Annexures will also be hosted on the website of the Amalgamated Company at [www.sheelafoam.com](http://www.sheelafoam.com); websites of the BSE at [www.bseindia.com](http://www.bseindia.com) and the NSE at [www.nseindia.com](http://www.nseindia.com) and also on the website of the e-voting agency viz. the NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

Place: **Mumbai**  
Date: **25.03.2025**

Sd/-  
Subhash C Varshney  
Chairman appointed for the Meeting  
For Sheela Foam Limited

## IMPORTANT NOTES:

1. In accordance with the NCLT Order and pursuant to the Ministry of Corporate Affairs (“MCA”) General Circular Nos. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 18/2020 dated April 21, 2020 Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2020 dated January 13, 2021, Circular No. 19/21 dated December 8, 2021, Circular no. 21/2021 dated December 14, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May 5 2022, 10/2022 dated December 28, 2022, 09/2023 dated 25.09.2023 and 09/2024 dated 19.09.2024 (collectively referred to as “MCA Circulars”), the Amalgamated Company is allowed to hold the Meeting through Video Conferencing (“VC”) or through Other Audio-Visual Means (“OAVM”), without the physical presence of the Members at a common venue. Hence, in compliance with the directions contained in the NCLT Order, applicable provisions of the Act and the CAA Rules made thereunder, read with the MCA Circulars, the Meeting is being held through VC / OAVM. The deemed venue for the Meeting shall be the Registered Office of the Amalgamated Company.
2. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of meeting 28th April, 2025. Members seeking to inspect such documents can send an email to [investorrelation@sheelafoam.com](mailto:investorrelation@sheelafoam.com)
3. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Pursuant to the NCLT Order, and in compliance with the MCA Circulars since this Meeting is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
4. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business of the accompanying Notice, is annexed hereto.
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [rahuldrolia@gmail.com](mailto:rahuldrolia@gmail.com) with copies marked to the Company at [investorrelation@sheelafoam.com](mailto:investorrelation@sheelafoam.com) and to its RTA at [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in).
6. In case the shareholder’s email ID is already registered with the Company/its Registrar & Share Transfer Agent “RTA”/Depositories, log in details for e-voting are being sent on the registered email address.  
In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., [www.linkintime.co.in](http://www.linkintime.co.in) under Investor Services > Email/Bank detail Registration- fill in the details and upload the required documents and submit.

**OR**

**(ii) In the case of Shares held in Demat mode:**

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. In accordance with the MCA Circulars and the SEBI Circulars and in terms of the NCLT Order, the Notice of this Meeting together with Annexures is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Meeting and Annexures will also be available on the Company's website [www.sheelafoam.com](http://www.sheelafoam.com) ; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively. Members can attend and participate in the Meeting through VC/OAVM facility only.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts.
10. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013. Further, in terms of the NCLT Order, the quorum for the Meeting shall be 30 equity shareholders and in case the required quorum of 30 equity shareholders for the Meeting is not present within half an hour from the time appointed for the holding of the meeting, the members present, and voting shall be deemed to constitute the quorum. The Scrutinizer is also duty bound to record all proceedings of the Meeting conducted through VC.
11. The NCLT through NCLT Order has appointed Mr. Rahul Anand Drolia, as a scrutinizer (the 'Scrutinizer') to scrutinize the voting and e-Voting process in a fair and transparent manner.
12. The Scrutinizer will immediately after the conclusion of e-Voting at the Meeting, first count the votes cast at the Meeting, thereafter unblock votes cast through remote e-Voting in presence of two witnesses not in employment of the Company, a Scrutinizer's Report (of total votes cast in favour or against, invalid votes, if any) and submit the said

report to the Chairperson of the Meeting. The Scrutinizer will also submit a separate report with regard to the result of the remote e-Voting and e-Voting during the Meeting in respect of the Public Shareholders. The Scrutinizer's decision on the validity of the votes cast shall be final.

13. The result of voting declared along with scrutinizer's report will be available on the website of the Company at [www.sheelafoam.com](http://www.sheelafoam.com) and websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.
14. The meeting is being conducted through VC/OAVM, for the smooth conduct of proceedings, members are encouraged to send their queries 10 days prior to meeting mentioning their at [investorrelation@sheelafoam.com](mailto:investorrelation@sheelafoam.com). These queries will be replied by the Company suitably either at the meeting or through email.
15. In case of joint holders attending the Meeting, only such joint holder who is first in the order of names will be entitled to vote at the Meeting, provided the votes are not already casted by remote e-Voting.
16. An Explanatory Statement to be annexed to the Notice in pursuance of Section 102 of the Act and the Rules made thereunder, setting out the material facts in respect of the businesses set out in the Notice, is annexed hereto and forms part of this Notice.
17. The Notice convening the Meeting will be published through advertisement in newspapers of "Financial Express" in English language and in "Navshakti" in Marathi language.
18. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.

**19. The instructions for shareholders voting through electronic means**

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), Regulation 44 of the Listing Regulations and MCA circulars, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the meeting ("remote e-voting") will be provided by Link Intime India Private Limited (LI IPL).

II. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

III. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. 21<sup>st</sup> April, 2025. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.

IV. The e-voting period commences on 24<sup>th</sup> April, 2025 at 10:00 AM and ends on 27<sup>th</sup> April, 2025 at 05:00 PM. During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. 21<sup>st</sup> April, 2025 may cast their votes electronically. The e-voting module will be disabled by Link Intime for voting thereafter.

**Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:**

**Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9<sup>th</sup> June, 2022.**

**Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.**

Login method for Individual shareholders holding securities in demat mode is given below:

**Individual Shareholders holding securities in demat mode with NSDL**

**METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility**

**Shareholders who have registered for NSDL IDeAS facility:**

- a) Visit URL: <https://eservices.nsd.com> and click on “Beneficial Owner” icon under “Login”.
- b) Enter User ID and Password. Click on “Login”
- c) After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- d) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**OR**

**Shareholders who have not registered for NSDL IDeAS facility:**

- a) To register, visit URL: <https://eservices.nsd.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post successful registration, user will be provided with Login ID and password.

- d) After successful login, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## **METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL**

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- a) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- b) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## **Individual Shareholders holding securities in demat mode with CDSL**

### **METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility**

#### **Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:**

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or [www.cdslindia.com](http://www.cdslindia.com).
- b) Click on New System Myeasi Tab
- c) Login with existing my easi username and password
- d) After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**OR**

#### **Shareholders who have not registered for CDSL Easi/ Easiest facility:**

- a) To register, visit URL:  
<https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/> /  
<https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.



- c) Post registration, user will be provided username and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## **METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL**

- a) Visit URL: <https://www.cdslindia.com>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## **Individual Shareholders holding securities in demat mode with Depository Participant**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through “e-voting” option.
- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) After successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## **Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode**

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

- a) Visit URL: <https://instavote.linkintime.co.in>

### **Shareholders who have not registered for INSTAVOTE facility:**

- b) Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details:

**A. User ID:**

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

**B. PAN:**

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. DOB/DOI:**

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:**

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders holding shares in **NSDL form**, shall provide 'D' above*

*\*\*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

- ❖ Set the password of your choice  
(The password should contain minimum 8 characters, at least one special Character (!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).
- ❖ Enter Image Verification (CAPTCHA) Code
- ❖ Click “Submit” (You have now registered on InstaVote).

**Shareholders who have registered for INSTAVOTE facility:**

c) Click on “**Login**” under ‘SHARE HOLDER’ tab.

- A. User ID: Enter your User ID
- B. Password: Enter your Password
- C. Enter Image Verification (CAPTCHA) Code
- D. Click “Submit”

d) Cast your vote electronically:

- A. After successful login, you will be able to see the “Notification for e-voting”.
- B. Select ‘View’ icon.
- C. E-voting page will appear.

- D. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- E. After selecting the desired option i.e. Favour / Against, click on 'Submit'.  
A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

### **Guidelines for Institutional shareholders (“Custodian / Corporate Body/ Mutual Fund”)**

#### **STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration**

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on **“Sign Up”** under **“Custodian / Corporate Body/ Mutual Fund”**
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person’s email ID. (You have now registered on InstaVote)

#### **STEP 2 – Investor Mapping**

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on **“Investor Mapping”** tab under the Menu Section
- c) Map the Investor with the following details:
  - A. ‘Investor ID’ –
    - i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID *i.e., IN00000012345678*
    - ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.
  - B. ‘Investor’s Name - Enter Investor’s Name as updated with DP.
  - C. ‘Investor PAN’ - Enter your 10-digit PAN.
  - D. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.

*\*File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.*

- E. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the **“Report Section”**.

### STEP 3 – Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

#### METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on **“Votes Entry”** tab under the Menu section.
- c) Enter the **“Event No.”** for which you want to cast vote.  
Event No. can be viewed on the home page of InstaVote under **“On-going Events”**.
- d) Enter **“16-digit Demat Account No.”** for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- f) After selecting the desired option i.e. Favour / Against, click on ‘Submit’.  
A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

**OR**

#### METHOD 2 - VOTES UPLOAD

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will be able to see the **“Notification for e-voting”**.
- c) Select **“View”** icon for **“Company’s Name / Event number”**.
- d) E-voting page will appear.
- e) Download sample vote file from **“Download Sample Vote File”** tab.
- f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under **“Upload Vote File”** option.
- g) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.  
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**Helpdesk:**

**Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:**

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE

helpdesk by sending a request at [enotices@in.mpms.mufg.com](mailto:enotices@in.mpms.mufg.com) or contact on: - Tel: 022 – 4918 6000.

### Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

### Forgot Password:

#### Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on “**Login**” under ‘SHARE HOLDER’ tab.
- Click “**forgot password?**”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

*In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

#### **User ID:**

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under “Custodian / Corporate Body/ Mutual Fund” tab
- Click “forgot password?”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

*In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- ❖ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ❖ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ❖ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.



Team InstaVote

MUFG Intime India Private Limited  
Formerly Link Intime India Private Limited

**Process and manner for attending the Meeting through InstaMeet:**

**Login method for shareholders to attend the General Meeting through InstaMeet:**

- e) Visit URL: <https://instameet.in.mpms.mufig.com> & click on “Login”.
- f) Select the “Company” and ‘Event Date’ and register with your following details:

**E. Demat Account No. or Folio No:**

Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.

Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – shall provide Folio Number.

**F. PAN:**

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**G. Mobile No:** Enter your Mobile No.

**H. Email ID:** Enter your email Id as recorded with your DP/ Company.

g) Click “Go to Meeting”

You are now registered for InstaMeet, and your attendance is marked for the meeting.

**Instructions for shareholders to Speak during the General Meeting through InstaMeet:**

- a) Shareholders who would like to speak during the meeting must register their request with the company.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive “speaking serial number” once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- d) Other shareholder who has not registered as “Speaker Shareholder” may still ask questions to the panellist via active chat-board during the meeting.

*\*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.*

**Instructions for Shareholders to Vote during the General Meeting through InstaMeet:**

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- c) Click on 'Submit'.
- d) After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

- e) Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:**

*Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.*

*Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.*

*Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.*

*Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.*

*Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.*

**Helpdesk:**

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at [instameet@in.mpms.mufg.com](mailto:instameet@in.mpms.mufg.com) or contact on: - Tel: 022 – 4918 6000 / 4918 6175.



Team InstaMeet  
MUFG Intime India Private Limited  
Formerly Link Intime India Private Limited



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT MUMBAI  
COMPANY APPLICATION NO. \_\_\_\_\_ OF 2024**

**IN THE MATTER OF THE COMPANIES ACT, 2013  
UNDER SECTION 230-232 READ WITH COMPANIES  
(COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS)  
RULES, 2016  
AND  
IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT  
BY AND BETWEEN**

Belvedere International Limited (**Transferor/ Applicant Company No. 1**), Kanvas Concepts Private Limited (**Transferor/ Applicant Company No. 2**), Kurlon Retail Limited (**Transferor/ Applicant Company No. 3**), Komfort Universe Products and Services Limited (**Transferor/ Applicant Company No. 4**), Starship Value Chain and Manufacturing Private Limited (**Transferor/ Applicant Company No. 5**), (collectively hereinafter referred to as the “**Transferor Companies**”), respectively into Kurlon Enterprise Limited (hereinafter referred to as the “**Transferee /Amalgamating /Applicant Company No. 6**”) with and into Sheela Foam Limited (“**Amalgamated /Applicant Company No.7**”) and their respective shareholders and creditors

**SHEELA FOAM LIMITED**

A company incorporated under the provisions of Companies Act, 1956.  
Through its Authorized Representative: Mr. Md. Iquebal Ahmad

**Registered Office:** 1002 to 1006,  
The Avenue International Airport Road,  
Opp. Hotel Leela, Sahar, Andheri (East),  
Marol Naka, Mumbai,  
Maharashtra- 400059  
**CIN:** L74899MH1971PLC427835  
**Email ID:** [investorrelation@sheelafoam.com](mailto:investorrelation@sheelafoam.com)

.....**AMALGAMATED /APPLICANT COMPANY NO.7**

**AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**EXPLANATORY STATEMENT UNDER SECTIONS 230, 232, 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (THE "ACT") READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (THE "CAA RULES").**

1. **Details of the Order of NCLT:** Pursuant to the order dated 12.03.2025 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench (hereinafter referred to as the "NCLT"), in Company Application No. C.A (CAA)34(MB)/2025 (hereinafter referred to as the "NCLT Order"), a meeting of the equity shareholders of Sheela Foam Limited (the "Company"/ "Amalgamated /Applicant Company No. 7") is being convened through Video Conference ("VC") or other audio visual means ("OAVM"), on Monday, 28th April, 2025 at 04:00 pm IST, for the purpose of considering, and if thought fit, approving the Composite Scheme of Arrangement and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Companies Act"), read with the Companies (Compromises, Arrangements And Amalgamations) Rules, 2016.

A copy of the Scheme is attached herewith and marked as **Annexure 1**.

Capitalised terms not defined herein and used in the Notice and this annexed Explanatory Statement shall have the same meaning as ascribed to them in the Scheme.

2. **DETAILS / BACKGROUND OF THE APPLICANT COMPANIES**

- 2.1. Transferor/Applicant Company No.1

- 2.1.1. **BELVEDORE INTERNATIONAL LIMITED** (hereinafter referred to as "BIL" or "Transferor/Applicant Company No.1) is a public limited company, incorporated on 21.12.2020 having CIN U52520MH2020PLC428938. The registered office of the Transferor/Applicant Company No.1 is situated at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059. The Email ID of the Transferor/Applicant Company No.1 is [secretary@kurlon.com](mailto:secretary@kurlon.com) and the PAN is AAJCB5195K. Transferor/Applicant Company No.1 is the wholly owned subsidiary ("WOS") of Applicant Company No.6.

- 2.1.2. Transferor/Applicant Company No.1 is mainly engaged in the business of dealing in Mattresses and summary of the main objects as per its Memorandum of Association ('MOA') are inter alia, as follows:

*"To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, manufacturing or supplying, trading, dealing in any manner whatsoever in all type of goods including Mattresses, Pillows, Furniture and other related Products and Services of International Brands on retail and B2B basis in India."*

2.1.3. That the Authorized, Issued, Subscribed and Paid-up share capital of the Transferor/Applicant Company No.1 as per the latest audited financial statements for the year ended on 31st March,2024 is:

<b>PARTICULARS</b>	<b>AMOUNT (Rs)</b>
<b>Authorized Capital</b>	
50,000 Equity Shares of Rs 10/- each	5,00,000
<b>Total</b>	<b>5,00,000</b>
<b>Issued, Subscribed and Paid-Up Capital</b>	
50,000 Equity Shares of Rs 10/- each	5,00,000
<b>Total</b>	<b>5,00,000</b>

After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of the Transferor/Applicant Company No.1. The shares of the Transferor/Applicant Company No.1 are not listed on stock exchange.

Copy of the latest Audited Annual Accounts of the Transferor/Applicant Company No.1 for the financial year ended 31.03.2024 and Provisional financial as on 30.09.2024 is annexed herewith and marked as **Annexure- 2**

**2.1.4. Details of the promoters / promoters group:**

As on the date of issuance of the Notice of this Meeting, the following are the promoters/ promoters group of Transferor/Applicant Company No.1:

<b>SR. NO.</b>	<b>NAME</b>	<b>ADDRESS</b>
<b>1.</b>	Kurlon Enterprise Limited (Along with Nominee)	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), 6 Marol Naka, Mumbai, Maharashtra- 400059

**2.1.5. Details of the directors:**

As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferor/Applicant Company No.1:

<b>SR. NO.</b>	<b>NAME</b>	<b>DIN</b>	<b>DESIGNATION AND CATEGORY</b>	<b>ADDRESS</b>
1.	Amit Kumar Gupta	01436743	Director	Flat No. 05022, ATS Pristine Sector-150 Near Pari Chowk, Noida-Gautam Buddha Nagar, Noida-201301
2.	Abhilash Padmanabh Kamti	01587117	Director	M 1102, Meghana Shalini Apartments, 2&3, 100 Feet Ring Road, Padmanabhanagar, NA, Bangalore 560070, Karnataka, India
3.	Narendra Kudva	07459916	Director	19/1, 1st Cross, 1 <sup>st</sup> Main Road, Jayamahal, NA, Bangalore-560046, Karnataka, India

2.1.6. The Board of Directors of the Transferor/Applicant Company No.1 at their meeting held on 28th March, 2024 approved the Scheme of Amalgamation. Details of Directors of the Transferor/Applicant Company No.1 who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors are as below:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Voted in favour/ against / did not vote or participate on such resolution</b>
1.	Amit Kumar Gupta	Voted in favour
2.	Abhilash Padmanabh Kamti	Voted in favour
3.	Narendra Kudva	Voted in favour

2.1.7. Details of shareholding of directors and key managerial personnel (or their relatives) of Transferor/Applicant Company No.1 as held on date of this notice:

<b>SR. NO.</b>	<b>NAME</b>	<b>DESIGNATION AND CATEGORY</b>	<b>EQUITY SHARES HELD IN</b>						
			<b>Belvedere International Limited</b>	<b>Kanvas Concepts Private Limited</b>	<b>Kurlon Retail Limited</b>	<b>Komfort Universities Product and</b>	<b>Starship Value Chain and Manufacturing</b>	<b>Kurlon Enterprise Limited</b>	<b>Sheela Foam Limited</b>

						Service s Limited			
			No. of Shares of INR 10/eac h	No. of Shares of INR 10/eac h	No. of Shares of INR 5/each	No. of Shares of INR 10/eac h	No. of Shares of INR 10/eac h	No. of Shares of INR 5/each	No. of Shares of INR 5/each
1.	Amit Kumar Gupta	Director	0	0	0	0	0	0	0
2.	Abhilash Padman abh Kamti	Director	0	0	0	0	0	0	0
3.	Narendr a Kudva	Director	0	0	0	0	0	0	0

#### 2.1.8. Details of change of name, registered office and objects of the Transferor/Applicant Company No.1 in the last five years

2.1.8.1. There has been no change in the name of the Transferor/Applicant Company No.1 in the last five years.

2.1.8.2. There has been no change in the objects of the Transferor/Applicant Company No.1 in the last five years.

2.1.8.3. There has been change in registered office address of the Transferor/Applicant Company No.1 from N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 to 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059 with effect from 16.07.2024.

#### 2.2. Transferor/Applicant Company No.2

2.2.1. **Kanvas Concepts Private Limited** (hereinafter referred to as "KCPL" or "Transferor/Applicant Company No.2) is a private limited company having CIN U74999MH2020PTC428939, incorporated on 22.09.2020. The registered office of the Transferor/Applicant Company No.2 is situated at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059. The Email ID of the Transferor/Applicant Company No.2 is [secretary@kurlon.com](mailto:secretary@kurlon.com) and the PAN is

AAICK3238P. Transferor/Applicant Company No.2 is the wholly owned subsidiary ("WOS") of Applicant Company No.6.

2.2.2. That Transferor/Applicant Company No.2 is mainly engaged in the business of providing services related to Interior and Exterior Designing and summary of the main objects as per its MOA are inter alia, as follows:

*"To carry in India or outside India the business to acts as interior decor, exteriors of Homes, stage designer, furnishing, designing, decorating, renovating and remodeling of bungalows, houses, shops, show rooms, complexes, apartments, offices, hotels, restaurants and other commercials and residential houses and for the purpose to act as organizer, consultant, advisor, trader, buyer, seller, supervisor, surveyor, broker, agent and to do all other incidental acts and things necessary for the attainment of the above objects."*

2.2.3. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferor/Applicant Company No.2 as per the latest audited financial statements for the year ended on 31<sup>st</sup> March, 2024 is:

<b>PARTICULARS</b>	<b>AMOUNT (Rs)</b>
<b>Authorized Capital</b>	
15,00,000 Equity Shares of Rs 10/- each	1,50,00,000
<b>Total</b>	<b>1,50,00,000</b>
<b>Issued, Subscribed and Paid-Up Capital</b>	
10,000 Equity Shares of Rs 10/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>

After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of the Transferor/Applicant Company No.2. The shares of the Transferor/Applicant Company No.2 are not listed on stock exchange.

Copy of the latest Audited Annual Accounts of the Transferor/Applicant Company No.2 for the financial year ended 31.03.2024 and Provisional financial as on 30.09.2024 is annexed herewith and marked as **Annexure- 3**.

2.2.4. **Details of the promoters / promoters group:**

As on the date of issuance of the Notice of this Meeting, the following are the promoters/ promoters group of Transferor/Applicant Company No.2:

<b>SR. NO.</b>	<b>NAME</b>	<b>ADDRESS</b>
<b>1.</b>	Kurlon Enterprise Limited (Along with 6 Nominee)	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059

#### 2.2.5. Details of the directors:

As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferor/Applicant Company No.2:

<b>SR. NO.</b>	<b>NAME</b>	<b>DIN</b>	<b>DESIGNATION AND CATEGORY</b>	<b>ADDRESS</b>
<b>1.</b>	Amit Kumar Gupta	01436743	<b>Director</b>	Flat No. 05022, ATS Pristine Sector-150 Near Pari Chowk, Noida-Gautam Buddha Nagar, Noida-201301
<b>2.</b>	Abhilash Padmanabh Kamti	01587117	<b>Director</b>	M 1102, Meghana Shalini Apartments, 2&3, 100 Feet Ring Road, Padmanabhanagar, NA, Bangalore 560070, Karnataka, India

2.2.6. The Board of Directors of the Transferor/Applicant Company No.2 at their meeting held on 28th March, 2024 approved the Scheme of Amalgamation. Details of Directors of the Transferor/Applicant Company No.2 who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors are as below:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Voted in favour/ against / did not vote or participate on such resolution</b>
<b>1.</b>	Amit Kumar Gupta	<b>Voted in favour</b>
<b>2.</b>	Abhilash Padmanabh Kamti	<b>Voted in favour</b>

**2.2.7. Details of shareholding of directors and key managerial personnel (or their relatives) of Transferor/Applicant Company No.2 as held on date of this notice:**

SR. NO.	NAME	DESIGNATION AND CATEGORY	EQUITY SHARES HELD IN						
			Belvedere International Limited	Kanvas Concepts Private Limited	Kurlon Retail Limited	Komfort Universal Products and Services Limited	Starship Value Chain and Manufacturing	Kurlon Enterprise Limited	Sheela Foam Limited
			No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 5/each
1.	Amit Kumar Gupta	Director	0	0	0	0	0	0	0
2.	Abhilash Padmanabh Kamti	Director	0	0	0	0	0	0	0

**2.2.8. Details of change of name, registered office and objects of the Transferor/Applicant Company No.2 in the last five years**

2.2.8.1. There has been no change in the name of the Transferor/Applicant Company No.2 in the last five years.

2.2.8.2. There has been no change in the objects of the Transferor/Applicant Company No.2 in the last five years.

2.2.8.3. There has been a change in the registered office of the Transferor/Applicant Company No.2 from N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 to 1002 to 1006, The Avenue International Airport Road, Opp. Hotel



Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059  
with effect from 16.07.2024.

### 2.3. Transferor/Applicant Company No.3

2.3.1. **Kurlon Retail Limited** (hereinafter referred to as "KRL" or "Transferor/Applicant Company No.3) is a public limited company, incorporated on 31.08.2012 having CIN U36104MH2012PLC428940. The registered office of the Applicant/ Transferor Company No. 3 is situated at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059. The Email ID of the Applicant/Transferor Company No.3 is [secretary@kurlon.com](mailto:secretary@kurlon.com) and the PAN is AAECK8867C. Transferor/Applicant Company No.3 is the wholly owned subsidiary ("WOS") of Applicant Company No.6.

2.3.2. **Transferor/Applicant Company No.3 is engaged in the business of dealing in Mattresses and the main objects as per its Memorandum of Association ('MOA') are inter alia, as follows:**

*"1. To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods including mattresses, pillows and furniture on retail as well as on wholesale basis in India or elsewhere.*

*2. To carry on the business of manufacturers and producers of flexible, semiflexible, rigid Poly-urethane Foam slabs and allied products and processing and fabrication thereof and moulding of rigid polyurethane for various shapes and size and manufacture of jackets and such other items by way of lamination of poly-urethane Foam with fabric; of raw material, chemicals and other materials which are used in manufacturing Poly Urethane Foam such as Polyol and TDI, which are produced by the refinement of Petroleum products and for that purpose to carry on refining of petroleum products and thereby move into backward integration of manufacturing and producing raw materials used in the manufacturing of Polyol and TDI; of vulcanizing and rubberizing all kinds of coir products, coir fibre, coir fleeces, coir flax, coir boards, coir briquettes, rubberized coir fibre, coir mats and converters of coir fibre into materials like mats, mattresses, carpets, runners, upholstery parts, chords ropes of all kinds and varieties and other coir products, foam and foam made articles, articles made of natural or synthetic rubber, polyethylene, polystyrene and other kinds of plastics, flexible, semi-flexible and rigid Poly-urethane Foam slabs which caters to the needs of Industrial users such as linings used in inter alia Air Conditions, Cars, Refrigerators and other industries, and to the needs of consumers such as mattresses, pillows, cushions, bolsters, sofa, Chairs, floor mats; manufacture of products that may be allied or may be usefully combined with manufacture of any of the material mentioned above.*

3. To carry on the business of manufacturer or otherwise dealers in furniture and fixtures made from wood, brass, steel, fibre glass, plastic or other alloys and warehouses of furniture, linoleums, furnishing fabrics, and other floor coverings, different types of tiles and sanitary ware, carpets, household utensils, china and glass goods fittings, kitchen wares and appliances, colorful curtains, home furnishings ranging from bath room linens, table linens and accessories, interior decoration and designing, and other home comfort products and household requisites of all kinds whether expressly mentioned or not.”

2.3.3. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferor/Applicant Company No.3 as per the latest audited financial statements for the year ended on 31<sup>st</sup> March, 2024 is:

PARTICULARS	AMOUNT (Rs)
Authorized Capital	
4,00,00,000 Equity Shares of Rs 5/- each	20,00,00,000
Total	20,00,00,000
Issued, Subscribed and Paid-Up Capital	
1,52,66,666 Equity Shares of Rs 5/- each	7,63,33,330
Total	7,63,33,330

After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of the Transferor/Applicant Company No.3. The shares of the Transferor/Applicant Company No.3 are not listed on stock exchange.

Copy of the latest Audited Annual Accounts of the Transferor/Applicant Company No.3 for the financial year ended 31.03.2024 and Provisional financial as on 30.09.2024 is annexed herewith and marked as Annexure-4.

**2.3.4. Details of the promoters / promoters group:**

As on the date of issuance of the Notice of this Meeting, the following are the promoters/ promoters group of Transferor/Applicant Company No.3:

SR. NO.	NAME	ADDRESS
1.	Kurlon Enterprise Limited (Along with 6 Nominee)	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059

### 2.3.5. Details of the directors:

As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferor/Applicant Company No.3:

<b>SR. NO.</b>	<b>NAME</b>	<b>DIN</b>	<b>DESIGNATION AND CATEGORY</b>	<b>ADDRESS</b>
1.	Amit Kumar Gupta	01436743	Director	Flat No. 05022, ATS Pristine Sector-150 Near Pari Chowk, Noida-Gautam Buddha Nagar, Noida-201301
2.	Abhilash Padmanabh Kamti	01587117	Director	M 1102, Meghana Shalini Apartments, 2&3, 100 Feet Ring Road, Padmanabhanagar, NA, Bangalore 560070, Karnataka, India
3.	Narendra Kudva	07459916	Director	19/1, 1st Cross, 1 <sup>st</sup> Main Road, Jayamahal, NA, Bangalore-560046, Karnataka, India

2.3.6. The Board of Directors of the Transferor/Applicant Company No.3 at their meeting held on 28th March, 2024 approved the Scheme of Amalgamation. Details of Directors of the Transferor/Applicant Company No.3 who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors are as below:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Voted in favour/ against / did not vote or participate on such resolution</b>
1.	Amit Kumar Gupta	Voted in favour
2.	Abhilash Padmanabh Kamti	Voted in favour
3.	Narendra Kudva	Voted in favour

2.3.7. Details of shareholding of directors and key managerial personnel (or their relatives) of Transferor/Applicant Company No.3 as held on date of this notice:

SR. NO.	NAME	DESIGNATION AND CATEGORY	EQUITY SHARES HELD IN						
			Belvedere International Limited	Kanvas Concepts Private Limited	Kurlon Retail Limited	Komfort Universe Products and Services Limited	Starship Value Chain and Manufacturing	Kurlon Enterprise Limited	Sheela Foam Limited
			No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 5/each
1.	Amit Kumar Gupta	Director	0	0	0	0	0	0	0
2.	Abhilash Padmanabh Kamti	Director	0	0	0	0	0	0	0
3.	Narendra Kudva	Director	0	0	0	0	0	0	0

**2.3.8. Details of change of name, registered office and objects of the Transferor/Applicant Company No.3 in the last five years**

2.3.8.1. There has been no change in the name of the Transferor/Applicant Company No.3 in the last five years.

2.3.8.2. There has been no change in the objects of the Transferor/Applicant Company No.3 in the last five years.

2.3.8.3. There has been a change in the registered office of the Transferor/Applicant Company No. 3 from N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 to 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059 with effect from 16.07.2024.

## 2.4. Transferor/Applicant Company No.4

2.4.1. **KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED** (hereinafter referred to as “**KUPSL**” or “Transferor /Applicant Company No. 4”) is a public limited company, incorporated on 18.01.2021 having CIN U52520MH2021PLC428941. The registered office of the Applicant/Transferor Company No. 4 is situated at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059. The Email ID of the Applicant/Transferor Company No.4 is [secretary@kurlon.com](mailto:secretary@kurlon.com) and PAN is AAICK5616M. Transferor/Applicant Company No.4 is the wholly owned subsidiary (“WOS”) of Applicant Company No.6.

2.4.2. Transferor/Applicant Company No.4 is mainly engaged in the business of dealing in Foam Products and the summary of main objects as per its Memorandum of Association ('MOA') are inter alia, as follows:

*“To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, supplying, dealing and trading of Semi-finished Goods (SFG), foam products, RC Pads, EPE Products and other related Products and Services on B2B basis in India and outside India.”*

2.4.3. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferor/Applicant Company No.4 as per the latest audited financial statements for the year ended on 31<sup>st</sup> March, 2024 is:

PARTICULARS	AMOUNT (Rs)
Authorized Capital	
50,000 Equity Shares of Rs 10/- each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-Up Capital	
50,000 Equity Shares of Rs 10/- each	5,00,000
Total	5,00,000

After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of the Transferor/Applicant Company No.4. The shares of the Transferor/Applicant Company No.4 are not listed on stock exchange.

Copy of the latest Audited Annual Accounts of the Transferor/Applicant Company No.4 for the financial year ended 31.03.2024 and Provisional financial as on 30.09.2024 is annexed herewith and marked as **Annexure-5**.

#### 2.4.4. Details of the promoters / promoters group:

As on the date of issuance of the Notice of this Meeting, the following are the promoters/ promoters group of Transferor/Applicant Company No.4:

SR. NO.	NAME	ADDRESS
1.	Kurlon Enterprise Limited (Along with 6 Nominee)	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059

#### 2.4.5. Details of the directors:

As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferor/Applicant Company No.4:

SR. NO.	NAME	DIN	DESIGNATION AND CATEGORY	ADDRESS
1.	Amit Kumar Gupta	01436743	Director	Flat No. 05022, ATS Pristine Sector-150 Near Pari Chowk, Noida-Gautam Buddha Nagar, Noida-201301
2.	Abhilash Padmanabh Kamti	01587117	Director	M 1102, Meghana Shalini Apartments, 2&3, 100 Feet Ring Road, Padmanabhanagar, NA, Bangalore 560070, Karnataka, India
3.	Narendra Kudva	07459916	Director	19/1, 1st Cross, 1 <sup>st</sup> Main Road, Jayamahal, NA, Bangalore-560046, Karnataka, India

2.4.6. The Board of Directors of the Transferor/Applicant Company No.4 at their meeting held on 28th March, 2024 approved the Scheme of Amalgamation. Details of Directors of the Transferor/Applicant Company No.4 who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors are as below:

Sr. No.	Name of Directors	Voted in favour/ against / did not vote or participate on such resolution
1.	Amit Kumar Gupta	Voted in favour
2.	Abhilash Padmanabh Kamti	Voted in favour
3.	Narendra Kudva	Voted in favour

**2.4.7. Details of shareholding of directors and key managerial personnel (or their relatives) of Transferor/Applicant Company No.4 as held on date of this notice:**

SR. NO.	NAME	DESIGNATION AND CATEGORY	EQUITY SHARES HELD IN						
			Belvedere International Limited	Kanvas Concepts Private Limited	Kurlon Retail Limited	Komfort University Products and Services Limited	Starship Value Chain and Manufacturing	Kurlon Enterprise Limited	Sheela Foam Limited
			No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 5/each
1.	Amit Kumar Gupta	Director	0	0	0	0	0	0	0
2.	Abhilash Padmanabh Kamti	Director	0	0	0	0	0	0	0
3.	Narendra Kudva	Director	0	0	0	0	0	0	0

**2.4.8. Details of change of name, registered office and objects of the Transferor/Applicant Company No.4 in the last five years**

2.4.8.1. There has been no change in the name of the Transferor/Applicant Company No.4 in the last five years.

2.4.8.2. There has been no change in the objects of the Transferor/Applicant Company No.4 in the last five years.

2.4.8.3. here has been a change in the registered office of the Transferor/Applicant Company No. 4 from N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 to 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059 with effect from 16.07.2024.

## 2.5. Transferor/Applicant Company No.5

2.5.1. **STARSHIP VALUE CHAIN AND MANUFACTURING PRIVATE LIMITED** (hereinafter referred to as "SVC MPL" or "Transferor/Applicant Company No. 5") is a private limited company, incorporated on 09.10.2020 having CIN U36900MH2020PTC432198. The registered office of the Transferor/Applicant Company No.5 is situated at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059. The Email ID of the Applicant/Transferor Company No.5 is [secretary@kurlon.com](mailto:secretary@kurlon.com) and PAN is ABECS6284J. Transferor/Applicant Company No.5 is the wholly owned subsidiary ("WOS") of Applicant Company No.6.

2.5.2. Transferor/Applicant Company No.5 is engaged in the business of dealing in Home Décor items and the main objects as per its Memorandum of Association ('MOA') are inter alia, as follows:

*"To carry on in India or outside India the business as manufacturer, designers, buyers, sellers, importers, exporters, workers, transporters, suppliers, of all types of home décor items including furniture, mattress, pillows, cushions, perfumers on retail and to manufacture of all types of furniture equipment appliances for domestic, office, industrial as well as on wholesale basis in India as well as outside India."*

2.5.3. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferor/Applicant Company No.5 as per the latest audited financial statements for the year ended on 31<sup>st</sup> March, 2024 is:

PARTICULARS	AMOUNT (Rs)
Authorized Capital	
5000 Equity Shares of Rs 10/- each	50,000
Total	50,000
Issued, Subscribed and Paid-Up Capital	
5000 Equity Shares of Rs 10/- each	50,000



Total	50,000
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After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of the Transferor/Applicant Company No.5. The shares of the Transferor/Applicant Company No.5 are not listed on stock exchange.

Copy of the latest Audited Annual Accounts of the Transferor/Applicant Company No.5 for the financial year ended 31.03.2024 and Provisional financial as on 30.09.2024 is annexed herewith and marked as **Annexure- 6**.

#### 2.5.4. Details of the promoters / promoters group:

As on the date of issuance of the Notice of this Meeting, the following are the promoters/ promoters group of Transferor/Applicant Company No.5:

SR. NO.	NAME	ADDRESS
1.	Kurlon Enterprise Limited (Along with 6 Nominee)	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059

#### 2.5.5. Details of the directors:

As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferor/Applicant Company No.5:

SR. NO.	NAME	DIN	DESIGNATION AND CATEGORY	ADDRESS
1.	Narendra Kudva	07459916	Director	19/1, 1st Cross, 1 <sup>st</sup> Main Road, Jayamahal, NA, Bangalore-560046, Karnataka, India
2.	Amit Kumar Gupta	01436743	Director	Flat No. 05022, ATS Pristine Sector-150 Near Pari Chowk, Noida-Gautam Buddha Nagar, Noida-201301

2.5.6. The Board of Directors of the Transferor/Applicant Company No.5 at their meeting held on 28th March, 2024 approved the Scheme of Amalgamation. Details of Directors of the Transferor/Applicant Company No.5 who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors are as below:

Sr. No.	Name of Directors	Voted in favour/ against / did not vote or participate on such resolution
1.	JAMSHEED MINOO PANDAY	Voted in favour
2.	ASHISH VILAS PRADHAN	Voted in favour

2.5.7. Details of shareholding of directors and key managerial personnel (or their relatives) of Transferor/Applicant Company No.5 as held on date of this notice:

SR. NO.	NAME	DESIGNATION AND CATEGORY	EQUITY SHARES HELD IN						
			Belvedere International Limited	Kanvas Concepts Private Limited	Kurlon Retail Limited	Komfort Universal Products and Services Limited	Starship Value Chain and Manufacturing	Kurlon Enterprise Limited	Sheela Foam Limited
			No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 5/each
1.	Narendra Kudva	Director	0	0	0	0	0	0	0
2.	AMIT KUMAR GUPTA	Director	0	0	0	0	0	0	0

#### **2.5.8. Details of change of name, registered office and objects of the Transferor/Applicant Company No.5 in the last five years**

2.5.8.1. There has been no change in the name of the Transferor/Applicant Company No.5 in the last five years.

2.5.8.2. There has been no change in the objects of the Transferor/Applicant Company No.5 in the last five years.

2.5.8.3. There has been a change in the registered office of the Transferor/Applicant Company No. 5 from N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 to 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059 with effect from 16.07.2024.

#### **2.6. Transferee/Amalgamating/Applicant Company No. 6**

2.6.1. **KURLON ENTERPRISE LIMITED** (hereinafter referred to as "KEL" or "Transferee/Amalgamating/Applicant Company No. 6") is a public limited company, incorporated on 03.10.2011 having CIN U36101MH2011PLC222657. The registered office of the Transferee/Amalgamating/Applicant Company No. 6 is situated at 1002/1006, The Avenue, International Airport Road, Opp. Hotel Leela, Andheri (East), Mumbai, Maharashtra, India, 400059. The Email ID of the Transferee Company is [secretary@kurlon.com](mailto:secretary@kurlon.com) and PAN is AAECK5045N. Transferee /Amalgamating/Applicant Company No. 6 is the holding entity of Applicant Company No. 1 to Applicant Company No.5 and subsidiary company of Applicant Company No.7.

2.6.2. Transferor/Applicant Company No.6 is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc. and the main objects as per its MOA are inter alia, as follows:

*"1. To carry on the business of manufacturers, buyers, sellers, dealers of and to carry on the business of vulcanising and rubberising any and all kinds of -coir fibre, coir fleeces, coir flax, coir boards, coir briquettes and converters of coir fibre into materials like mats, mattresses, carpets, runners, upholstery parts, chords ropes of all kinds and varieties; foam and foam made articles, things etc; articles made of natural or synthetic rubber, polyethylene, polystyrene and other kinds of plastics.*

*2. To carry on the business of manufacturer, importer, exporter or otherwise dealers in furniture and fixtures made from wood, brass, steel, fibre glass, plastic or other alloys and to carry on the business by wholesale or retail and*

*whether manufacturing or otherwise of house furnishers, upholstery and dealers in and hirers, stores and warehouses of furniture, linoleums, furnishing fabrics, and other floorcoverings, different types of tiles and sanitary ware, carpets, household utensils, china and glass goods fittings, kitchen wares and appliances, colorful curtains, home furnishings ranging from bath room linens, table linens and accessories, interior decoration and designing, and other home comfort products and household requisites of all kinds whether expressly mentioned or not”*

2.6.3. The Authorized, Issued, Subscribed and Paid-up share capital of the Transferee/Amalgamating/Applicant Company No. 6 as per the latest audited financial statements for the year ended on 31st March, 2024 is:

PARTICULARS	AMOUNT (Rs)
Authorized Capital	
15,06,00,000 Equity Shares of Rs 5/- each	75,30,00,000
Total	75,30,00,000
Issued, Subscribed and Paid-Up Capital	
3,65,52,261 Equity Shares of Rs 5/- each	18,27,61,305
Total	18,27,61,305

After approval of the proposed Scheme by the Board of Directors and until the issuance of notice of this meeting, there has been no change in the Authorized, Issued, Subscribed and Paid-up Equity Share Capital of the Transferee/Amalgamating/Applicant Company No.6. The shares of the Transferee/Amalgamating/Applicant Company No.6 are not listed on stock exchange.

Copy of the latest Audited Annual Accounts of the Transferee/Amalgamating/Applicant Company No.6. for the financial year ended 31.03.2024 and Provisional financial as on 30.09.2024 is annexed herewith and marked as **Annexure-7**.

**2.6.4. Details of the promoters / promoters group:**

As on the date of issuance of the Notice of this Meeting, the following are the promoters/ promoters group of Transferee/Amalgamating/Applicant Company No. 6:

SR. NO.	NAME	ADDRESS
1.	Sheela Foam Limited	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059

#### 2.6.5. Details of the directors:

As on the date of issuance of the Notice of this Meeting, the following are the directors of Transferee/Amalgamating/Applicant Company No. 6:

SR. NO.	NAME	DIN	DESIGNATION AND CATEGORY	ADDRESS
1.	JYOTHI ASHISH PRADHAN	06733156	Director	5, Chitrakala Ananth Nagar, Manipal UDUPI Karnataka India 576104
2.	RAVINDRA DHARIWAL	00003922	Director	Behind Radha Swami Satsang, Asola Village Aashray Farm, Sub Post Office, S P School, Bhatti Mines, Asola Village, New Delhi, 110030
3.	MEENA JAGTIANI	08396893	Director	18, Diamond Apartment, 24 Mount Marry Road, Bandra(West), Mumbai, Maharashtra, 400050
4.	RAHUL GAUTAM	00192999	Director	E 3, Asola Homes, Near Raj Vidhya Kender, Fatehpur Beri, New Delhi, 110074
5.	TUSHAAR GAUTAM	01646487	Managing Director	E 3, Asola Homes, Near Raj Vidhya Kender, Fatehpur Beri, New Delhi, 110074

2.6.6. The Board of Directors of the Transferee/Amalgamating/Applicant Company No.6 at their meeting held on 28th March, 2024 approved the Scheme of Amalgamation. Details of Directors of the Transferee/Amalgamating/Applicant Company No.6 who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors are as below:

Sr. No.	Name of Directors	Voted in favour/ against / did not vote or participate on such resolution
1.	JYOTHI ASHISH PRADHAN	Voted in favour
2.	RAVINDRA DHARIWAL	Voted in favour
3.	MEENA JAGTIANI	Voted in favour
4.	RAHUL GAUTAM	Voted in favour
5.	TUSHAAR GAUTAM	Voted in favour

2.6.7. Details of shareholding of directors and key managerial personnel (or their relatives) of Transferee/Amalgamating/Applicant Company No. 6 as held on date of this notice:

SR. NO.	NAME	DESIGNATION AND CATEGORY	EQUITY SHARES HELD IN						
			Belvedere International Limited	Kanvas Concepts Private Limited	Kurlon Retail Limited	Komfort Universal Products and Services Limited	Starship Value Chain and Manufacturing	Kurlon Enterprise Limited	Sheela Foam Limited
			No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 5/each
1.	JYOTHI ASHISH PRADHAN	Director	0	0	0	0	0	0	0
2.	RAVINDRA DHARIWAL	Independent Director	0	0	0	0	0	0	0
3.	MEENA JAGTIANI	Independent Director	0	0	0	0	0	0	0

4.	RAHUL GAUTAM	Director	0	0	0	0	0	0	0
5.	TUSHAA R GAUTAM	Managing Director	0	0	0	0	0	0	0
6.	ABHILAS H PADMAN ABH KAMTI	CFO	0	0	0	0	0	0	0

#### 2.6.8. Details of change of name, registered office and objects of the Transferor/Applicant Company No.6 in the last five years

2.6.8.1. There has been no change in the name of the Transferee /Amalgamating/Applicant Company No. 6 in the last five years.

2.6.8.2. There has been no change in the objects of the Transferee /Amalgamating/Applicant Company No. 6 in the last five years.

2.6.8.3. There has been no change in the registered office address of the Transferee/Amalgamating/Applicant Company No. 6 in the last five years.

#### 2.7. Amalgamated/Applicant Company No. 7

2.7.1. **SHEELA FOAM LIMITED** (hereinafter referred to as “SFL” or “Amalgamated/Applicant Company No. 7”) is a public limited company listed on National Stock Exchange (“NSE”) and Bombay Stock Exchange (“BSE”), incorporated on 18.06.1971 having CIN L74899MH1971PLC427835. The registered office of the Amalgamated/Applicant Company No. 7 is situated at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059. The Email ID of the Amalgamated/Applicant Company No. 7 is [investorrelation@sheelafoam.com](mailto:investorrelation@sheelafoam.com) and PAN is AAACS0189B. Amalgamated/Applicant Company No. 7 is the holding entity of Applicant Company No. 6.

2.7.2. Amalgamated/Applicant Company No. 7 is mainly engaged in the business of manufacturing flexible, semi-flexible and rigid Poly-Urethane and the summary of main objects as per its MOA are inter alia, as follows:

*“1. To manufacture flexible, semi-flexible and rigid Poly-Urethane Foam slabs and allied products and processing and fabrication thereof and mattresses and cushions upholstery material, manufacture of furniture; packing material and insulation material, moulding of rigid Poly- Urethane for various shapes and size and manufacture of jackets and such other items by way of lamination of Poly-*

*Urethane Foam with fabric and manufacture of products that may be allied or may be usefully combined with manufacture of any of the material mentioned above.*

*2. To manufacture with flexible, semi-flexible and rigid Poly Urethane Foam slabs such items and products which cater to the needs of industrial users such as linings used in Air Conditioners, Cars, Refrigerators, Washing Machines, Calculators, Computers, Laptops, Clocks, Watches and other industries.*

*3. To manufacture with flexible, semi-flexible and rigid Poly Urethane Foam slabs, items which cater to the needs of consumers such as mattresses, pillows, cushions, bolsters, wonder couch, sofa, sofa cum bed, Chairs, seats, berths, bed covers, mattress covers, quilted panels and quilted sheets, floor mats, mats, dusters.*

*4. The manufacturing and or production of raw material, chemicals and other materials which are used in the manufacturing process of Poly Urethane Foam such as Polyol and TDI, which are produced by the refinement of Petroleum products, and for that purpose to carry on the Refining of Petroleum products to manufacture Polyol, TDI and thereby move into backward integration of manufacturing and producing raw materials used in the manufacturing of Polyol and TDI.*

*5. To carry on the business of manufacturers, importers, exporters, stockiest, suppliers, dealers, fabricators and processors of products made of Polyurethane or Coir or those products in which Poly Urethane Foam or coir is used such as mattresses, cushions, bolsters, Sofa, Sofa cum bed, Chair, mats, Air conditioners, Cars, Refrigerators, Calculators, Computers etc. and thereby move into forward integration in the manufacture of the above products.*

*6. To manufacture flexible, semi-flexible and rigid Coir foam slabs and their allied products including mattresses and cushions, upholstery items, furniture items, packing material, insulation material, coir mouldings of various shapes and sizes, jackets, other items by way of lamination of coir foam with fabric by processing and fabrication and to manufacture products that may be allied or may be usefully combined with manufacture of any of the items mentioned above.*

*7. To manufacture with flexible, semi-flexible and rigid Coir Foam slab items, which cater to the needs of consumers such as sheets, mattresses, cushions, pillows, seats, berths, mats etc.*

*8. The manufacturing, production and or cultivation of raw material and other items necessary and used in the manufacturing of coir foam such as plantation and cultivation of Palm or other trees, production of coir fiber and coir ropes to carry on the business of farming and to act as agents, distributors, traders, stockiest, importers, exporters, processors, cultivators of raw materials used in the manufacturing of Coir foam and for that purpose to manufacture, buy, sell, exchange, market, pledge, distribute or otherwise deal in all varieties of*



*agricultural products, food products, plantations, crops whether of spontaneous growth or not and for that purpose to lay out, construct, purchase, take over, hire, lease or otherwise acquire, equip, alter and maintain estates, gardens, plantations and farms etc.*

*9. To import, export, sell, purchase or otherwise deal in any of the above products or products similar or allied thereto or any raw materials, any semi-finished goods or manufacture of the above products, and to buy, sell, manufacture, exchanges popularise, alter, improve, advertise, prepare or make and/or otherwise deal in or distribute all kinds of Poly-Urethane Foam and allied products, raw materials and other sub-stances or articles, necessary or convenient for carrying on the above business.*

*10. To carry on business of importers, exporters, stockists, suppliers, manufacturers, dealers, fabricators, and processors of all kinds of poly-vinyl chloride and allied products or substitutes.*

*11. To develop and export Computer Software, to render software maintenance and back up supports, other information technology services and allied services and to provide managerial services, technical services and export of the professional services, in India and abroad.*

*12. To provide IT enabled services in India & abroad namely Back Office operation, call centers, Content development or Animation, Data Processing, engineering & Design, Geographic information System Services, Human Resource Services, insurance Claim Processing, Legal Database, Medical Transcription, Payroll, Support Centers and website Services.*

*13. To import, export, sale purchases or otherwise deal in any kind of the capital goods or other related items, raw materials, substances or articles, necessary or convenient for developing and providing the above IT enabled services.”*

2.7.3. The Authorized, Issued, Subscribed and Paid-up share capital of the Amalgamated/Applicant Company No. 7 as per the latest audited financial statements for the year ended on 31<sup>st</sup> March, 2024 is:

<b>PARTICULARS</b>	<b>AMOUNT (Rs)</b>
Authorized Capital	
26,00,00,000 Equity Shares of Rs 5/- each	1,30,00,00,000
<b>Total</b>	<b>1,30,00,00,000</b>
Issued, Subscribed and Paid-Up Capital	
10,86,97,341 Equity Shares of Rs 5/- each	54,34,86,705
<b>Total</b>	<b>54,34,86,705</b>

The equity shares of the Amalgamated/Applicant Company No. 7 are listed on the BSE & NSE. Subsequent to the above balance sheet date, there is no change in the capital structure of the Amalgamated/Applicant Company No. 7.

Copy of the latest Audited Annual Accounts of the Amalgamated/Applicant Company No. 7 for the financial year ended 31.03.2024 and Provisional financial as on 30.09.2024 is annexed herewith and marked as **Annexure-8**.

#### 2.7.4. Details of the promoters / promoters group:

As on the date of issuance of the Notice of this Meeting, the following are the promoters/ promoters group of Amalgamated/Applicant Company No. 7:

SR. NO.	NAME	ADDRESS
1.	Rahul Gautam	E 3, Asola Homes, Near Raj Vidhya Kender, Fatehpur Beri, New Delhi, 110074
2.	Namita Gautam	E 3, Asola Homes, Near Raj Vidhya Kender, Fatehpur Beri, New Delhi, 110074
3.	Tushaar Gautam	E 3, Asola Homes, Near Raj Vidhya Kender, Fatehpur Beri, New Delhi, 110074
4.	Rangoli Resorts Private Limited	604 Ashadeep, 9 Hailey Road, New Delhi 110001

#### 2.7.5. Details of the directors:

As on the date of issuance of the Notice of this Meeting, the following are the directors of Amalgamated/Applicant Company No. 7:

SR. NO.	NAME	DIN	DESIGNATION AND CATEGORY	ADDRESS
1.	Rahul Gautam	00192999	Executive Chairman	E 3, Asola Homes, Near Raj Vidhya Kender, Fatehpur Beri, New Delhi, 110074
2.	Namita Gautam	00190463	Whole-time Director	E 3, Asola Homes, Near Raj Vidhya Kender, Fatehpur Beri, New Delhi, 110074
3.	Rakesh Chahar	00180587	Whole-time Director	648, First Floor, New Friends Colony, New Delhi, 110025

4.	Tushaar Gautam	01646487	Managing Director	E 3, Asola Homes, Near Raj Vidhya Kender, Fatehpur Beri, New Delhi, 110074
5.	Som Mittal	00074842	Independent Director	No. D330, D Block, Sector 47, Noida, Gautam Buddha Nagar, UP 201301
6.	Ravindra Dhariwal	00003922	Independent Director	Behind Radha Swami Satsang, Asola Village Aashray Farm, Sub Post Office, S P School, Bhatti Mines, Asola Village, New Delhi, 110030
7.	Anil Tandon	00089404	Independent Director	407/9, Heritage City, Mehroli Road, Gurgaon, Haryana, 122001
8.	Lt. Gen. Dr. V. K. Ahluwalia	08078092	Independent Director	Badripur Main Road, Bungalow Number 21, Opposite Apna Ghar, Dehradun 248008.
9.	Meena Jagtiani	08396893	Independent Director	18, Diamond Apartment, 24 Mount Marry Road, Bandra(West), Mumbai, Maharashtra, 400050

2.7.6. The Board of Directors of the Amalgamated /Applicant Company No. 7 at their meeting held on 28th March, 2024 approved the Scheme of Amalgamation. Details of Directors of the Amalgamated /Applicant Company No. 7 who were present at the meeting and voted in favour/ against/ did not vote or participate in the resolution of the meeting of the Board of Directors are as below:

Sr. No.	Name of Directors	Voted in favour/ against / did not vote or participate on such resolution
1.	Rahul Gautam	Voted in favour
2.	Namita Gautam	Voted in favour
3.	Rakesh Chahar	Voted in favour
4.	Tushaar Gautam	Voted in favour
5.	Som Mittal	Voted in favour
6.	Ravindra Dhariwal	Voted in favour
7.	Anil Tandon	Voted in favour
8.	Lt. Gen. Dr. V. K. Ahluwalia	Voted in favour
9.	Meena Jagtiani	Voted in favour

2.7.7. Details of shareholding of directors and key managerial personnel (or their relatives) of Amalgamated/Applicant Company No. 7 as held on date of this notice:

SR. NO.	NAME	DESIGNATION AND CATEGORY	EQUITY SHARES HELD IN						
			Belvedere International Limited	Kanvas Concepts Private Limited	Kurlon Retail Limited	Komfort Universities Products and Services Limited	Starship Value Chain and Manufacturing	Kurlon Enterprise Limited	Sheela Foam Limited
			No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 10/each	No. of Shares of INR 10/each	No. of Shares of INR 5/each	No. of Shares of INR 5/each
1.	Rahul Gautam	Executive Chairman	0	0	0	0	0	0	1,25,90,759
2.	Namita Gautam	Whole-time Director	0	0	0	0	0	0	1,14,31,758
3.	Rakesh Chahar	Whole-time Director	0	0	0	0	0	0	0
4.	Tushaar Gautam	Managing Director	0	0	0	0	0	0	3,41,98,628
5.	Som Mittal	Independent Director	0	0	0	0	0	0	0
6.	Ravindra Dhariwal	Independent Director	0	0	0	0	0	0	0
7.	Anil Tandon	Independent Director	0	0	0	0	0	0	0
8.	Lt. Gen. Dr. V. K.	Independent Director	0	0	0	0	0	0	0

	Ahluwalia								
9.	Meena Jagtiani	Independent Director	0	0	0	0	0	0	0
10.	NILESH SEVABRATA MAZUMDAR	CEO	0	0	0	0	0	0	1,000
11.	AMIT KUMAR GUPTA	CFO	0	0	0	0	0	0	0
12.	MD IQUEBAL AHMAD	CS	0	0	0	0	0	0	0

#### 2.7.8. Details of change of name, registered office and objects of the Amalgamated/Applicant Company No. 7 in the last five years

2.7.8.1. There has been no change in the name of the Amalgamated/Applicant Company No.7 in the last five years.

2.7.8.2. There has been no change in the objects of the Amalgamated/Applicant Company No.7 in the last five years.

2.7.8.3. There has been change in registered office address of the Amalgamated/Applicant Company No. 7 from 604 Ashadeep, 9 Hailey Road, New Delhi, New Delhi, Delhi, India, 110001 to 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059 with effect from 26.06.2024.

### 3. DETAILS / SALIENT FEATURES OF THE SCHEME OF ARRANGEMENT

This Composite Scheme of Arrangement ("**Scheme**") provides for (i) Amalgamation of Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, Transferor Company 5 (collectively hereinafter referred to as the **Transferor Companies**), respectively into Transferee Company, with effect from the Appointed Date (as defined hereinafter) and the consequent dissolution of the Transferor Companies without being wound up and (ii) Amalgamation of Amalgamating Company with Amalgamated Company with effect from the Appointed Date (as defined hereinafter) and

the consequent dissolution of the Amalgamating Company without being wound up; and issuance of the shares New Equity Shares (as defined in the Scheme) to the equity shareholders of Amalgamating Company in accordance with Share Exchange Ratio (as defined in the Scheme), pursuant to section 230-232, and other relevant provisions of the Companies Act, in the matter provided for in this Scheme and in compliance with the provisions of the Income Tax Act (as defined in the Scheme).

#### 4. RATIONALE OF THE SCHEME OF ARRANGEMENT

4.1. The rationale for the Composite Scheme of Amalgamation is set out below:

*4.1.1. The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer, with leadership position in southern and eastern parts of the country, apart from sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.*

*The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further strengthen the leadership position in the mattress and foam segments across the country.*

*The intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.*

*The Scheme would inter-alia have the following benefits:*

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;*
- (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;*
- (c) Rationalization of logistic costs considering the combined volume;*
- (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;*

- (e) Structured, sharper and better management focusing on holistic growth of the businesses;*
- (f) Optimum and efficient utilization of resources and sharing of ancillary facilities;*
- (g) Common governance structure and effective management of compliances;*
- (h) Enhancing shareholder value and leveraging on synergies in doing the business; and*
- (i) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.*

*4.1.2. Given the above, and similarity in nature of businesses of the Transferor Companies, the Amalgamating Company and the Amalgamated Company, it is proposed to merge the Transferor Companies with Amalgamating Company (pursuant to Part C of the Scheme) and (post Part C comes into effect) merge the Amalgamating company with Amalgamated Company (pursuant to Part D of the Scheme). The merger shall result in greater business synergies and reduced administrative and other costs.*

#### **5. Relationship amongst the companies who are parties to the Scheme:**

- 5.1. Belvedere International Limited ("**Transferor/Applicant Company No.1**") is the wholly owned subsidiary ("**WOS**") of Kurlon Enterprise Limited (**Transferee /Amalgamating/Applicant Company No.6**").
- 5.2. Kanvas Concepts Private Limited ("**Transferor/Applicant Company No.2**") is the wholly owned subsidiary ("**WOS**") of Kurlon Enterprise Limited (**Transferee /Amalgamating/Applicant Company No.6**").
- 5.3. Kurlon Retail Limited ("**Transferor/Applicant Company No.3**") is the wholly owned subsidiary ("**WOS**") of Kurlon Enterprise Limited (**Transferee /Amalgamating/Applicant Company No.6**").
- 5.4. Komfort Universe Products And Services Limited ("**Transferor/Applicant Company No.4**") is the wholly owned subsidiary ("**WOS**") of Kurlon Enterprise Limited (**Transferee /Amalgamating/Applicant Company No.6**").

- 5.5. Starship Value Chain And Manufacturing Private Limited ("**Transferor/Applicant Company No.5**") is the wholly owned subsidiary ("**WOS**") of Kurlon Enterprise Limited (**Transferee /Amalgamating/Applicant Company No.6**")
- 5.6. Kurlon Enterprise Limited ("**Transferee /Amalgamating/Applicant Company No. 6**") is the holding entity of Applicant Company No. 1 to Applicant Company No.5 and subsidiary company of Sheela Foam Limited ("**Amalgamated/Applicant Company No.7**").
6. **Appointed date and effective date:**
- 6.1. Appointed Date, as referred in the Scheme, means October 20, 2023, or such other date as may be approved by the NCLT.
- 6.2. "**Effective Date**" means the date on which the certified copy/ies of the order/orders of the Tribunal sanctioning the Scheme is/are filed by the Parties with the Registrar of Companies after the last of the approvals or events specified in Clause 39 of the Scheme are satisfied or have occurred or obtained or the requirement of which have been waived (in writing) in accordance with this Scheme. Reference in this Scheme to the date of "**coming into effect of this Scheme**" or "**coming into effect of the Scheme**" or "**effectiveness of this Scheme**" or "**effect of this Scheme**" or "**upon the Scheme becoming effective**" or "**the Scheme coming into effect**" shall mean the Effective Date;
- 6.3. The Scheme shall be operative from the Effective Date, and effective from the Appointed Date.
7. **Share Exchange report and accounting treatment:**
- 7.1. Copy of valuation of Shares and Exchange Ratio by Arunesh Kumar Dubey, a Registered valuer under the Companies Act, 2013 having registration no. IBBI/RV/03/2020/12786 is attached herewith and marked as **Annexure 9**.
- 7.2. Copy of Fairness Opinion on Valuation Report obtained on Shares and Exchange Ratio issued by M/s Navigant Corporate Advisors Limited, SEBI registered Merchant Banking Registration Number – INM000012243 is attached herewith and marked as **Annexure 10**.
- 7.3. The respective Statutory Auditors of each of the companies have issued certificates to the effect that the accounting treatment as prescribed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Act.
- 7.4. The aforesaid valuation report(s), fairness opinion(s) and certificate of the Statutory Auditors of the respective companies with respect to Section 133 of the Act are available for inspection at the registered office of the Amalgamated/Applicant Company No.7, as per the inspection details referred in this Explanatory Statement.
8. There is no debt restructuring being undertaken pursuant to this Scheme.



**9. Details of approvals, sanctions and intimations in relation to the Scheme:**

9.1. Pursuant to the SEBI Circulars read with Regulation 37 of the SEBI Listing Regulations, the Amalgamated Company had filed necessary applications before the BSE and the NSE seeking their no-objection to the Scheme. The Amalgamated Company has received the observation letter from the BSE and NSE on November 25, 2024 and November 26, 2024, respectively (the "Observation Letters") conveying their no-objection to the Scheme. Copy of the aforesaid Observation Letters are enclosed herewith as **Annexure 11**

9.2. The Scheme along with related documents was hosted on the website of the Amalgamated Company, the BSE and the NSE and was open for complaints / comments. The Amalgamated Company did not receive any complaint / comment and accordingly a Nil Complaint report was filed with the BSE and the NSE. Further, as on the date of filing the Company Scheme Application, the Amalgamated Company has not received any complaints.

9.3. The Scheme is conditional and subject to necessary sanctions and approvals as set out in clause 39 of the Scheme. The necessary approvals of regulators are pending to be issued as at the date of this Notice and respective CAA-3 shall be issued to them as per the directions received from the NCLT.

**9.4. Effect of the Scheme on various stakeholders:**

9.5. The effect of the Scheme on various stakeholders of the Transferor/Applicant Company No.1 is summarised below:

<b>SR. NO.</b>	<b>CATEGORY</b>	<b>EFFECT OF THE SCHEME</b>
1.	Shareholders	<b>No</b>
2.	Promoters / Promoters Group	<b>No</b>
3.	Non-Promoter Shareholders / group	<b>No</b>
4.	Key Managerial Personnel (KMP)	<b>No</b>
5.	Directors	<b>No</b>
6.	Creditors	<b>No</b>
7.	Employees of the Company	<b>No</b>
8.	Depositors	<b>No</b>

9.	Debenture holders	<b>No</b>
10.	Deposit trustee and debenture trustee	<b>No</b>

9.6. The effect of the Scheme on various stakeholders of the Transferor/Applicant Company No.2 is summarised below:

<b>SR. NO.</b>	<b>CATEGORY</b>	<b>EFFECT OF THE SCHEME</b>
1.	Shareholders	<b>No</b>
2.	Promoters / Promoters Group	<b>No</b>
3.	Non-Promoter Shareholders/ group	<b>No</b>
4.	Key Managerial Personnel (KMP) (other than Directors)	<b>No</b>
5.	Directors	<b>No</b>
6.	Creditors	<b>No</b>
7.	Employees of the Company	<b>No</b>
8.	Depositors	<b>No</b>
9.	Debenture holders	<b>No</b>
10.	Deposit trustee and debenture trustee	<b>No</b>

9.7. The effect of the Scheme on various stakeholders of the Transferor/Applicant Company No.3 is summarised below:

<b>SR. NO.</b>	<b>CATEGORY</b>	<b>EFFECT OF THE SCHEME</b>
1.	Shareholders	<b>No</b>
2.	Promoters / Promoters Group	<b>No</b>
3.	Non-Promoter Shareholders/ group	<b>No</b>
4.	Key Managerial Personnel (KMP)	<b>No</b>

	(other than Directors)	
5.	Directors	<b>No</b>
6.	Creditors	<b>No</b>
7.	Employees of the Company	<b>No</b>
8.	Depositors	<b>No</b>
9.	Debenture holders	<b>No</b>
10.	Deposit trustee and debenture trustee	<b>No</b>

9.8. The effect of the Scheme on various stakeholders of the Transferor/Applicant Company No.4 is summarised below:

<b>SR. NO.</b>	<b>CATEGORY</b>	<b>EFFECT OF THE SCHEME</b>
1.	Shareholders	<b>No</b>
2.	Promoters / Promoters Group	<b>No</b>
3.	Non-Promoter Shareholders/ group	<b>No</b>
4.	Key Managerial Personnel (KMP) (other than Directors)	<b>No</b>
5.	Directors	<b>No</b>
6.	Creditors	<b>No</b>
7.	Employees of the Company	<b>No</b>
8.	Depositors	<b>No</b>
9.	Debenture holders	<b>No</b>
10.	Deposit trustee and debenture trustee	<b>No</b>

9.9. The effect of the Scheme on various stakeholders of the Transferor/Applicant Company No.5 is summarised below:

<b>SR. NO.</b>	<b>CATEGORY</b>	<b>EFFECT OF THE SCHEME</b>
1.	Shareholders	<b>No</b>
2.	Promoters / Promoters Group	<b>No</b>
3.	Non-Promoter Shareholders/ group	<b>No</b>
4.	Key Managerial Personnel (KMP) (other than Directors)	<b>No</b>
5.	Directors	<b>No</b>
6.	Creditors	<b>No</b>
7.	Employees of the Company	<b>No</b>
8.	Depositors	<b>No</b>
9.	Debenture holders	<b>No</b>
10.	Deposit trustee and debenture trustee	<b>No</b>

9.10. The effect of the Scheme on various stakeholders of the Transferee /Amalgamating /Applicant Company No. 6 is summarised below:

<b>SR. NO.</b>	<b>CATEGORY</b>	<b>EFFECT OF THE SCHEME</b>
1.	Shareholders	<b>No</b>
2.	Promoters / Promoters Group	<b>No</b>
3.	Non-Promoter Shareholders/ group	<b>No</b>
4.	Key Managerial Personnel (KMP) (other than Directors)	<b>No</b>
5.	Directors	<b>No</b>
6.	Creditors	<b>No</b>
7.	Employees of the Company	<b>No</b>

8.	Depositors	<b>No</b>
9.	Debenture holders	<b>No</b>
10.	Deposit trustee and debenture trustee	<b>No</b>

9.11. The effect of the Scheme on various stakeholders of the Amalgamated /Applicant Company No. 7 is summarised below:

<b>SR. NO.</b>	<b>CATEGORY</b>	<b>EFFECT OF THE SCHEME</b>
1.	Shareholders	<b>No</b>
2.	Promoters / Promoters Group	<b>No</b>
3.	Non-Promoter Shareholders/ group	<b>No</b>
4.	Key Managerial Personnel (KMP) (other than Directors)	<b>No</b>
5.	Directors	<b>No</b>
6.	Creditors	<b>No</b>
7.	Employees of the Company	<b>No</b>
8.	Depositors	<b>No</b>
9.	Debenture holders	<b>No</b>
10.	Deposit trustee and debenture trustee	<b>No</b>

#### 10. Capital Structure pre and post Scheme

The Pre-Scheme capital structure of Applicant Companies are detailed in clause 2 above.

**The Post-Scheme capital structure is as follows:**

##### 10.1. Transferor/Applicant Company No.1

Upon the Scheme becoming effective, the Transferor/Applicant Company No.1 would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor/Applicant Company No.1.

**10.2. Transferor/Applicant Company No.2**

Upon the Scheme becoming effective, the Transferor/Applicant Company No.2 would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor/Applicant Company No.2.

**10.3. Transferor/Applicant Company No.3**

Upon the Scheme becoming effective, the Transferor/Applicant Company No.3 would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor/Applicant Company No.3.

**10.4. Transferor/Applicant Company No.4**

Upon the Scheme becoming effective, the Transferor/Applicant Company No.4 would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor/Applicant Company No.4.

**10.5. Transferor/Applicant Company No.5**

Upon the Scheme becoming effective, the Transferor/Applicant Company No.5 would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferor/Applicant Company No.5.

**10.6. Transferee /Amalgamating / Applicant Company No. 6**

Upon the Scheme becoming effective, the Transferee /Amalgamating / Applicant Company No. 6 would stand dissolved. Therefore, the post-amalgamation capital structure has not been provided for Transferee /Amalgamating / Applicant Company No. 6.

**10.7. Amalgamated /Applicant Company No. 7**

Pre-amalgamation and post-amalgamation shareholding pattern of the Amalgamated /Applicant Company No. 7 is attached herewith and marked as **Annexure 12**

**11. Amount due to secured creditors and unsecured creditors:**

**11.1. As per the books of accounts of Transferor/Applicant Company No.1**

11.1.1.As on September 16, 2024, there are no secured creditors in the Transferor/Applicant Company No.1.

11.1.2.As on September 16, 2024, there are 2 unsecured creditors in the Transferor/Applicant Company No.1, having an outstanding balance of Rs.3,10,79,423.

**11.2. As per the books of accounts of Transferor/Applicant Company No.2**

11.2.1.As on September 16, 2024, there are no secured creditors in the Transferor/Applicant Company No.2.

11.2.2.As on September 16, 2024, there is 1 unsecured creditor in the Transferor/Applicant Company No.2, having an outstanding balance of Rs.1,37,35,000.

**11.3. As per the books of accounts of Transferor/Applicant Company No.3**

11.3.1.As on September 16, 2024, there are no secured creditors in the Transferor/Applicant Company No.3.

11.3.2.As on September 16, 2024, there are 14 unsecured creditors in the Transferor/Applicant Company No.3, having an outstanding balance of Rs.33,20,23,382.

**11.4. As per the books of accounts of Transferor/Applicant Company No.4**

11.4.1.As on September 16, 2024, there are no secured creditors in the Transferor/Applicant Company No.4.

11.4.2.As on September 16, 2024, there is 1 unsecured creditor in the Transferor/Applicant Company No.4, having an outstanding balance of Rs.13,21,57,748.

**11.5. As per the books of accounts of Transferor/Applicant Company No.5**

11.5.1.As on September 16, 2024, there are no secured creditors in the Transferor/Applicant Company No.1.

11.5.2.As on September 16, 2024, there are 23 unsecured creditors in the Transferor/Applicant Company No.1, having an outstanding balance of Rs.53,41,992.

**11.6. As per the books of accounts of Transferee /Amalgamating / Applicant Company No. 6**

11.6.1.As on September 16, 2024, there are 3 secured creditors in the Transferor/Applicant Company No.1, having an outstanding balance of Rs. 18,52,31,539.

11.6.2.As on September 16, 2024, there are 414 unsecured creditors in the Transferor/Applicant Company No.1, having an outstanding balance of Rs.30,91,55,141.

**11.7. As per the books of accounts of Amalgamated/Applicant Company No.7:**

11.7.1.As on September 16, 2024, there are 2 secured creditors in the Transferor/Applicant Company No.1 having an outstanding balance of Rs.86,67,26,413.

11.7.2.As on September 16, 2024, there are 440 unsecured creditors in the Transferor/Applicant Company No.1, having an outstanding balance of Rs.9,55,61,72,790.

## 12. Additional information

As per comments contained in the observation letters of BSE and NSE:

### 12.1. Synergies of Business of the Companies involved in the Scheme:

The background and information of the Applicant Companies is, inter-alia, as under:

*12.1.1. The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer, with leadership position in southern and eastern parts of the country, apart from sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.*

*The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further strengthen the leadership position in the mattress and foam segments across the country.*

*The intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.*

12.2. Information pertaining to all the Unlisted Companies, if any, involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval is attached herewith and marked as **Annexure 13**.

12.3. Details of assets, liabilities, net worth, revenue of the companies involved in the scheme, for both pre and post scheme of arrangement is attached herewith and marked as **Annexure 14**

12.4. Latest Net Worth certificate along with statement of assets and liabilities of all the companies involved in the scheme of arrangement for both pre and post the scheme of arrangement is attached herewith and marked as **Annexure 15**.

12.5. Comparison of revenue and net worth of transferor companies with the total revenue and net worth of the Amalgamated Company for last three financial years is attached herewith and marked as **Annexure 16**.



12.6. Justification for “appointed date” significantly ante-dated beyond a year from the date of filing with NCLT, and how the same is in the interest of public shareholders in terms of General Circular 09/2019 (F. No. 7/12/2019/CL-I), issued by Ministry of Corporate Affairs on August 21, 2019 is attached herewith and marked as **Annexure 17**

12.7. Pursuant to the advice of SEBI, separate note in respect of details of ongoing adjudication & recovery proceedings including details of investigation, if any, pending against the company under the Companies Act, 2013, prosecution initiated and all other enforcement action taken, if any, Applicant Companies and its promoters and directors is attached herewith and marked as **Annexure 18**

### 13. Documents available for inspection:

13.1. This Notice and all of documents as mentioned in the Index including the following documents will be available for inspection by the equity shareholders of the Company electronically (without any fee) on the website of the Company at [www.sheelafoam.com](http://www.sheelafoam.com) and at its Registered Office at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra- 400059 on any working day from the date of circulation of this Notice up to the date of the Meeting and anytime during the Meeting:

- a) latest audited financial statements of the Company including consolidated financial statements;
- b) copy of the order of Tribunal in pursuance of which the meeting is to be convened;
- c) copy of scheme of compromise or arrangement;
- d) contracts or agreements material to the compromise or arrangement;
- e) the certificate issued by Auditor of the company to the effect that the accounting treatment if any proposed in the scheme of compromise or arrangement is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013.

13.2. The equity shareholders shall be entitled to obtain the extracts from or making or obtaining copies of or for inspection by the members and creditors, the documents listed above.

The equity shareholders seeking any information with regard to the Scheme or any other matter related to the Scheme, are requested to write to the Company at least seven days before the date of the Meeting through e-mail on [investorrelation@sheelafoam.com](mailto:investorrelation@sheelafoam.com) and the same will be replied to by the Company, suitably. Copies of the Scheme and the explanatory statement can be obtained free of charge within 1 (one) working day on a requisition being so made for the same by any person entitled to attend the Meeting at the Registered Office of the Company.

**SCHEME OF ARRANGEMENT  
BETWEEN**

**BELVEDORE INTERNATIONAL LIMITED  
(TRANSFEROR COMPANY 1)**

**AND**

**KANVAS CONCEPTS PRIVATE LIMITED  
(TRANSFEROR COMPANY 2)**

**AND**

**KURLON RETAIL LIMITED  
(TRANSFEROR COMPANY 3)**

**AND**

**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED  
(TRANSFEROR COMPANY 4)**

**AND**

**STARSHIP VALUE CHAIN AND MANUFACTURING  
PRIVATE LIMITED  
(TRANSFEROR COMPANY 5)**

**AND**

**KURLON ENTERPRISE LIMITED  
(TRANSFeree COMPANY / AMALGAMATING COMPANY)**

**AND**

**SHEELA FOAM LIMITED  
(AMALGAMATED COMPANY)**

**AND**



**THEIR RESPECTIVE SHAREHOLDERS**

**(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES  
ACT, 2013)**



**PART A – GENERAL**

**1. DESCRIPTION OF COMPANIES THAT ARE PARTIES TO THE SCHEME**

- 1.1 Belvedere International Limited ("BIL") was incorporated as a public limited company on December 21, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U52520KA2020PLC142418 and having its registered office<sup>1</sup> situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as Transferor Company 1"). BIL is wholly owned subsidiary of KEL. BIL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, manufacturing or supplying, trading, dealing in any manner whatsoever in all type of goods including mattresses, pillows, furniture and other related products and services of international brands on retail and B2B basis in India.
- 1.2 Canvas Concepts Private Limited ("KCPL") was incorporated as a private limited company on September 22, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U74999KA2020PTC138867 and having its registered office<sup>2</sup> situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as Transferor Company 2"). KCPL is wholly owned subsidiary of KEL. KCPL is engaged in the business of interiors & exteriors of Homes, stage designer, furnishing, designing, decorating, renovating and remodeling of bungalows, houses, shops, show rooms, complexes, apartments, offices, hotels, restaurants and other commercials and residential houses and for the purpose to act as organizer, consultant, advisor, trader, buyer, seller, supervisor, surveyor, broker, agent and to do all other incidental acts and things necessary for the attainment of the above objects.
- 1.3 Kurlon Retail Limited ("KRL") was incorporated as a public limited company on August 31, 2012, under the provisions of the Companies Act, 2013 with corporate identification number U36104KA2012PLC065654 and having its registered office<sup>3</sup> situated at N-301, 3rd Floor, North

<sup>1</sup> BIL has initiated the process of shifting its registered office from the State of Karnataka to the State of Maharashtra. It is in the process of obtaining the requisite approvals in accordance with applicable provisions of the Companies Act, 2013. It may be noted that since the new registered office would be located in the State of Maharashtra, the jurisdictional NCLT for filing the application and petition pursuant to this Composite Scheme of Arrangement would be NCLT Mumbai.

<sup>2</sup> KCPL has initiated the process of shifting its registered office from the State of Karnataka to the State of Maharashtra. It is in the process of obtaining the requisite approvals in accordance with applicable provisions of the Companies Act, 2013. It may be noted that since the new registered office would be located in the State of Maharashtra, the jurisdictional NCLT for filing the application and petition pursuant to this Composite Scheme of Arrangement would be NCLT Mumbai.

<sup>3</sup> KRL has initiated the process of shifting its registered office from the State of Karnataka to the State of Maharashtra. It is in the process of obtaining the requisite approvals in accordance with applicable provisions of the Companies Act, 2013. It may be noted that since the new registered office would be located in the State of



Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as Transferor Company 3"). KRL is wholly owned subsidiary of KEL. KRL is engaged in the business of buying, selling, storing, promoting, marketing, supplying, trading and dealing in mattresses, pillow, sofa and furniture on retail in India

- 1.4 Komfort Universe Products and Services Limited ("KUPSL") was incorporated as a public limited company on January 18, 2021, under the provisions of the Companies Act, 2013 with corporate identification number U52520KA2021PLC143244 and having its registered office<sup>4</sup> situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as Transferor Company 4"). KUPSL is wholly owned subsidiary of KEL. KUPSL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, supplying, dealing and trading of semi-finished goods (SFG), foam products, RC Pads, EPE Products and other related products and services on B2B basis in India and outside India.
- 1.5 Starship Value Chain and Manufacturing Private Limited ("SVCMPPL") was incorporated as a private limited company on October 09, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U35900KA2020PTC139536 and having its registered office<sup>5</sup> situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as Transferor Company 5"). SVCMPPL is wholly owned subsidiary of KEL. SVCMPPL is engaged in the business as manufacturer, designers, buyers, sellers, importers, exporters, workers, transporters, suppliers of all types of home comfort products, home décor items including furniture, mattresses, pillows, cushions, perfumers on retail and manufacture of all types of furniture equipment appliances for domestic, office, Industrial as well as on wholesale basis in India as well as outside India.
- 1.6 Kurlon Enterprise Limited ("KEL") was incorporated as a public limited company on October 03, 2011, under the provisions of the Companies Act, 2013 with corporate identification number U36101MH2011PLC222657 and having its registered office situated at #1002/1006, The Avenue,

Maharashtra, the jurisdictional NCLT for filing the application and petition pursuant to this Composite Scheme of Arrangement would be NCLT Mumbai.

<sup>4</sup> KUPSL has initiated the process of shifting its registered office from the State of Karnataka to the State of Maharashtra. It is in the process of obtaining the requisite approvals in accordance with applicable provisions of the Companies Act, 2013. It may be noted that since the new registered office would be located in the State of Maharashtra, the jurisdictional NCLT for filing the application and petition pursuant to this Composite Scheme of Arrangement would be NCLT Mumbai.

<sup>5</sup> SVCMPPL has initiated the process of shifting its registered office from the State of Karnataka to the State of Maharashtra. It is in the process of obtaining the requisite approvals in accordance with applicable provisions of the Companies Act, 2013. It may be noted that since the new registered office would be located in the State of Maharashtra, the jurisdictional NCLT for filing the application and petition pursuant to this Composite Scheme of Arrangement would be NCLT Mumbai.



International A Opp. Hotel Leela, Andheri (East), Mumbai, Maharashtra, India, 400059 (hereinafter referred to as **Transferee Company** or the **“Amalgamating Company”**). KEL is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.

- 1.7 Sheela Foam Limited (“SFL”) was incorporated as a public limited company on May 18, 1971, under the provisions of the Companies Act, 2013 with corporate identification number L74999DL1971PLC005679 and having its registered office<sup>4</sup> situated at 604 Ashadeep, 9 Harley Road, New Delhi, New Delhi, Delhi, India, 110001 (hereinafter referred to as **“Amalgamated Company”**). The equity shares of SFL are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) (collectively hereinafter referred to as **“Stock Exchanges”**). SFL is engaged in the business of manufacture flexible, semi-flexible and rigid Poly-Urethane Foam slabs and allied products and processing and fabrication thereof and mattresses and cushions upholstery material, manufacture of furniture; packing material and insulation material, moulding of rigid Poly- Urethane for various shapes and size and manufacture of jackets and such other items by way of lamination of Poly-Urethane Foam with fabric and manufacture of products that may be allied or may be usefully combined with manufacture of any of the material mentioned above.

## 2. OVERVIEW OF THE SCHEME

This Composite Scheme of Arrangement (**“Scheme”**) provides for (i) Amalgamation of Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, Transferor Company 5 (collectively hereinafter referred to as the **Transferor Companies**), respectively into Transferee Company, with effect from the Appointed Date (as defined hereinafter) and the consequent dissolution of the Transferor Companies without being wound up and (ii) Amalgamation of Amalgamating Company with Amalgamated Company with effect from the Appointed Date (as defined hereinafter) and the consequent dissolution of the Amalgamating Company without being wound up; and issuance of the shares New Equity Shares (as defined hereinafter) to the equity shareholders of Amalgamating Company in accordance with Share Exchange Ratio (as defined hereinafter), pursuant to section 230-232, and other relevant provisions of the Companies Act, in the matter provided for in this Scheme and in compliance with the provisions of the Income Tax Act (as defined hereinafter) (**“Amalgamation”**).

## 3. RATIONALE OF THE SCHEME

<sup>4</sup> SFL has initiated the process of shifting its registered office from the State of Delhi to the State of Maharashtra and has filed the requisite MCA forms before Regional Director, Northern Region. It is in the process of obtaining the requisite approval in accordance with applicable provisions of the Companies Act, 2013. It may be noted that since the new registered office would be located in the State of Maharashtra, the jurisdictional NCLT for filing the application and petition pursuant to this Composite Scheme of Arrangement would be NCLT Mumbai



**3.1 The rationale for the Composite Scheme of Amalgamation is set out below:**

- 3.1.1 The Amalgamating Company, alongwith Transferor Companies, has been the second largest mattress manufacturer, with leadership position in southern and eastern parts of the country, apart from sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.**

The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further strengthen the leadership position in the mattress and foam segments across the country.

The intent of acquisition of the Amalgamating Company, alongwith Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.

The Scheme would *inter-alia* have the following benefits:

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;
  - (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;
  - (c) Rationalization of logistic costs considering the combined volume;
  - (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;
  - (e) Structured, sharper and better management focusing on holistic growth of the businesses;
  - (f) Optimum and efficient utilization of resources and sharing of ancillary facilities;
  - (g) Common governance structure and effective management of compliances;
  - (h) Enhancing shareholder value and leveraging on synergies in doing the business;  
and
  - (i) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.
- 3.1.2 Given the above, and similarity in nature of businesses of the Transferor Companies, the Amalgamating Company and the Amalgamated Company, it is proposed to merge the Transferor Companies with Amalgamating Company (pursuant to Part C of this Scheme) and**



(post Part C comes into effect) merge the Amalgamating company with Amalgamated Company (pursuant to Part D of this Scheme). The merger shall result in greater business synergies and reduced administrative and other costs.





- 4. This Scheme is divided into following parts and further details thereunder:**
- 4.1 Part A – Deals with the general description of the companies that are parties to the Scheme, overview of the Scheme and the rationale and benefits of the Scheme**
  - 4.2 Part B – Deals with the definitions and interpretations and sets out the share capital of the respective parties to the Scheme**
  - 4.3 Part C – Deals with the amalgamation of Transferor Companies with the Transferee Company**
  - 4.4 Part D – Deals with the amalgamation of Amalgamating Company with the Amalgamated Company**
  - 4.5 Part E – Deals with the general terms and conditions applicable to this Scheme**

The Scheme also provides for various other matters consequential, incidental or otherwise integrally connected herewith.



**PART B - DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL**

**5. DEFINITIONS**

5.1 In this Part B of the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (a) "Act" or "the Act" or "the Companies Act" or "the Companies Act, 2013" means the Companies Act, 2013 and rules made thereunder or any statutory modification, amendment or re-enactment thereof,
- (b) "Amalgamated Company" shall have the meaning set forth in Clause 1.6;
- (c) "Amalgamating Company" or the "Transferee Company" shall have the meaning set forth in Clause 1.5;
- (d) "Amalgamation" shall have the meaning set forth in Clause 2.1;
- (e) "Appointed Date" means October 20, 2023, or such other date as may be approved by the Hon'ble NCLT;
- (f) "Applicable Law" means all applicable (a) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction; (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or governmental approvals of, or agreements with, any Governmental Authority or recognized stock exchange; and (c) international treaties, conventions and protocols, as may be in force from time to time;
- (g) "Board of Directors", in relation to a Party, shall mean the Board of Directors of such Party, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors;
- (h) "Composite Scheme of Arrangement" or "this Scheme" or "the Scheme" means this Scheme of Arrangement, pursuant to Section 230 to 232 and other applicable provisions of the Act, in its present form with such modifications and amendments as may be made in accordance with the terms thereof,
- (i) "Effective Date" means the date on which the certified copy/ies of the order/orders of the Tribunal sanctioning the Scheme is/are filed by the Parties with the Registrar of Companies



after the last of the approvals or events specified in Clause 39 of the Scheme are satisfied or have occurred or obtained or the requirement of which have been waived (in writing) in accordance with this Scheme. Reference in this Scheme to the date of 'coming into effect of this Scheme' or 'coming into effect of the Scheme' or 'effectiveness of this Scheme' or 'effect of this Scheme' or 'upon the Scheme becoming effective' or 'the Scheme coming into effect' shall mean the Effective Date;

- (j) "Encumbrance" or "Encumbered" means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, negative lien, power of attorney (conferring power to create charge or security), agreement to create charge or security, any contractual restriction on ability to dispose assets, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) a contract to give or refrain from giving any of the foregoing, (iii) any voting agreement, Interest, option, right of first offer, refusal or transfer restriction in favour of any Person; and (iv) any adverse claim as to title, possession or use;
- (k) "Governmental Authority" means any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorized to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district or other sub-division thereof having jurisdiction pursuant to the Applicable Law, including SEBI
- (l) "Income Tax Act" means the Income Tax Act, 1961, including any statutory modifications, enactments or amendments thereof for the time being in force;
- (m) "New Equity Shares" shall have the meaning set forth in Clause 27.1;
- (n) "NCLT" or "The Tribunal" shall mean the Hon'ble National Company Law Tribunal at Mumbai, having applicable jurisdiction;
- (o) "Parties" shall mean collectively, the Transferor Companies, the Amalgamating Company and the Amalgamated Company, and "Party" shall mean any one of them, as the case may be
- (p) "Record Date" means such date after the Effective Date as may be fixed by the Board of Directors of the Amalgamated Company for determining the equity shareholders of the



Amalgamating Company who will be allotted New Equity Shares of the Amalgamated Company pursuant to the Scheme being effective.

- (q) "SEBI" means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;
- (r) "SEBI Circular" means the circular issued by the SEBI, being Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 read with SEBI circular No. SEBI/HO/DDHS/DDHS-RACPODIP/CIR/2022/156 dated November 17, 2022 and any amendments thereof issued pursuant to Regulations 11, 37, 59A, 94 and 94A of the SEBI LODR Regulations or any other circular(s) issued by SEBI with respect to scheme of amalgamation or arrangement;
- (s) "SEBI LODR Regulations" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- (t) "Stock Exchanges" means BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") and any other recognized stock exchange, as the case may be.
- (u) "Tax" or "Taxes" means: (a) all forms of direct tax and indirect tax, surcharge, fee, levy, duty, tariff, charge, impost and other charges of any kind, withholding or other amount whenever or wherever created or imposed by, or payable to any tax authority; (b) all charges, interest, penalties and fines incidental or relating to any tax falling within (a) above or which arise as a result of the failure to pay any tax on the due date or to comply with any obligation relating to tax; and (c) all credits/refunds/benefits in relation to direct tax and indirect tax, surcharge, fee, levy, duty, tariff, charge, impost and other credits/refunds/benefits of any kind, withholding or other amount whenever or wherever entitled from any tax authority;
- (v) "Transferor Companies" shall have the meaning set forth in Clause 2.1, and "Transferor Company" shall mean any one of them, as the case may be;
- (w) "Tribunal" means the National Company Law Tribunal, Mumbai Bench and shall include, if applicable, such other forum or authority as may be vested with the powers of a National Company Law Tribunal under the Companies Act
- (x) "Undertakings" means and includes the whole of the business, undertakings, assets, properties, investments and all the liabilities of the Transferor Companies, of whatsoever nature and kind and wherever situated, on a going concern and with continuity of business of each of the Transferor Companies which shall mean and shall include (without limitation):



- All their assets and properties (tangible or intangible, moveable or immovable (if any), real or personal, corporeal or incorporeal, present, future or contingent) of the respective Transferor Companies, including, without being limited to, computers, equipment, offices and other premises, sundry debtors, furniture, fixtures, interiors, office equipment, accessories, deposits, all stocks, assets, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, Taxes paid, actionable claims, earnest moneys, margin moneys, security deposits, advances or deposits paid by the respective Transferor Companies, financial assets, leases (including but not limited to leasehold rights of the respective Transferor Companies), and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies or licenses in relation to the offices, fixed and other assets, intangible assets (including but not limited to software) and intellectual property rights of any nature whatsoever; rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections, and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including Tax benefits), credits (including Tax credits), credit arising from advance Tax, self-assessment Tax, withholding Tax credits, foreign Tax credits, any Tax refunds and credits, minimum alternate Tax credit entitlement, Central Value Added Tax ("CENVAT") credit, goods and service Tax credit, other Indirect Tax credits, any Tax incentives, benefits (including claims for carried forward Tax losses and unabsorbed Tax depreciation), advantages, privileges, exemptions, credits, Tax holidays, remission, reductions and any other claims under any Tax laws; subsidies, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the respective Transferor Companies or in connection with or relating to the respective Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the respective Transferor Companies
- All contracts (including but not limited to the agreements with respect to the immovable properties being used by the respective Transferor Companies by way of lease and/or license and/or business arrangements), rights, agreements, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, letters of intent, understanding, equipment



purchase agreement, agreements with customers, purchase and other agreement with the supplier/manufacturer of goods/service providers, undertakings, deeds, bonds and schemes, entitlements, licenses (including the licenses granted by any Governmental Authority for the purpose of carrying on the respective businesses of the Transferor Companies or in connection therewith), permits, clearances, permissions, incentives, approvals (including municipal approvals), allocations, registrations, Tax benefits, subsidies, concessions, grants, credits, awards, exemptions, qualifications, bid acceptances, tenders, certificates, rights, statutory rights, claims, leases, licenses, right to use and/ or access, tenancy rights, liberties, special status and other benefits or privileges; quota rights, engagements, arrangements, authorities, allotments and security arrangements (to the extent provided herein); benefits of any guarantees, reversions, powers and all other approvals, sanctions and consents of every kind, nature and description whatsoever relating to the respective Transferor Companies' business activities and operations and that may be required to carry on the operations of the respective Transferor Companies;

- All intellectual property rights, registrations, trademarks, trade names, computer programmes, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names and all software, and all the website contents (including text, graphics, images, audio, video and data) exclusively used by or held for use by the respective Transferor Companies in their respective businesses, activities and operations carried on by the Transferor Companies;
- All books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;
- All amounts claimed by the respective Transferor Companies whether or not so recorded in the books of account of the respective Transferor Companies from any Governmental Authority, under any law, act or rule in force, as refund of any Tax, duty, cess or of any excess payment;
- All rights to any claim not preferred or made by the respective Transferor Companies in respect of any refund of Tax, duty, cess or other charge, including any erroneous or



excess payment thereof made by the respective Transferor Companies and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses and unabsorbed Tax depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, incentives, benefits, Tax holidays, credits, etc. under the Income Tax Act, sales Tax, value added Tax, service Tax, custom duties, and goods and service Tax or any other or like benefits under the said acts or under and in accordance with Applicable Law;

- All debts and liabilities, both present and future, whether or not provided in the books of accounts or disclosed in the balance sheet of the respective Transferor Companies, including all secured, if any, and unsecured debts (whether denominated in Indian rupees or a foreign currency), liabilities (including deferred Tax liabilities, contingent liabilities) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for their respective business activities and operations along with any charge, guarantees, assurances, deposits, time and demand liabilities, borrowings, bills payable, Interest accrued, Tax liabilities, debentures, duties, leases of the respective Transferor Companies, guarantees, sundry creditors, and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether or not contingent or disputed or the subject matter of any court, arbitration, tribunal, forum or other proceedings including before any Governmental Authority. Provided that, any reference in the security documents or arrangements entered into by the respective Transferor Companies, if any, and under which, the assets of the respective Transferor Companies stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to the respective Undertakings of the Transferor Companies only as are vested in the Transferee Company by virtue of Part C of the Scheme and the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the respective Transferor Companies which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise
- All of their respective staff and employees, if any, who are on their respective payrolls, including those employed at their respective offices, and other obligations of whatsoever kind, including liabilities of each of the Transferor Companies, with regard to their staff and employees, with respect to the payment of gratuity, superannuation, pension benefits and the provident fund or compensation, if any, and any other benefit



in the event of resignation, death, voluntary retirement or retrenchment and any other obligations under any licenses and/ or permits; and

- All Proceedings of whatsoever nature involving the respective Transferor Companies

It is intended that the definition of Undertakings under this clause would enable the transfer of all property, assets, liabilities, employees, etc of the Transferor Companies to the Transferee Company pursuant to this Scheme

(y) **“Undertaking of Amalgamating Company”** means the Amalgamating Company together with the Undertakings of the respective Transferor Companies, transferred to and vested in the Amalgamating Company, upon effectiveness of Part C of the Scheme and with effect from the Appointed Date, and includes all the business, undertakings, assets, properties, investments and all liabilities of the Amalgamating Company, of whatsoever nature and kind and wherever situated, on a going concern basis, and with continuity of business of the Amalgamating Company, which shall mean and include without limitation.

- All the assets and properties (tangible or intangible, moveable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) of the Amalgamating Company, including, without being limited to, computers, equipment, offices and other premises, sundry debtors, furniture, fixtures, interiors, office equipment, including other equipment, accessories, deposits, all stocks, assets, Investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, Taxes paid, actionable claims, earnest moneys, margin moneys, security deposits, advances or deposits paid by the Amalgamating Company, financial assets, leases (including but not limited to leasehold rights of the Amalgamating Company), and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies or licenses in relation to the offices, fixed and other assets, Intangible assets (including but not limited to software) and intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including Tax benefits), credits (including Tax credits), credit arising from advance Tax, self-assessment Tax, withholding Tax credits, foreign Tax credits, any Tax refunds and credits, minimum alternate Tax credit entitlement, CENVAT credit, goods and service Tax credit, other indirect Tax credits, any Tax incentives, benefits





- (including claims for carried forward Tax losses and unabsorbed Tax depreciation) advantages, privileges, exemptions, credits, Tax holidays, remission, reductions and any other claims under any Tax laws; subsidies, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating Company or in connection with or relating to the Amalgamating Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Amalgamating Company.
- All contracts (including but not limited to the agreements with respect to the immovable properties being used by the Amalgamating Company by way of lease and/or license and/or business arrangements), rights, agreements, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, letters of intent, understanding, equipment purchase agreement, agreements with customers, purchase and other agreement with the supplier/manufacturer of goods/service providers, undertakings, deeds, bonds and schemes; entitlements, licenses (including the licenses granted by any Governmental Authority for the purpose of carrying on the business of the Amalgamating Company or in connection therewith), permits, permissions, incentives, approvals (including municipal approvals), allocations, registrations, Tax benefits, subsidies, concessions, grants, credits, awards, exemptions, qualifications, bid acceptances, tenders, certificates, rights, statutory rights, claims, leases, licenses, right to use and/or access, tenancy rights, liberties, special status and other benefits or privileges; quota rights, engagements, arrangements, authorities, allotments and security arrangements (to the extent provided herein); benefits of any guarantees, reversions, powers and all other approvals, sanctions and consents of every kind, nature and description whatsoever relating to the Amalgamating Company's business activities and operations and that may be required to carry on the operations of the Amalgamating Company;
  - All intellectual property rights, registrations, trademarks, trade names, computer programmes, manuals, data, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names and all software, and all the website contents (including text, graphics, images, audio, video and data) exclusively used by or held for use by the Amalgamating Company in the business, activities and operations carried on by the Amalgamating Company



- All books, records, files, papers, engineering and process information, application software, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, sales and advertising materials, product registrations, dossiers, lists of present and former borrowers, lenders and suppliers including service providers, other borrower information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;
- All amounts claimed by the Amalgamating Company whether or not so recorded in the books of account of the Amalgamating Company from any Governmental Authority, under any law, act or rule in force, as refund of any Tax, duty, cess or of any excess payment;
- All rights to any claim not preferred or made by the Amalgamating Company in respect of any refund of Tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Amalgamating Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses and unabsorbed Tax depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, incentives, benefits, Tax holidays, credits, etc., under the Income Tax Act, sales Tax, value added Tax, service Tax, custom duties, and goods and service Tax or any other or like benefits under the said acts or under and in accordance with Applicable Law;
- All debts and liabilities, both present and future, whether or not provided in the books of accounts or disclosed in the balance sheet of the Amalgamating Company, including all secured and unsecured debts (whether denominated in Indian rupees or a foreign currency), liabilities (including deferred Tax liabilities, contingent liabilities) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations along with any charge, assurances, deposits, time and demand liabilities, borrowings, bills payable, interest accrued, Tax liabilities, debentures, bonds, notes, duties, leases of the Amalgamating Company, guarantees, sundry creditors, and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether or not contingent or disputed or the subject matter of any court, arbitration, tribunal, forum or other proceedings including before any Governmental Authority. Provided that any reference in the security documents or arrangements entered into by the Amalgamating Company and under which, the assets of the Amalgamating Company stand offered as a security, for any financial assistance or obligation, the said reference



shall be construed as a reference to the assets pertaining to that Undertaking of the Amalgamating Company only as are vested in the Amalgamated Company by virtue of the Scheme and the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Amalgamating Company which shall vest in the Amalgamated Company by virtue of the Scheme and the Amalgamated Company shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise

- All of its staff and employees, who are on its payrolls, including those employed at its offices and branches, including overseas offices, employees/personnel engaged on contract basis and contract labourers and Interns/trainees, as are primarily engaged in or in relation to the business, activities and operations carried on by the Amalgamating Company and other obligations of whatsoever kind, including liabilities of the Amalgamating Company with regard to its staff and employees, with respect to the payment of gratuity, superannuation, pension benefits, the provident fund or compensation, if any, and any other employee benefit scheme/plan in the event of resignation, death, voluntary retirement or retrenchment and any other obligations under any licenses and/ or permits; and
- All Proceedings whatsoever nature involving the Amalgamating Company

## 6. INTERPRETATIONS

- 6.1 The expressions which are used in this Scheme and not defined, shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time..
- 6.2 References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation.
- 6.3 References to any of the terms Taxes, duty, levy or cess in the Scheme shall be construed as reference to all of them whether jointly or severally.
- 6.4 The words "include" and "including" are to be construed without limitation.
- 6.5 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be.



6.6 Any reference to the Recital or Clause shall be a reference the Recital or Clause of this Scheme

## 7. DATE OF COMING INTO EFFECT

7.1 The Scheme set out herein, in its present form or with such modifications or amendments, approved or imposed or directed by the NCLT or other appropriate authority, shall be effective from the Appointed Date herein, although it shall be operative from the Effective Date.

7.2 The amalgamation of the Transferor Companies with the Transferee Company, and the amalgamation of the Amalgamating Company with the Amalgamated Company shall be in accordance with Section 2(1B) of the Income Tax Act. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with Section 2(1B) of the Income Tax Act at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provision of the Income Tax Act shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme.

## 8. SHARE CAPITAL

### 8.1 Transferor Company 1

The authorized, issued, subscribed and paid-up share capital of Transferor Company 1 as on March 31, 2023 is as follows:

PARTICULARS	AMOUNT (Rs)
AUTHORIZED CAPITAL	
50,000 Equity Shares of Rs 10/- each	5,00,000
<b>Total</b>	<b>5,00,000</b>
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
50,000 Equity Shares of Rs 10/- each	5,00,000
<b>Total</b>	<b>5,00,000</b>

### 8.2 Transferor Company 2

The authorized, issued, subscribed and paid-up share capital of Transferor Company 2 as on March 31, 2023 is as follows:

PARTICULARS	AMOUNT (Rs)
AUTHORIZED CAPITAL	
1,50,000 Equity Shares of Rs 10/- each	15,00,000
<b>Total</b>	<b>15,00,000</b>
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	



10,000 Equity Shares of Rs 10/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>

### 8.3 Transferor Company 3

The authorized, issued, subscribed and paid-up share capital of Transferor Company 3 as on March 31, 2023 is as follows:

PARTICULARS	AMOUNT (Rs)
<b>AUTHORIZED CAPITAL</b>	
4,00,00,000 Equity Shares of Rs 5/- each	20,00,00,000
<b>Total</b>	<b>20,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
1,52,56,666 Equity Shares of Rs 5/- each	7,63,33,330
<b>Total</b>	<b>7,63,33,330</b>

### 8.4 Transferor Company 4

The authorized, issued, subscribed and paid-up share capital of Transferor Company 4 as on March 31, 2023 is as follows:

PARTICULARS	AMOUNT (Rs)
<b>AUTHORIZED CAPITAL</b>	
50,000 Equity Shares of Rs 10/- each	5,00,000
<b>Total</b>	<b>5,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
50,000 Equity Shares of Rs 10/- each	5,00,000
<b>Total</b>	<b>5,00,000</b>

### 8.5 Transferor Company 5

The authorized, issued, subscribed and paid-up share capital of Transferor Company 5 as on March 31, 2023 is as follows:

PARTICULARS	AMOUNT (Rs)
<b>AUTHORIZED CAPITAL</b>	
5000 Equity Shares of Rs 10/- each	50,000
<b>Total</b>	<b>50,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
5000 Equity Shares of Rs 10/- each	50,000
<b>Total</b>	<b>50,000</b>



**8.6 Amalgamating Company**

The authorized, issued, subscribed and paid-up share capital of Amalgamating Company as on March 31, 2023 is as follows:

<b>PARTICULARS</b>	<b>AMOUNT (Rs)</b>
<b>AUTHORIZED CAPITAL</b>	
15,06,00,000 Equity Shares of Rs 5/- each	75,30,00,000
<b>Total</b>	<b>75,30,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
3,65,52,261 Equity Shares of Rs 5/- each	18,27,61,305
<b>Total</b>	<b>18,27,61,305</b>

**8.7 Amalgamated Company**

The authorized, issued, subscribed and paid-up share capital of Amalgamated Company as on March 31, 2023 is as follows.

<b>PARTICULARS</b>	<b>AMOUNT (Rs)</b>
<b>AUTHORIZED CAPITAL</b>	
20,00,00,000 Equity shares of Rs.5/- each	1,00,00,00,000
<b>Total</b>	<b>1,00,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</b>	
9,75,65,616 Equity Shares of Rs. 5/- each	48,78,28,080
<b>Total</b>	<b>48,78,28,080</b>

The equity shares of the Amalgamated Company are listed on the Stock Exchanges.



**PART C – AMALGAMATION OF TRANSFEROR COMPANIES WITH  
THE TRANSFEREE COMPANY**

**9. TRANSFER AND VESTING OF THE RESPECTIVE ASSETS OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY**

- 9.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, each of the Transferor Companies, shall stand amalgamated into the Transferee Company and their respective Undertakings shall, pursuant to the sanction of the Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in the Transferee Company, as a going concern, in accordance with Section 2(1B) of the Income Tax Act, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertakings of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 9.2 Without prejudice to the generality of Clause 9.1 above, upon coming into effect of the Scheme and with effect from the Appointed Date, and subject to the provisions of this Scheme, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the respective Undertakings of the Transferor Companies, of whatsoever nature and wherever situate, whether or not included in the respective books of the Transferor Companies, shall, subject to the provisions of this Clause 9 in relation to the mode of vesting and pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estates, assets, rights, claims, title, interest and authorities of the Transferee Company, subject to the provisions of this Scheme.
- 9.3 In respect of such of the assets of the respective Transferor Companies, as are movable in nature or otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, the same shall be so transferred by the respective Transferor Companies, and shall become the property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 230 to 232 of the Companies Act without requiring any deed or instrument of conveyance for the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly



- 9.4 In respect of such of the assets belonging to the respective Transferor Companies, other than those mentioned in Clause 9.3 above, the same shall, as more particularly provided in Clause 9.2 above, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of Section 230 to 232 of the Companies Act
- 9.5 Upon the effectiveness of this Scheme, and with effect from the Appointed Date, all assets of the respective Transferor Companies that are owned / leased / licensed immovable properties, if any, including any right or interest in the buildings and structures standing thereon and all lease/ license or rent agreements, together with security deposits and advance / prepaid lease/ license fee, rights and easements in relation to such properties shall stand transferred to and be vested in, or be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed, pursuant to the provisions of Part C of this Scheme. Further, the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease/ license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance / prepaid lease / license fee to the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties, if any, and shall be liable, as may be required, to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective and with effect from the Appointed Date 1, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof. Further the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as a record of continuing title with Amalgamating Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. Further, at the discretion of Transferee Company, such immovable properties including leasehold rights can be vested pursuant to a separate conveyance or any other agreement as well.
- 9.6 All estate, assets, rights, titles or interests acquired by the respective Transferor Companies, after the Appointed Date but prior to the Effective Date shall also, without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Companies Act.
- 9.7 All trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and





software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information of the respective Transferor Companies shall stand transferred to and vested in the Transferee Company

#### **10. TRANSFER AND VESTING OF THE RESPECTIVE LIABILITIES OF THE TRANSFEROR COMPANIES WITH THE TRANSFEE COMPANY**

- 10.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all the liabilities, debts, loans raised and used, duties, losses and obligations of the respective Transferor Companies, whether or not recorded in their respective books of accounts, shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, without any further act, instrument, deed, matter or thing, stand transferred to and vested in the Transferee Company to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the liabilities, debts, loans, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the concerned Transferor Companies, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- 10.2 Upon the Scheme becoming effective and with effect from the Appointed Date, all the liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability including contingent liability in whatever form), if any, due on the Effective Date between the respective Transferor Companies and the Transferee Company shall automatically stand discharged and come to an end and there shall be no liability in that behalf on either of the Transferor Companies or the Transferee Company and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.
- 10.3 All Encumbrances, if any, existing prior to the Effective Date over the assets of the respective Transferor Companies, shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Provided that if any of the assets of the concerned Transferor Companies, which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered as aforesaid, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over



such assets. The absence of any formal amendment or approval which may be required by a lender or trustee or third party shall not affect the operation of the above.

- 10.4 Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of this Scheme and with effect from the Appointed Date, the Transferee Company shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- 10.5 It is expressly provided that, save as mentioned in this Clause, no other term or condition of the liabilities, loans, duties and obligations transferred to the Transferee Company as part of the Scheme shall be modified by virtue of this Scheme
- 10.6 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue of any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

## 11. CONTRACTS AND PERMITS

- 11.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, and subject to the provisions of the Scheme, all contracts (including but not limited to customer contracts, service contracts and supplier contracts), deeds, bonds, indemnities, agreements, schemes, licenses, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of intent, arrangements and other instruments of whatsoever nature, to which the respective Transferor Companies, are a party or to the benefit of which the respective Transferor Companies, may be eligible or for the obligations of which the respective Transferor Companies, may be liable, and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the respective Transferor Companies, the Transferee Company had been a party or beneficiary or obligee or obligor thereto.
- 11.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertakings of the respective Transferor Companies occur by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite agreements with any party to any contract or arrangement to which the respective Transferor Companies, are a party or any writings as may be necessary to be executed in order to give



formal effect to the above provisions. The Transferee Company shall, under the provisions of Part C of this Scheme, be deemed to be authorized to execute any such writings on behalf of the respective Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the respective Transferor Companies to be carried out or performed.

- 11.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, and subject to the Applicable Law, all approvals, including municipal approvals, allocations, allotments, consents, authorities (including for the operation of bank accounts), concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorization, statutory rights, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on their respective business or in connection therewith), permissions and certificates of every kind and description whatsoever in relation to the respective Transferor Companies including powers of attorney given by the respective Transferor Companies, or to the benefit of which the respective Transferor Companies may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme becoming effective and with effect from the Appointed Date, in accordance with the terms hereof. The Transferee Company shall be entitled to make applications to any Governmental Authority as may be necessary in this behalf.

- 11.4 Upon the effectiveness of the Scheme and with effect from the Appointed Date, the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the respective Transferor Companies to the extent necessary until the transfer of the rights and obligations of the respective Transferor Companies to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the respective Transferor Companies after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the bankers of the



Transferee Company shall honour all cheques issued by the respective Transferor Companies for payment after the Effective Date.

- 11.5 Upon the effectiveness of this Scheme and with effect from the Appointed Date, all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the concerned Transferor Companies are a party to or to the benefit of which the Transferor Companies may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme and with effect from the Appointed Date, the past track record of the respective Transferor Companies shall be deemed to be the track record of the Transferee Company for all purposes, including commercial and regulatory purposes.
- 11.6 Upon effectiveness of the Scheme and with effect from the Appointed Date, all bank accounts operated or entitled to be operated by the respective Transferor Companies shall be deemed to have transferred and shall stand transferred to the Transferee Company and name of the respective Transferor Companies shall be substituted by the name of the Transferee Company in the bank's records.
- 11.7 Without prejudice to the other provisions of this Scheme, upon effectiveness of this Scheme and with effect from the Appointed Date, all transactions between the respective Transferor Companies and between the respective Transferor Companies and the Transferee Company, that have not been completed, shall stand cancelled.

## 12. TAXATION MATTERS

- 12.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all Taxes paid, payable, received or receivable by or on behalf of the respective Transferor Companies, including but not limited to all or any refunds, claims or entitlements or credits (including credits for income Tax, withholding Tax, advance Tax, self-assessment Tax, minimum alternate Tax, foreign Tax credits, CENVAT credit, goods and services Tax credits, other indirect Tax credits and other Tax receivables) shall, for all purposes, be treated as the Tax liability, refund, claims, including but not limited to claims under section 43B, section 40 of the Income Tax Act, or credit, as the case may be, of the Transferee Company, and any Tax incentives, benefits (including claims for unabsorbed Tax losses and unabsorbed Tax depreciation), advantages, privileges, elections, exemptions, credits, Tax holidays, benefits of exercise of any option, remissions or reduction which would have been available to the respective Transferor Companies, shall be available to the Transferee Company, and following the Effective Date, the Transferee Company



shall be entitled to initiate, raise, add or modify any claims in relation to such Taxes on behalf of the respective Transferor Companies.

- 12.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, central sales Tax law, applicable state value added Tax law, service Tax laws, excise duty laws, goods and services Tax laws and other Tax laws, and to claim refunds and/or credit for Taxes paid (including, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 12.3 All compliances with respect to Taxes or any other Applicable Law between the Appointed Date and the Effective Date, undertaken by the respective Transferor Companies, shall, upon the effectiveness of this Scheme and with effect from the Appointed Date, be deemed to have been complied with, by the Transferee Company. Any Taxes deducted by the Transferee Company from payments made to the respective Transferor Companies, shall be deemed to be advance tax paid by the Transferee Company.

### 13. LEGAL PROCEEDINGS

- 13.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all legal, taxation or other proceedings whether civil or criminal including but not limited to suits, summary suits, indigent petitions, assessments, appeals, or other proceedings of whatever nature (hereinafter called the "Proceedings"), if any, by or against the respective Transferor Companies, pending as on the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected in any way by reason of the Scheme or by anything contained in the Scheme, but the Proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company, in the same manner and to the same extent as they would or might have been continued, prosecuted or enforced by or against the respective Transferor Companies, if the Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate, defend, compromise or otherwise deal with any Proceedings for and on behalf of the respective Transferor Companies. The Transferee Company undertakes to have all the Proceedings specified in this Clause, initiated by or against the respective Transferor Companies, transfer to its name and to have such Proceedings continued, prosecuted and enforced, as the case may be, by or against the Transferee Company, subject to Applicable Law.

### 14. EMPLOYEES OF THE RESEPECTIVE TRANFEROR COMPANIES

- 14.1 With effect from the Effective Date, all the staff and employees, if any, of the respective Transferor Companies, who are in such employment as on the Effective Date, shall become and be deemed to have become, the staff and employees of the Transferee Company, without any break in or



interruption of service and on terms and conditions not less favourable than those on which they are engaged by the respective Transferor Companies, as a result of the transfer and vesting of the Undertakings of the Transferor Companies to the Transferee Company. Services of the staff and employees shall be taken into account from the date of their respective appointment with the Transferor Companies, for the purposes of all retirement benefits and all other entitlements for which they may be eligible. For the purpose of payment of any retrenchment compensation or other termination benefits, if any, such past services with the respective Transferor Companies shall also be taken into account by the Transferee Company.

- 14.2 With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created by the respective Transferor Companies, if any, which exist immediately prior to the Effective Date, the Transferee Company shall stand substituted for the respective Transferor Companies for all purposes whatsoever, upon the coming into effect of this Scheme, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the respective Transferor Companies, in accordance with Applicable Law. It is hereby clarified that upon the coming into effect of this Scheme, such benefits and schemes shall continue to be provided to the transferred employees and the service of all transferred employees of the respective Transferor Companies for such purpose shall be treated as having been continuous.
- 14.3 It is provided that as far as the provident fund, gratuity fund, pension, superannuation fund or any other special fund created or existing, including any payments towards state insurance, for the benefit of such employees of the respective Transferor Companies are concerned, upon the Scheme becoming effective and with effect from the Appointed Date, each of the Transferor Companies shall stand substituted by the Transferee Company for all purposes whatsoever relating to the administration or operation of such funds or trusts or in relation to the obligation to make contribution to the said funds or trusts in accordance with the provisions of such funds or trusts as provided in the respective trust deeds or other documents. Upon the Scheme becoming effective and with effect from the Appointed Date, the contributions made by the respective Transferor Companies to the said funds and trusts for the period after the Appointed Date shall be deemed to be made by the Transferee Company. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the respective Transferor Companies, in relation to such funds or trusts shall become those of the Transferee Company. The trustees including the Boards of the respective Transferor Companies and the Transferee Company or through any committee / person duly authorized by the Boards in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuabon or breakage in the services of the employees.

## 15. CONSIDERATION



15.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, and in consideration of the transfer of and vesting of the Undertakings of the Transferor Companies in the Transferee Company, in terms of the Scheme, all the equity shares issued by the respective Transferor Companies and held by the Transferee Company and its nominees shall stand cancelled and extinguished and in lieu thereof, there shall be no allotment of equity shares in the Transferee Company or payment of any consideration.

#### 16. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY

16.1 Notwithstanding anything to the contrary herein, the Transferee Company shall account for the amalgamation of the each of the Transferor Companies with the Transferee Company, on completion of all substantial conditions for the transfer, in accordance with 'Pooling of Interests Method' laid down in Appendix C of Ind AS-103 (Business Combinations of entities under common control) notified under Section 133 of the Companies Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, such that:

16.1.1 The Transferee Company shall record the assets, liabilities and reserves, if any, of the respective Transferor Companies vested in it pursuant to this Scheme, at the respective book values and in the same form as appearing in the Consolidated financial statement of Transferee Company.

16.1.2 The identity of the reserves shall be preserved and the Transferee Company shall record the reserves of the respective Transferor Companies in the same form and at the carrying amount as appearing in the consolidated financial statement of Transferee Company.

16.1.3 The value of investment held by the Transferee Company in the respective Transferor Companies shall stand cancelled pursuant to the amalgamation.

16.1.4 Pursuant to the amalgamation of the respective Transferor Companies with the Transferee Company, the inter-company balances between the Transferee Company and the respective Transferor Companies, if any, appearing in the books of the Transferee Company and the value of all investments held by the Transferee Company in each of the Transferor Companies shall stand cancelled.

16.1.5 The surplus/deficit, if any arising after taking the effect of clause 16.1.1, clause 16.1.2, clause 16.1.3 and after giving the effect of the adjustments referred to in clause 16.1.4, shall be transferred to the "Capital Reserve" in the financial statements of the Transferee Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.



16.1.6 In case of any difference in the accounting policy between the respective Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

16.1.7 Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of amalgamation, as stated above, as if the amalgamation had occurred from the beginning of the comparative period.

16.1.8 Any matter not dealt with in the Clause hereinabove shall be dealt with in accordance with the accounting standards applicable to the Transferee Company

## **17. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE**

17.1 From the date on which the Boards of the respective Transferor Companies and the Transferee Company approve the Scheme, each of the Transferor Companies shall carry on their respective businesses with reasonable diligence and business prudence in the ordinary course consistent with past practice, in accordance with Applicable Law and as mutually agreed between the Transferor Companies and the Transferee Company. Notwithstanding anything contained in the Scheme to the contrary, each of the respective Transferor Companies and the Transferee Company shall be able to raise capital from the date on which the Boards of the Transferor Companies and the Transferee Company approve the Scheme, as it may deem fit.

## **18. DISSOLUTION OF TRANSFEROR COMPANIES**

18.1 Upon the coming into effect of Part C of this Scheme and with effect from the Appointed Date, each of the Transferor Companies shall stand dissolved without being wound up, without any further act or deed and no specific accounting is prescribed in the Indian Accounting Standards specified under Section 133 of the Act for such transfer.

## **19. REORGANISATION OF THE AUTHORISED SHARE CAPITAL OF TRANSFEROR COMPANY 1, TRANSFEROR COMPANY 2, TRANSFEROR COMPANY 4 AND TRANSFEROR COMPANY 5**

19.1 Upon Part C of the Scheme becoming effective and with effect from the Appointed Date, and as an integral part of the Scheme, the authorized share capital of Transferor Company 1, Transferor Company 2, Transferor Company 4 and Transferor Company 5 shall be reclassified/reorganized such that each equity share of Rs. 10/- (Rupees Ten only) shall stand reclassified/reorganized as 2 (Two) equity shares of Rs. 5/- (Rupees Five only) each





19.2 It is clarified that the approval of the respective equity shareholders of the Transferor Company 1, Transferor Company 2, Transferor Company 4 and Transferor Company 5 to this Scheme shall be deemed to be their consent/approval to the reclassification of the authorized share capital envisaged under this Clause of the Scheme, as required under Sections 13, 61 and other applicable provisions of the Companies Act

**20. CONSOLIDATION OF THE RESPECTIVE AUTHORISED SHARE CAPITAL OF THE TRANSFEROR COMPANIES WITH THE AUTHORISED SHARE CAPITAL OF THE TRANSFEREE COMPANY**

20.1 Upon Part C of the Scheme becoming effective and with effect from the Appointed Date, and pursuant to the reclassification and reorganization of the resultant authorized share capital of the respective Transferor Company 1, Transferor Company 2, Transferor Company 4 and Transferor Company 5 as set out in Clause 19 above, the resultant authorized share capital of each of the Transferor Companies shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by each of the Transferor Companies on their respective authorized share capitals shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorized share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Companies Act.

Clause V, of the memorandum of association of the Transferee Company shall, upon the Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"V. The Authorised Share Capital of the Corporation is Rs. 95,55.50,000/- (Rupees Ninety-Five Crores Fifty-Five Lakhs and Fifty Thousand Only) comprising of 19,11,10,000 (Nineteen Crores Eleven Lakhs Ten Thousand Only) equity shares of the face value of Rs. 5/- (Rupees Two only) each."

20.2 For the avoidance of doubt, it is hereby clarified that if the authorized share capital of the respective Transferor Companies or the Transferee Company undergoes any change, either as a consequence of any corporate action or otherwise, then, this Clause 20 shall automatically stand modified to take into account the effect of such change.

20.3 The approval of this Scheme by the equity shareholders of the Transferee Company under Sections 230 to 232 of the Companies Act, shall be deemed to have been an approval under



Section 13, Section 61 and Section 64 or any other applicable provisions under the Companies Act and no further resolution(s) would be required to be separately passed in this regard.



**PART D - AMALGAMATION OF AMALGAMATING COMPANY WITH  
THE AMALGAMATED COMPANY**

**21. TRANSFER AND VESTING OF THE ASSETS OF THE AMALGAMATING COMPANY WITH  
THE AMALGAMATED COMPANY**

- 21.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the Amalgamating Company, shall (after Part C of the Scheme has come into effect), stand amalgamated into the Amalgamated Company and the Undertaking of the Amalgamating Company shall, pursuant to the sanction of the Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in the Amalgamated Company, as a going concern, in accordance with Section 2(1B) of the Income Tax Act, without any further act, instrument, deed, matter or thing so as to become as and from the Appointed Date, the undertaking of the Amalgamated Company by virtue of and in the manner provided in this Scheme.
- 21.2 Without prejudice to the generality of Clause 21.1 above, upon the coming into effect of the Scheme and with effect from the Appointed Date (after Part C of the Scheme has come into effect), and subject to the provisions of this Scheme, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Undertaking of the Amalgamating Company, of whatsoever nature and wherever situate, whether or not included in the books of the Amalgamating Company shall, subject to the provisions of this Clause 21 in relation to the mode of vesting and pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Amalgamated Company as a going concern so as to become as and from the Appointed Date, the estates, assets, rights, claims, title, interest and authorities of the Amalgamated Company, subject to the provisions of this Scheme.
- 21.3 In respect of such of the assets of the Amalgamating Company as are movable in nature or otherwise capable of transfer by physical or constructive delivery or by endorsement and delivery or by vesting and recordal of whatsoever nature, the same shall be so transferred by the Amalgamating Company, and shall become the property of the Amalgamated Company with effect from the Appointed Date pursuant to the provisions of Section 230 to 232 of the Companies Act without requiring any deed or instrument of conveyance for the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to



the property being vested and title to the property shall be deemed to have been transferred accordingly.

- 21.4 In respect of such of the assets belonging to the Amalgamating Company other than those mentioned in Clause 21.3 above, the same shall, as more particularly provided in Clause 21.2 above, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Amalgamated Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of Section 230 to 232 of the Companies Act.
- 21.5 Upon the effectiveness of this Scheme, and with effect from the Appointed Date, all assets of the Amalgamating Company that are owned / leased / licensed immovable properties, including any right or interest in the buildings and structures standing thereon and all lease/ license or rent agreements, together with security deposits and advance / prepaid lease/ license fee, rights and easements in relation to such properties shall stand transferred to and be vested in, or be deemed to have been transferred to and vested in the Amalgamated Company, without any further act or deed, pursuant to the provisions of Part D of this Scheme. Further, relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease/ license or rent agreements and shall, in accordance with the terms of such agreements, refund the security deposits and advance / prepaid lease / license fee to the Amalgamated Company. The Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable, as may be required, to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the Immovable properties shall, upon this Scheme becoming effective and with effect from the Appointed Date 2, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof. Further the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as a record of continuing title with Amalgamated Company and shall be constituted as a deemed mutation and substitution thereof. The Amalgamated Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. Further, at the discretion of Amalgamated Company, such immovable properties including leasehold rights can be vested pursuant to a separate conveyance or any other agreement as well.
- 21.6 All the security interest over any moveable and/or immovable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Amalgamating Company or any other person acting on behalf of or for the benefit of the Amalgamating Company for securing the



obligations of the persons to whom the Amalgamating Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Amalgamated Company and the benefit of such security shall be available to the Amalgamated Company as if such security was ab initio created in favour of the Amalgamated Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Amalgamating Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Tribunal and upon the Scheme becoming effective in accordance with the terms hereof.

- 21.7 All trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information of the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company

## **22. TRANSFER AND VESTING OF THE LIABILITIES OF THE AMALGAMATING COMPANY WITH THE AMALGAMATED COMPANY**

- 22.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all the liabilities, debts, loans raised and used, duties, losses and obligations of the Undertaking of the Amalgamating Company, whether or not recorded in their respective books of accounts, shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, without any further act, instrument, deed, matter or thing, stand transferred to and vested in the Amalgamated Company to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the liabilities, debts, loans, duties and obligations of the Amalgamated Company on the same terms and conditions as were applicable to the Amalgamating Company, and the Amalgamated Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause.
- 22.2 Upon the Scheme becoming effective and with effect from the Appointed Date, all the liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability including contingent liability in whatever form), if any, due on the Effective Date between the Amalgamating Company and the Amalgamated Company shall automatically stand discharged and come to an end and there shall be no liability in that behalf on either the Amalgamating Company or the



Amalgamated Company and the appropriate effect shall be given in the books of accounts and records of the Amalgamated Company.

- 22.3 All Encumbrances, if any, existing prior to the Effective Date over the assets of the Amalgamating Company, shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Provided that if any of the assets of the Amalgamating Company, which are being transferred to the Amalgamated Company pursuant to this Scheme have not been Encumbered as aforesaid, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment or approval which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 22.4 Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of this Scheme and with effect from the Appointed Date, the Amalgamated Company shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- 22.5 It is expressly provided that, save as mentioned in this Clause, no other term or condition of the liabilities, loans, duties and obligations transferred to the Amalgamated Company as part of the Scheme shall be modified by virtue of this Scheme.
- 22.6 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

### 23. CONTRACTS AND PERMITS

- 23.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, and subject to the provisions of the Scheme, all contracts (including but not limited to customer contracts, service contracts and supplier contracts), deeds, bonds, indemnities, agreements, schemes, licenses, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of intent, arrangements and other instruments of whatsoever nature, to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company, may be eligible or for the obligations of which the Amalgamating Company, may be liable, and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour, as the case may be, of the Amalgamated Company and may be



enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee or obligor thereto.

23.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking of the Amalgamating Company occur by virtue of this Scheme itself, the Amalgamated Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite agreements with any party to any contract or arrangement to which the Amalgamating Company, are a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of Part D of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company to be carried out or performed.

23.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, and subject to the Applicable Law, all approvals, including municipal approvals, allocations, allotments, consents, authorities (including for the operation of bank accounts), concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorization, statutory rights, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on their respective business or in connection therewith), permissions and certificates of every kind and description whatsoever in relation to the Amalgamating Company including powers of attorney given by the Amalgamating Company, or to the benefit of which the Amalgamating Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall stand transferred to the Amalgamated Company as if the same were originally given by, issued to or executed in favour of the Amalgamated Company, and the Amalgamated Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Amalgamated Company. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme becoming effective and with effect from the Appointed Date, in accordance with the terms hereof. The Amalgamated Company shall be entitled to make applications to any Governmental Authority as may be necessary in this behalf.

23.4 Upon effectiveness of the Scheme, the Amalgamated Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and



transactions in the name of the Amalgamating Company to the extent necessary until the transfer of the rights and obligations of the Amalgamating Company to the Amalgamated Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Amalgamating Company, after the Effective Date, shall be accepted by the bankers of the Amalgamated Company and credited to the accounts of the Amalgamated Company, if presented by the Amalgamated Company. Similarly, the bankers of the Amalgamated Company shall honour all cheques issued by the Amalgamating Company for payment after the Effective Date

- 23.5 Upon the effectiveness of this Scheme and with effect from the Appointed Date, all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Amalgamating Company is a party to or to the benefit of which the Amalgamating Company may be eligible, shall remain in full force and effect against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme and with effect from the Appointed Date, the past track record of the Amalgamating Company shall be deemed to be the track record of the Amalgamated Company for all purposes, including commercial and regulatory purposes.
- 23.6 Upon effectiveness of the Scheme and with effect from the Appointed Date, all bank accounts operated or entitled to be operated by the Amalgamating Company shall be deemed to have transferred and shall stand transferred to the Amalgamated Company and name of the Amalgamating Company shall be substituted by the name of the Amalgamated Company in the bank's records.
- 23.7 Without prejudice to the other provisions of this Scheme, upon effectiveness of this Scheme and with effect from the Appointed Date, all transactions between the Amalgamating Company and the Amalgamated Company, that have not been completed, shall stand cancelled.

## 24. TAXATION MATTERS

- 24.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all Taxes paid, payable, received or receivable by or on behalf of the Amalgamating Company, including but not limited to all or any refunds, claims or entitlements or credits (including credits for income Tax, withholding Tax, advance Tax, self-assessment Tax, minimum alternate Tax, foreign Tax credits, CENVAT credit, goods and services Tax credits, other indirect Tax credits and other Tax receivables) shall, for all purposes, be treated as the Tax liability, refund, claims, including but not limited to claims under section 43B, section 40 of the Income Tax Act, or credit, as the case may be, of the Amalgamated Company, and any Tax incentives, benefits (including claims for





unabsorbed Tax losses and unabsorbed Tax depreciation), advantages, privileges, elections, exemptions, credits, Tax holidays, benefits of exercise of any option, remissions or reduction which would have been available to the Amalgamating Company, shall be available to the Amalgamated Company, and following the Effective Date, the Amalgamated Company shall be entitled to initiate, raise, add or modify any claims in relation to such Taxes on behalf of the respective Amalgamating Company.

- 24.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamated Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, central sales Tax law, applicable state value added Tax law, service Tax laws, excise duty laws, goods and services Tax laws and other Tax laws, and to claim refunds and/or credit for Taxes paid (including, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme
- 24.3 All compliances with respect to Taxes or any other Applicable Law between the Appointed Date and the Effective Date, undertaken by the Amalgamating Company, shall, upon the effectiveness of this Scheme and with effect from the Appointed Date, be deemed to have been complied with, by the Amalgamated Company. Any Taxes deducted by the Amalgamated Company from payments made to the Amalgamating Company, shall be deemed to be advance tax paid by the Amalgamated Company

## 25. LEGAL PROCEEDINGS

- 25.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all legal, taxation or other proceedings whether civil or criminal including but not limited to suits, summary suits, indigent petitions, assessments, appeals, or other proceedings of whatever nature (hereinafter called the "Proceedings"), if any, by or against the Amalgamating Company, pending as on the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected in any way by reason of the Scheme or by anything contained in the Scheme, but the Proceedings shall be continued, prosecuted and enforced, as the case may be, by or against the Amalgamated Company, in the same manner and to the same extent as they would or might have been continued, prosecuted or enforced by or against the Amalgamating Company, if the Scheme had not been made. On and from the Effective Date, the Amalgamated Company may initiate, defend, compromise or otherwise deal with any Proceedings for and on behalf of the Amalgamating Company. The Amalgamated Company undertakes to have all the Proceedings specified in this Clause, initiated by or against the Amalgamating Company, transfer to its name and to have such Proceedings continued, prosecuted and enforced, as the case may be, by or against the Amalgamated Company, subject to Applicable Law



## 26. EMPLOYEES OF THE RESPECTIVE TRANSFEROR COMPANIES

- 26.1 With effect from the Effective Date, all the staff and employees, if any, of the Amalgamating Company, who are in such employment as on the Effective Date, shall become and be deemed to have become, the staff and employees of the Amalgamated Company, without any break in or interruption of service and on terms and conditions not less favourable than those on which they are engaged by the Amalgamating Company, as a result of the transfer and vesting of the Undertaking of the Amalgamating Company to the Amalgamated Company. Services of the staff and employees shall be taken into account from the date of their respective appointment with the Amalgamating Company, for the purposes of all retirement benefits and all other entitlements for which they may be eligible. For the purpose of payment of any retrenchment compensation or other termination benefits, if any, such past services with the Amalgamating Company shall also be taken into account by the Amalgamated Company.
- 26.2 With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits created by the Amalgamating Company, if any, which exist immediately prior to the Effective Date, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, upon the coming into effect of this Scheme, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Amalgamating Company, in accordance with Applicable Law. It is hereby clarified that upon the coming into effect of this Scheme, such benefits and schemes shall continue to be provided to the transferred employees and the service of all transferred employees of the Amalgamating Company for such purpose shall be treated as having been continuous.
- 26.3 It is provided that as far as the provident fund, gratuity fund, pension, superannuation fund or any other special fund created or existing, including any payments towards state insurance, for the benefit of such employees of the Amalgamating Company are concerned, upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamating Company shall stand substituted by the Amalgamated Company for all purposes whatsoever relating to the administration or operation of such funds or trusts or in relation to the obligation to make contribution to the said funds or trusts in accordance with the provisions of such funds or trusts as provided in the respective trust deeds or other documents. Upon the Scheme becoming effective and with effect from the Appointed Date, the contributions made by the Amalgamating Company to the said funds and trusts for the period after the Appointed Date shall be deemed to be made by the Amalgamated Company. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Amalgamating Company, in relation to such funds or trusts shall become those of the Amalgamated Company. The trustees including the Boards of the Amalgamating Company and the Amalgamated Company or through any committee / person duly authorized by the Boards in this regard shall be entitled to adopt such course of action in this



regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees.

## 27. CONSIDERATION

- 27.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, and in consideration of the transfer of and vesting of the Undertaking of the Amalgamating Company in the Amalgamated Company pursuant to Part D of this Scheme (after coming into effect of Part C of the Scheme, i.e. after transfer and vesting of the Undertaking of the Transferor Companies with the Transferee Company), the Amalgamated Company shall, without any further application, act or deed, issue and allot to the equity shareholders of the Amalgamating Company whose names are recorded in the register of members as a member of the Amalgamating Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of the Amalgamated Company) 52 (Fifty Two) equity shares, credited as fully paid-up, for every 100 (Hundred) equity shares of the face value of Rs. 5 (Rupees Five) each fully paid-up held by such member in the Amalgamating Company ("Share Exchange Ratio"). The equity shares to be issued by the Amalgamated Company to the shareholders of Amalgamating Company in accordance with this Clause 27.1 shall be hereinafter referred to as "New Equity Shares".
- 27.2 In the event of there being any pending share transfers, whether lodged or outstanding, of any equity shareholder of the Amalgamating Company, the Board of the Amalgamated Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transfer of the shares in the Amalgamating Company and in relation to the shares issued by the Amalgamated Company, after the effectiveness of the Scheme. The Board of the Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Amalgamated Company on account of difficulties faced in the transition period. Where New Equity Shares of the Amalgamated Company are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Amalgamating Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Amalgamated Company.
- 27.3 Where New Equity Shares of the Amalgamated Company are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Amalgamating Company, the concerned heirs,



executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Amalgamated Company.

- 27.4 The New Equity Shares of the Amalgamated Company allotted and issued in terms of Clause 27.1 above, shall be listed and/ or admitted to trading on the Stock Exchanges, where the equity shares of the Amalgamated Company are listed and/ or admitted to trading as on the Effective Date. The New Equity Shares of the Amalgamated Company shall, however, be listed subject to the Amalgamated Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Amalgamated Company. The Amalgamated Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.
- 27.5 Upon the Scheme becoming effective and upon the New Equity Shares of the Amalgamated Company being allotted and issued by it to the shareholders of the Amalgamating Company whose names appear on the register of members as a member of the Amalgamating Company on the Record Date or whose names appear as the beneficial owners of the equity shares of the Amalgamating Company in the records of the depositories/ register of members, as the case may be, as on the Record Date, the equity shares of the Amalgamating Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.
- 27.6 The New Equity Shares of the Amalgamated Company to be allotted and issued to the shareholders of the Amalgamating Company as provided in Clause 27.1 above shall be subject to the provisions of the memorandum and articles of association of the Amalgamated Company and shall rank pari-passu in all respects with the existing equity shares after the Effective Date including in respect of dividend, if any, that may be declared by the Amalgamated Company on or after the Effective Date.
- 27.7 The issue and allotment of the New Equity Shares by the Amalgamated Company to the equity shareholders of the Amalgamating Company as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Amalgamated Company or its shareholders and as if the procedure laid down under Section 62 or any other applicable provisions of the Companies Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with.
- 27.8 For the purposes of allotment of the New Equity Shares, pursuant to this Scheme, in case any Amalgamating Company's shareholder becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the New Equity Shares by the Amalgamated Company in accordance with Clause 27.1 above, the Amalgamated Company shall not issue fractional shares



to such shareholder and shall consolidate all such fractional entitlements and round up the aggregate of such fractions to the next whole number and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to an individual trust or a board of trustees or a corporate trustee nominated by the Amalgamated Company ("Trustee"), who shall hold such New Equity Shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices at any time within a period of 90 (ninety) days from the date of allotment, and on such sale, distribute the net sale proceeds (after deduction of the expenses incurred and applicable income Tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Amalgamated Company by the Trustee pertaining to the fractional entitlements.

- 27.9 Unless otherwise notified in writing on or before such date as may be determined by the Board of the Amalgamated Company or a committee thereof, the New Equity Shares issued to the equity shareholders of the Amalgamating Company by the Amalgamated Company shall be issued in dematerialized form by the Amalgamated Company, provided that the details of the depository accounts of the members of the Amalgamating Company are made available to the Amalgamated Company by the Amalgamating Company at least 2 (Two) working days prior to the Effective Date. In case of equity shareholders for whom such details are not available with the Amalgamated Company and in case of the equity shareholders of the Amalgamating Company who hold equity shares in physical form, the Amalgamated Company shall deal with the issuance of the relevant New Equity Shares in such manner as may be permissible under the Applicable Law, including by way of issuing the said New Equity Shares in dematerialised form to a demat account held by a trustee nominated by the Board of the Amalgamated Company or into an escrow account opened by the Amalgamated Company or an escrow agent nominated by it, with a depository, as determined by the Board of the Amalgamated Company, where such New Equity Shares of the Amalgamated Company shall be held on for the benefit of such shareholders (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title) of the Amalgamated Company. The New Equity Shares so held in such trustee's account or escrow account, as the case may be, shall be transferred to the respective shareholders once such shareholder provides details of his/ her/ its demat account to the Amalgamated Company, along with such documents as may be required by the Amalgamated Company. The respective shareholders shall have all the rights of the shareholders of the Amalgamated Company, including the right to receive dividend, voting rights and other corporate benefits, pending such transfer of the said New Equity shares from the said trustee's account or



the escrow account, as the case may be. All costs and expenses incurred in this respect shall be borne by Amalgamated Company.

27.10 The New Equity Shares to be issued by the Amalgamated Company pursuant to Clause 27.1 above in respect of such equity shares of the Amalgamating Company as are subject to lock-in pursuant to Applicable Law, if applicable, shall remain locked-in as required under the Applicable Law.

27.11 The New Equity Shares to be issued by the Amalgamated Company pursuant to Clause 27.1 above in respect of such equity shares of the Amalgamating Company, the allotment or transfer of which is held in abeyance under the Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Amalgamated Company.

27.12 The Amalgamated Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the concerned Stock Exchanges.

27.13 The New Equity Shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the Stock Exchanges, as the case may be.

27.14 In the event, the Amalgamating Company or the Amalgamated Company restructures their equity share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio, per Clause 27.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.

27.15 The equity shares to be issued in respect of the shares of the Amalgamating Company held in the unclaimed suspense account, if any, shall be issued to unclaimed suspense account created for the shareholders of the Amalgamated Company.

## **28. CANCELLATION OF EQUITY SHARES HELD BY THE AMALGAMATED COMPANY IN THE AMALGAMATING COMPANY**

28.1 Simultaneous with the issuance of the New Equity Shares, in accordance with Clause 27 of this Scheme, the existing issued and paid-up equity share capital of the Amalgamating Company, as held by the Amalgamated Company, shall, without any further application, act, instrument or deed, be automatically cancelled.

28.2 The cancellation of the equity share capital held by the Amalgamated Company in the Amalgamating Company, in accordance with Clause 28.1 of this Scheme, shall be effected as a part of this Scheme itself and not under a separate procedure, in terms of Section 86 of the



Companies Act and the order of the Tribunal sanctioning this Scheme shall be deemed to be an order under Section 66 of the Companies Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of Amalgamating Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 66 of the Companies Act as well and no further compliances would be separately required.

## **29. ACCOUNTING TREATMENT IN THE BOOKS OF AMALGAMATED COMPANY**

29.1 The Amalgamated Company, shall, upon this Scheme becoming effective and with effect from the Appointed Date, account for the amalgamation of the Amalgamating Company with the Amalgamated Company, on completion of all substantial conditions for the transfer, in accordance with "Pooling of Interests Method" laid down in Appendix C of Ind AS-103 (Business Combinations of entities under common control) notified under Section 133 of the Companies Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, such that:

- 29.1.1 The Amalgamated Company shall record the assets, liabilities and reserves, if any, of the Amalgamating Company vested in it pursuant to this Scheme, at the respective book values and in the same form as appearing in the Consolidated financials of Amalgamated Company
- 29.1.2 The identity of the reserves shall be preserved and the Amalgamated Company shall record the reserves of the Amalgamating Company in the same form and at the carrying amount as appearing in the consolidated financial statements of Amalgamated Company
- 29.1.3 The value of investment held by the Amalgamated Company in the Amalgamating Company shall stand cancelled pursuant to the amalgamation
- 29.1.4 Pursuant to the amalgamation of the Amalgamating Company with the Amalgamated Company, the inter-company balances between the Amalgamated Company and the Amalgamating Company, if any, appearing in the books of the Amalgamated Company and the value of all investments held by the Amalgamated Company in the Amalgamating Company shall stand cancelled.
- 29.1.5 The surplus/deficit if any arising after taking the effect of clause 29.1.1, clause 29.1.2, clause 29.1.3 and after giving the effect of the adjustments referred to in clause 29.1.4, shall be transferred to the "Capital Reserve" in the financial statements of the



Amalgamated Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

29.1.6 In case of any difference in the accounting policy between the Amalgamating Company and the Amalgamated Company, the accounting policies followed by the Amalgamated Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

29.1.7 Comparative financial information in the financial statements of the Amalgamated Company shall be restated for the accounting impact of amalgamation, as stated above, as if the amalgamation had occurred from the beginning of the comparative period. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

29.1.8 Any matter not dealt with in the Clause hereinabove shall be dealt with in accordance with the accounting standards applicable to the Amalgamated Company.

### **30. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE**

30.1 From the date on which the Boards of the Amalgamating Company and the Amalgamated Company approve the Scheme until the Effective Date, the Amalgamating Company and the Amalgamated Company shall carry on their respective businesses with reasonable diligence and business prudence in the ordinary course consistent with past practice, in accordance with Applicable Law and as mutually agreed between the Amalgamating Company and the Amalgamated Company. Notwithstanding anything contained in the Scheme to the contrary, the Amalgamating Company and the Amalgamated Company shall be able to raise capital from the date on which the Boards of the Amalgamating Company and the Amalgamated Company approve the Scheme, as it may deem fit.

### **31. DISSOLUTION OF THE AMALGAMATING COMPANY**

31.1 Upon the coming into effect of Part D of this Scheme and with effect from the Appointed Date, of the Amalgamating Company shall stand dissolved without being wound up, without any further act or deed and no specific accounting is prescribed in the Indian Accounting Standards specified under Section 133 of the Act for such transfer.

### **32. CONSOLIDATION OF THE AUTHORISED SHARE CAPITAL OF THE AMALGAMATING COMPANY WITH THE AUTHORISED SHARE CAPITAL OF THE AMALGAMATED COMPANY**

32.1 Upon Part D of the Scheme becoming effective and with effect from the Appointed Date, the resultant authorized share capital of the Amalgamating Company (i.e., after consolidation of





authorised share capital of Transferor Companies with the Transferee Company pursuant of Part C of the Scheme) shall stand transferred to and be amalgamated/combined with the authorized share capital of the Amalgamated Company. The fees or stamp duty, if any, paid by the Amalgamating Company on their authorized share capital shall be deemed to have been so paid by the Amalgamated Company on the combined authorized share capital, and the Amalgamated Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. The authorized share capital of the Amalgamated Company will automatically stand increased to that effect by simply filing the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Companies Act.

**Clause V. of the memorandum of association of the Amalgamated Company shall, upon the Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:**

"V The Authorised Share Capital of the Company is Rs. 2,25,55,50,000/- (Rupees Two Hundred Twenty-Five Crores Fifty-Five Lakhs and Fifty Thousand Only) comprising of 45,11,10,000 (Forty-Five Crores Eleven Lakhs Ten Thousand Only) equity shares of the face value of Rs. 5/- (Rupees Five only) each."

- 32.2 For the avoidance of doubt, it is hereby clarified that if the authorized share capital of the Amalgamating Company or the Amalgamated Company undergoes any change, either as a consequence of any corporate action or otherwise, then, this Clause 32.1 shall automatically stand modified to take into account the effect of such change
- 32.3 The approval of this Scheme by the equity shareholders of the Amalgamated Company under Sections 230 to 232 of the Companies Act, shall be deemed to have been an approval under Section 13, Section 61 and Section 64 or any other applicable provisions under the Companies Act and no further resolution(s) would be required to be separately passed in this regard



**PART E – GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME**

**33. IMPACT OF THE SCHEME ON NON-CONVERTIBLE DEBENTURE HOLDERS OF THE AMALGAMATED COMPANY**

- 33.1 Pursuant to this Scheme, there will be no change in terms and conditions of Non-Convertible Debentures ("NCDs") of the Amalgamated Company. Details of Listed NCDs of the Amalgamated Company are set out in Schedule I hereto.
- 33.2 Safeguards for the protection of holders of NCDs of the Amalgamated Company: Pursuant to the Scheme, the NCD holders of the Amalgamated Company as on the Effective Date will continue to hold NCDs of the Amalgamated Company, without any interruption, on same terms, including the coupon rate, tenure, redemption price, quantum, and nature of security, ISIN, etc. A certificate from statutory auditor of the Amalgamated Company certifying the payment/ repayment capability of the Amalgamated Company against the outstanding NCDs is referred in Schedule I hereto.
- 33.3 Exit offer to NCDs holders of the Amalgamated Company: The NCDs of the Amalgamated Company, as on the Effective Date, will continue to be freely tradable and listed on the BSE Limited, thereby providing liquidity to holders of the NCDs of the Amalgamated Company.
- 33.4 In view of the provisions of this clause 33 above, the Scheme will not have any adverse impact on the holders of NCDs.

**34. SEQUENCE OF EVENTS**

- 34.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the following shall be deemed to have occurred, only in the sequence and in the order mentioned hereunder:
- a. filing of certified copies of the order(s) of the Tribunal with the Registrar of Companies by each of the Transferor Companies and the Transferee Company, pursuant to which, the amalgamation of the Transferor Companies into and with the Transferee Company, in accordance with Part C of this Scheme shall become effective;
  - b. reorganization/reclassification of the respective authorized share capital of the Transferor Companies, in accordance with Part C of the Scheme;
  - c. transfer of the respective authorized share capital of the Transferor Companies to the Transferee Company and consequential increase in the authorized share capital of the Transferee Company in accordance with Part C of the Scheme;



- d. cancellation of the equity shares issued by the respective Transferor Companies to the Transferee Company, in accordance with Part C of the Scheme;
- e. dissolution of the respective Transferor Companies without being wound up, in accordance with Part C of the Scheme;
- f. filing of certified copies of the order(s) of the Tribunal with the Registrar of Companies by the Amalgamating Company and the Amalgamated Company, pursuant to which, the amalgamation of the Amalgamating Company into and with the Amalgamated Company, in accordance with Part D of this Scheme shall become effective;
- g. transfer of the authorized share capital of the Amalgamating Company to the Amalgamated Company and consequential increase in the authorized share capital of the Amalgamated Company in accordance with Part D of the Scheme;
- h. dissolution of the Amalgamating Company without being wound up, in accordance with Part D of the Scheme;
- i. cancellation of the shareholding of the Amalgamated Company in the Amalgamating Company in its entirety, without any further act or deed, in accordance with Part D of the Scheme;
- j. issue and allotment of New Equity Shares of the Amalgamated Company to the shareholders of the Amalgamating Company as of the Record Date in accordance with Part D of this Scheme; and

### 35. DIVIDEND

35.1 The Parties shall be entitled to declare and pay dividends to their respective shareholders in the ordinary course of business, whether interim or final, as per their respective dividend policies consistent with the past practice (except any years for which dividend declaration and payout was restricted by any Governmental Authority) in respect of the accounting period after the date of approval of the Scheme by the Board of the Parties and prior to the Effective Date.

35.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Companies, Amalgamating Company and/or the Amalgamated Company to demand or claim any dividends which, subject to Clause 35.1 and the provisions of the Companies Act, shall be entirely at the discretion of the Board of the Transferor Companies.



Amalgamating Company and/or Amalgamated Company, as the case may be, and subject, wherever necessary, to the approval of the respective shareholders.

### **36. APPLICATION AND PETITION TO THE TRIBUNALS AND APPROVALS**

36.1 Each of the Transferor Companies, Amalgamating Company and the Amalgamated Company, respectively, shall, with all reasonable dispatch, make and file all applications/petitions under Sections 230 to 232 read with other applicable provisions of the Companies Act, to the Tribunal, for sanction of this Scheme and for dissolution of the Transferor Companies and the Amalgamating Company, respectively.

36.2 The Amalgamated Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any Applicable Law for such consents and approvals which the Amalgamated Company may require to own the Undertaking of the Amalgamating Company and to carry on the business of the Amalgamating Company

### **37. MODIFICATION OR AMENDMENT TO THE SCHEME**

37.1 The Parties by their respective Boards, acting jointly but not individually, at any time, may make and/or consent to any modifications/ amendments to the Scheme, or to any conditions or limitations that the Tribunal or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the Tribunal or such other Governmental Authority, whether in pursuance of a change in Applicable Law or otherwise. The Parties by their respective Boards, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith.

37.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Parties, acting jointly, may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulties that may arise and such determination or directions, as the case may be, shall be binding on all the Parties, in the same manner as if the same were specifically incorporated in this Scheme.

### **38. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

38.1 Upon the coming into effect of the Scheme, the resolutions of each of the Transferor Companies and the Amalgamating Company as are considered necessary by the Board of Amalgamated Company which are validly subsisting on the Effective Date, be considered as resolutions of Amalgamated Company. If any such resolutions have any monetary limits approved under the



provisions of the Companies Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Amalgamated Company, shall be added to the limits, if any, under the like resolutions passed by Amalgamated Company.

### 39. CONDITIONALITY OF SCHEME

39.1 Unless otherwise decided (or waived) by the Parties, the effectiveness of this Scheme is and shall be conditional upon and subject to the fulfillment or waiver (to the extent permitted under the Applicable Law) of the following conditions precedent -

- a. the requisite consent, approval or permission of relevant Governmental Authorities including but not limited to the Stock Exchanges approval, in relation to the Scheme having been obtained by the relevant Parties;
- b. this Scheme being approved by the requisite majorities of the various classes of the shareholders and creditors (where applicable) of each of the Parties, as required under the Companies Act or dispensation having been received from the Tribunal in relation to obtaining such approval from the members and/or creditors or any Applicable Law permitting the respective Parties not to convene the meetings of its members and/or creditors;
- c. the Amalgamated Company, complying with the provisions of SEBI Circular, including seeking approval of the holders of NCDs of the Amalgamated Company, through e-voting, as applicable
- d. the sanctions and orders of the Tribunal for the Scheme, under Sections 230 to 232 of the Companies Act being obtained by the Parties and the Parties having received a certified true copy of order of the Tribunal approving the Scheme;
- e. such other conditions as may be mutually agreed between the Amalgamating Company and the Amalgamated Company

39.2 It is hereby clarified that (i) Part C of this Scheme will take effect prior to Part D of this Scheme, and (ii) submission of this Scheme to the Tribunal and to the Governmental Authorities for their respective approvals is without prejudice to all rights, interests, titles or defenses that Parties may have under or pursuant to all Applicable Law.

39.3 On the approval of this Scheme by each class of shareholders of the Parties and such other classes of Persons of the Parties, if any, such classes of shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Companies



Act or under any contract, arrangement/agreement subsisting between such Persons and the Parties, for the Scheme and/or any action taken in terms of or pursuant to the Scheme.

#### **40. EFFECT OF NON-SATISFACTION OF THE CONDITIONS/ NON-RECIPT OF APPROVALS/ SANCTIONS**

40.1 In the event of any of the said approvals referred to in Clause 39 above not being obtained and/ or complied with and/ or satisfied and/ or this Scheme not being sanctioned by the Tribunal and/ or order or orders not being passed as aforesaid before the expiry of 24 (Twenty Four) months from the last of the dates of approval of the Scheme by the respective Boards of each of the Parties, any Party may terminate this Scheme and upon such termination this Scheme shall stand revoked, cancelled and be of no effect. Provided that, in case of non-satisfaction of any other conditions precedent, the Parties shall proceed in such manner as may be mutually agreed between them.

40.2 If any provision of this Scheme hereof is invalid, ruled illegal by the Tribunal, or unenforceable under present or future Applicable Laws, then such provision (so far as it is invalid or unenforceable) shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to either any of the Parties, then in such case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamated Company the benefits and obligations of the Scheme, including but not limited to such provision.

40.3 If any proposed modification/ amendment to this Scheme under Clause 37, materially adversely affects the interest of any of the Transferor Companies, Amalgamating Company or the Amalgamated Company, then such modification/ amendment shall not be binding on such affected Party, and such Party shall have the right to withdraw the Scheme.

40.4 Parties, acting jointly and not individually, shall be at liberty to withdraw the Scheme from the Tribunal, any time before the coming into effect of this Scheme.

#### **41. COSTS, CHARGES AND EXPENSES**

41.1 All costs, charges, Taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred by any of Parties in carrying out and implementing this Scheme and matters incidentals thereto, shall be respectively borne by such Parties, till the Effective Date.

41.2 All costs, charges, Taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred by any of Parties in carrying out and implementing this Scheme and



matters incidentals thereto, after the Effective Date, shall be borne by the Amalgamated Company.

For Sheela Foam Limited

  
Authorized Signatory

**Schedule I****Details of listed NCDs of the Amalgamated Company as on the date of Board of the Amalgamated Company approving the Scheme**

ISIN	INE916U08020	INE916U08012	INE916U08046	INE916U08038
No of NCDs	18125	18125	18125	18125
Face value per NCD	100000	100000	100000	100000
Bid Opening Date	5 <sup>th</sup> October, 2023	5 <sup>th</sup> October, 2023	5 <sup>th</sup> October, 2023	5 <sup>th</sup> October, 2023
Bid Closing Date	5 <sup>th</sup> October, 2023	5 <sup>th</sup> October, 2023	5 <sup>th</sup> October, 2023	5 <sup>th</sup> October, 2023
Date of Allotment	6 <sup>th</sup> October, 2023	6 <sup>th</sup> October, 2023	6 <sup>th</sup> October, 2023	6 <sup>th</sup> October, 2023
Redemption Price per NCD	100000	100000	100000	100000
Redemption Date	6 <sup>th</sup> October, 2025	6 <sup>th</sup> October, 2026	4 <sup>th</sup> April, 2025	6 <sup>th</sup> April, 2026
Terms of Redemption	Redeemable at Par	Redeemable at Par	Redeemable at Par	Redeemable at Par
Redemption Premium/ Discount	At Par	At Par	At Par	At Par
Redemption Amount	100000	100000	100000	100000
Coupon Rate	8.45%	8.45%	8.45%	VB.45%
Coupon Frequency	Annually and on maturity(on outstanding value of debentures)	Annually and on maturity(on outstanding value of debentures)	Annually and on maturity(on outstanding value of debentures)	Annually and on maturity(on outstanding value of debentures)
Credit Rating	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable
Call option	NA	NA	NA	NA
Latest audit financials along with notes to accounts and	Refer to following URL on the website of the Transferee Company: <a href="https://www.sheelafoms.com/pdf/Fourth_Quarter_Results_March_31_2023.pdf">https://www.sheelafoms.com/pdf/Fourth_Quarter_Results_March_31_2023.pdf</a>			





any audit qualifications				
Auditor's certificate certifying the NCDs payment/ repayment capability of the Amalgamated Company	Refer to following URL on the website of the Transferee Company: <a href="https://www.sheelafom.com/pdf/Application_to_BSE_for_NOC_under_Regulation_37.pdf">https://www.sheelafom.com/pdf/Application_to_BSE_for_NOC_under_Regulation_37.pdf</a>			
Fairness opinion on swap ratio	Refer to following URL on the website of the Transferee Company: <a href="https://www.sheelafom.com/pdf/Application_to_BSE_for_NOC_under_Regulation_37.pdf">https://www.sheelafom.com/pdf/Application_to_BSE_for_NOC_under_Regulation_37.pdf</a>			
Put Options	NA	NA	NA	NA
Early redemption scenario details	On occurrence of any of the Early Redemption Event, any of the Debenture Holders shall have an option to require the Issuer to redeem the Debentures held by such Debenture Holder(s) by providing a notice of early redemption to the Issuer within a period of 30 (thirty) days from the occurrence of the Early Redemption Event ("Notice of Early Redemption").	On occurrence of any of the Early Redemption Event, any of the Debenture Holders shall have an option to require the Issuer to redeem the Debentures held by such Debenture Holder(s) by providing a notice of early redemption to the Issuer within a period of 30 (thirty) days from the occurrence of the Early Redemption Event ("Notice of Early Redemption").	On occurrence of any of the Early Redemption Event, any of the Debenture Holders shall have an option to require the Issuer to redeem the Debentures held by such Debenture Holder(s) by providing a notice of early redemption to the Issuer within a period of 30 (thirty) days from the occurrence of the Early Redemption Event ("Notice of Early Redemption").	On occurrence of any of the Early Redemption Event, any of the Debenture Holders shall have an option to require the Issuer to redeem the Debentures held by such Debenture Holder(s) by providing a notice of early redemption to the Issuer within a period of 30 (thirty) days from the occurrence of the Early Redemption Event ("Notice of Early Redemption").

	<p>Upon any Debenture Holder(s) providing a Notice of Early Redemption, the Issuer shall be obliged to redeem the Debentures held by such Debenture Holder(s), not later than the Early Redemption Date. The Issuer shall, pursuant to the Notice of Early Redemption, repay all the Outstanding Amounts, whether due or not, in respect of the relevant Debentures held by such Debenture Holder(s) issuing the Notice of Early Redemption. On occurrence of any of the Early Redemption Event, the Company shall also have the option to redeem all the Debentures within a period of 60 (sixty) days from the date of Early Redemption Event, the Company shall also have the option to redeem all the Debentures within a period of 60 (sixty) days from the date of Early Redemption Event by providing a notice of such redemption to all Debenture</p>	<p>providing a Notice of Early Redemption, the Issuer shall be obliged to redeem the Debentures held by such Debenture Holder(s), not later than the Early Redemption Date. The Issuer shall, pursuant to the Notice of Early Redemption, repay all the Outstanding Amounts, whether due or not, in respect of the relevant Debentures held by such Debenture Holder(s) issuing the Notice of Early Redemption. On occurrence of any of the Early Redemption Event, the Company shall also have the option to redeem all the Debentures within a period of 60 (sixty) days from the date of Early Redemption Event by providing a notice of such redemption to all Debenture</p>	<p>providing a Notice of Early Redemption, the Issuer shall be obliged to redeem the Debentures held by such Debenture Holder(s), not later than the Early Redemption Date. The Issuer shall, pursuant to the Notice of Early Redemption, repay all the Outstanding Amounts, whether due or not, in respect of the relevant Debentures held by such Debenture Holder(s) issuing the Notice of Early Redemption. On occurrence of any of the Early Redemption Event, the Company shall also have the option to redeem all the Debentures within a period of 60 (sixty) days from the date of Early Redemption Event by providing a notice of such redemption to all Debenture Holders on the date of the relevant Early</p>	<p>providing a Notice of Early Redemption, the Issuer shall be obliged to redeem the Debentures held by such Debenture Holder(s), not later than the Early Redemption Date. The Issuer shall, pursuant to the Notice of Early Redemption, repay all the Outstanding Amounts, whether due or not, in respect of the relevant Debentures held by such Debenture Holder(s) issuing the Notice of Early Redemption. On occurrence of any of the Early Redemption Event, the Company shall also have the option to redeem all the Debentures within a period of 60 (sixty) days from the date of Early Redemption Event by providing a notice of such redemption to all Debenture Holders on the date of the relevant Early</p>
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	Redemption Event by providing a notice of such redemption to all Debenture Holders on the date of the relevant Early Redemption Event.	Holder on the date of the relevant Early Redemption Event.	Redemption Event.	Redemption Event.
<b>Put date</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Put price</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Call price</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Call date</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Put notification time</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Call notification time</b>	Not Applicable	Not Applicable	Not Applicable	Not Applicable



# S P SRIVASTAVA & Associates

Chartered Accountants  
H-306, Manigal Center,  
47, Dickenson Road,  
Bangalore - 560042  
Karnataka, INDIA

## INDEPENDENT AUDITOR'S REPORT

To The Members of Belvedere International Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Financial Statements of **Belvedere International Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SA's") 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 Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

### Material Uncertainty in relation to Going Concern

We draw attention to Note 33 to the Financial Statements, which indicates that the Company has accumulated losses of ₹ 197.70 lakhs as at March 31, 2024 and its net worth as at that date is ₹192.70 lakhs (negative), which indicates that a material uncertainty exists in the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the Financial Statements, and our auditor's report thereon.



- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained 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.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgements 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 and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.

#### **Other Matter**

The financial statements of the Company for the year ended March 31, 2023 were audited by another auditor whose report dated July 25, 2023 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

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



- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of these books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to the directors.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 34(vi) of the Financial Statements, 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 34(vii) of the Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

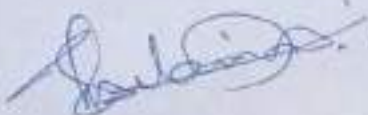
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Account) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

**For S P SRIVASTAVA & Associates**  
Chartered Accountants  
Firm's Registration No. 025663S




**S K Subramanian**  
Partner  
Membership No. 205737  
UDIN: 24205737BKBINM8968

Place: Bengaluru  
Date: 14/05/2024



## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Belvedere International Limited of even date)

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

We have audited the Internal Financial Controls with reference to Financial Statements of **Belvedere International Limited** (the "Company") as of March 31, 2024, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). 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 Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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 was established and maintained and if such controls operated effectively in all material respects.

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

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 with reference to Financial Statements.



### Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

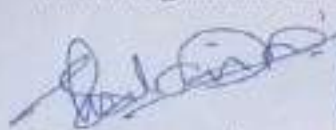
### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements 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 ICAI.

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm's Registration No. 025663S




S K Subramanian  
Partner

Membership No. 205737

UDIN: 24205737BKBINM8968

Place: Bengaluru

Date: 14/05/2024

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Belvedere International Limited 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 or equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) All property, plant and equipment were physically verified during the year by the management in accordance with the regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. No material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
  - (d) The Company has not revalued its property, plant and equipment or intangible assets during the year ended March 31, 2024.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The company does not hold any physical inventory during year. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the order is not applicable.
- iii. The Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv. The Company has neither made any investments nor has given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.



vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) There are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs, duty of excise as on March 31, 2024, on account of disputes.

viii. 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.

ix.

(a) The company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) to (d) of the Order is not applicable.

(e) 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. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.

x.

(a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on clause 3(x)(a) of the order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on clause 3(x)(b) of the order is not applicable.

xi.

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) 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) Based on the information and explanation provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. The transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. The company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013, hence reporting under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.
- 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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) 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. On an overall examination of the Financial Statements of the Company, the Company has incurred cash losses in the current financial year amounting to ₹60.06 Lakhs.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation 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. The provisions of the Companies Act 2013 with respect to CSR are not applicable to the Company, hence reporting under clause 3(xx)(a) and (b) of the order is not applicable

**For S P SRIVASTAVA & Associates**  
Chartered Accountants  
Firm's Registration No. 025663S



**S K Subramanian**

Partner

Membership No. 205737

UDIN: 24205737BKBINN8963

Place: Bengaluru

Date: 14/05/2024

Belvedere International Ltd  
Balance Sheet as at March 31, 2024

(Rs. in Lakhs)

Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	10.05	11.31
Other non-current assets		-	-
Deferred tax assets (net)	4	1.40	1.48
<b>Total non current assets</b>		<b>11.45</b>	<b>12.79</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Trade receivables	5	158.13	184.07
(ii) Cash and cash equivalents	6	13.77	43.65
(iii) Other financial assets	7	0.63	0.06
Current tax assets (net)	8	5.04	5.36
Other current assets	9	-	33.47
<b>Total current assets</b>		<b>177.57</b>	<b>266.51</b>
<b>Total assets</b>		<b>189.02</b>	<b>279.48</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	5.00	5.00
Other equity	11	-192.70	-132.76
<b>Total equity</b>		<b>-192.70</b>	<b>-132.76</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities		-	-
(ii) Other non current financial liabilities	12	61.35	53.70
Provisions	13	5.56	2.99
Other non current liabilities	14	-	-
Deferred tax liabilities (net)		-	-
<b>Total non current liabilities</b>		<b>66.91</b>	<b>56.69</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	14	-	16.39
(ii) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	15	266.24	234.61
(iii) Other financial liabilities	16	-	11.13
Provisions	13	6.59	80.11
Other current liabilities	17	41.98	13.23
<b>Total current liabilities</b>		<b>314.81</b>	<b>365.47</b>
<b>Total liabilities</b>		<b>381.72</b>	<b>412.16</b>
<b>Total equity and liabilities</b>		<b>189.02</b>	<b>279.48</b>

The accompanying notes are an integral part of these financial statements.  
As per our report of even date

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No. 0256835

For and on behalf of the Board of Directors of  
Belvedere International Ltd  
CIN : U52520KA2020PLC142418




S.K. Subramanian  
Partner  
Membership No. 205737

Place: Bangalore  
Date: 14-05-2024



Amit Kumar Gupta  
Director  
DIN: 01426743

Place: Bangalore  
Date: 14-05-2024



Abhilash Padmanabh Karaj  
Director  
DIN: 01587117

Place: Bangalore  
Date: 14-05-2024



Belvedere International Ltd  
Statement of Profit and Loss for the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	Note no.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	18	1,360.54	1,320.66
Other income	19	4.78	39.15
<b>Total Income</b>		<b>1,365.30</b>	<b>1,359.81</b>
<b>Expenses</b>			
Purchase of stock-in-trade	20	1,025.70	1,006.99
Employee benefits expense	21	146.31	93.67
Finance costs	22	0.03	1.63
Depreciation and amortisation expense	23	1.28	0.69
Other expenses	24	253.28	351.97
<b>Total Expenses</b>		<b>1,426.62</b>	<b>1,454.95</b>
<b>Profit before tax</b>		<b>(61.32)</b>	<b>(95.14)</b>
<b>Exceptional items</b>			
<b>Profit/(Loss) before tax from continuing operations</b>		<b>(61.32)</b>	<b>(95.14)</b>
<b>Income Tax expense</b>			
Current tax			
Tax expenses related to earlier years			
Deferred tax (net)		0.07	(1.48)
<b>Total income tax expense</b>		<b>0.07</b>	<b>(1.48)</b>
<b>Profit for the year</b>		<b>(61.39)</b>	<b>(93.67)</b>
<b>Other comprehensive income (net of tax)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements gain / (loss) of the net defined benefit plans		1.45	
Income tax on above item			
<b>Items that will be reclassified to profit or loss</b>			
Fair value gain / (loss) on investments and other financial instruments			
Income tax on above item	27		
<b>Total Other comprehensive income/ (loss) (net of tax)</b>		<b>1.45</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(59.94)</b>	<b>(93.67)</b>
<b>Earnings per equity share (face value of Rs.5/- each); Basic and diluted (Rs.)</b>	24.2	(122.79)	(187.34)

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

As per our report of even date

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No.: 0256635

For and on behalf of the Board of Directors of  
Belvedere International Ltd  
CIN : U52520KA2020PLC142418



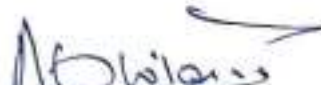

S.K. Subramanian  
Partner  
Membership No. 206737

Place: Bangalore  
Date: 14-05-2024



Amit Kumar Gupta  
Director  
DIN: 01438743

Place: Bangalore  
Date: 14-05-2024

Abhilash Padmanabh Kamli  
Director  
DIN: 01587117

Place: Bangalore  
Date: 14-05-2024



**Belvedere International Ltd**  
**Statement of Changes in Equity for the year ended March 31, 2024**

**A. EQUITY SHARE CAPITAL**

Particulars	Rs. In Lakhs
Balance as at April 01, 2022	5.00
Add: Issued during the year	-
Balance as at March 31, 2023	5.00
Add: Issued during the year	-
Balance as at March 31, 2024	5.00

**B. OTHER EQUITY**

Particulars	Reserves and surplus				Items of Other Comprehensive Income		Total
	Retained earnings	Securities premium	Capital reserve	General reserve	Debt instruments through OCI	Cash flow Hedge reserve through OCI	
Balance as at April 01, 2022	(44.07)	-	0.27	-	-	-	(44.00)
Profit for the year	(90.07)	-	-	-	-	-	(90.07)
Other Comprehensive Income/ (loss) for the year (net of tax)	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-
Total comprehensive income for the year	(90.07)	-	-	-	-	-	(90.07)
Balance as at March 31, 2023	(136.94)	-	0.27	-	-	-	(137.77)
Profit for the year	(61.39)	-	-	-	-	-	(61.39)
Other comprehensive income/ (loss) for the year (net of tax)	1.45	-	-	-	-	-	1.45
Dividend paid	-	-	-	-	-	-	-
Loss on cash flow hedge reserves (net of tax)	-	-	-	-	-	-	-
Expenses towards increase in authorized capital	-	-	-	-	-	-	-
Realized gain from debt instruments transferred to profit and loss (net of Tax)	-	-	-	-	-	-	-
Addition to Capital reserve	-	-	-	-	-	-	-
Total comprehensive income for the year	(60.94)	-	-	-	-	-	(60.94)
Balance as at March 31, 2024	(197.98)	-	0.27	-	-	-	(197.71)

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

As per our report of even date

For S P SRIVASTAVA & Associates  
 Chartered Accountants  
 Firm Registration No. 0269035

For and on behalf of the Board of Directors of  
 Belvedere International Ltd  
 CIN : U52529KA2020PLC1-041E




S.K. Subramanian  
 Partner  
 Membership No. 205737

Place: Bangalore  
 Date: 14-05-2024



Amit Kumar Gupta  
 Director  
 DIN 01436743

Place: Bangalore  
 Date: 14-05-2024



Rohitosh Padmanabh Kamr  
 Director  
 DIN 01587117

Place: Bangalore  
 Date: 14-05-2024



Belvedere International Ltd  
Statement of Cash Flows for the year ended March 31, 2024

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	(81.32)	(95.14)
Adjustments for:		
Depreciation and amortisation expense	1.26	0.89
Finance costs	0.03	1.63
Liabilities/provisions no longer required written back	(1.57)	-
Unrealised foreign exchange (gain) / loss (net)	1.01	-
Operating profit before working capital changes	(80.59)	(92.82)
Changes in working capital:		
Decrease in Inventories		
(Increase) / Decrease in loans and trade receivables	25.94	15.54
Decrease / (Increase) in other financial and non-financial assets	(0.57)	(1.18)
Decrease / (Increase) in other current assets	33.48	-
(Decrease) / Increase in trade payables	30.03	17.59
Increase/ (decrease) in other financial and non-financial liabilities	(1.91)	23.87
Increase/ (decrease) in other current liabilities	28.75	-
(Decrease)/ Increase in provisions	(88.51)	82.89
Cash generated from operations	(13.78)	45.71
Income tax paid (net of refunds)	0.32	(5.38)
<b>Net cash flow from operating activities (A)</b>	<b>(13.46)</b>	<b>40.33</b>
<b>B. Cash flow from investing activities</b>		
Proceeds from Sale of property, plant and equipment		(12.00)
Interest income received		-
<b>Net cash (used in) investing activities (B)</b>	<b>-</b>	<b>(12.00)</b>
<b>C. Cash flow from financing activities</b>		
Payment of lease liabilities (principal and interest)	(16.39)	-
Fees paid for increase in authorised share capital		3.30
Finance costs	(0.03)	(1.63)
<b>Net Cash (used in) Financing Activities (C)</b>	<b>(16.42)</b>	<b>1.67</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(29.88)</b>	<b>30.02</b>
Cash and cash equivalents at the beginning of the year	43.65	13.62
<b>Cash and cash equivalents at the end of the year</b>	<b>13.77</b>	<b>43.64</b>

**Notes :**

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Figures in bracket represents cash outflow.
- Components of cash and cash equivalents:

	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Cash and cash equivalents</b>		
Cash on hand		
Deposits having original maturity of less than 3 months		
Balance with banks in current accounts	13.77	43.65
<b>Balance as per Statement of Cash Flows</b>	<b>13.77</b>	<b>43.65</b>

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

As per our report of even date

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No.: 0256638

For and on behalf of the Board of Directors of  
Belvedere International Ltd  
CIN : U52620KA2020PLC142418


S.K. Subramanian  
Partner  
Membership No. 205737

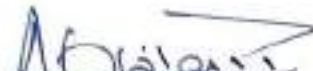
Place: Bangalore  
Date: 14-05-2024



Amit Kumar Gupta  
Director  
DIN 01436743

Place: Bangalore  
Date: 14-05-2024





Abhishek Padmanabh Karnti  
Director  
DIN: 01587117

Place: Bangalore  
Date: 14-05-2024

**BELVEDORE INTERNATIONAL LIMITED**  
**Notes to accounts**

**1. CORPORATE INFORMATION**

Belvedere International Limited was incorporated in Karnataka on 21.12.2020. The address of its registered office is N-301, 3rd Floor, North Block Maripal Centre 47 Dickenson Road Bangalore Bangalore KA 560042 The Company is a wholly owned subsidiary company of Kurion Enterprise Limited and is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, manufacturing or supplying, trading, dealing in any manner whatsoever in all type of goods including Mattresses, Pillows, Furniture and other related Products and Services of International Brands on retail and B2B basis in India.

The company is in the process of merging with Kurion Enterprises Limited (holding company) and the application regarding this pending in NCLT- Mumbai Branch.

**2. MATERIAL ACCOUNTING POLICIES**

**A. STATEMENT OF COMPLIANCE**

The financial statements have been prepared in accordance with 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.

**B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except for Investments classified as Fair Value Through Profit or Loss (FVTPL) /Fair Value Through Other Comprehensive Income (FVTOCI). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities have been classified as current and non-current as per the Companies' normal operating cycle of 12 months. Current assets do not include assets which are not expected to be realised within 12 months and current liabilities include only items where the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The financial statements are presented in Indian Rupees lakhs unless otherwise stated.

The statements of cash flows have been prepared under the indirect method.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

The company has prepared its financial statements as at 31st March 2023, by giving effect to the business transfer. We have applied pooling of interest method under Ind AS 103 (Business combinations) for accounting the transferor company's assets and liabilities in the books of the company. The acquisition date is considered of first date of comparative reporting period as specified under point 9(ii) of Appendix C of Ind AS 103. (Refer Note 47 for further Details)

Business combinations between entities under common control is accounted based on pooling of interest method, at carrying value of the assets acquired and liabilities assumed in the financial statements.

The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately as Common Control Transactions Capital reserve.

**BASIS OF MEASUREMENT**

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items, which have been measured at fair value as required by relevant Ind AS:

- a) The defined benefit liability(asset) is recognised as the present value of defined benefit obligation less fair value of plan assets;



### C. USE OF ESTIMATES

In preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS, the Management has made estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities, as at the date of the financial statements, and the reported amounts of revenue and expenses during the year under report. Contingencies are recorded, when it is probable that a liability will be incurred and the amount can be reasonably estimated. Appropriate changes in the estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Actual results could differ from those estimates.

#### Useful life 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 prospectively.

#### Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation arising out of past events and it is probable that an outflow of economic resources would be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimates required to settle the obligation as at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements but are disclosed appropriately. A contingent asset is neither recognized nor disclosed in the financial statements.

### D. REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliable measured, regardless of when in the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of Govt. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

To recognise revenues, the Company applies the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract, and
- (5) Recognise revenues when a performance obligation is satisfied.

#### Sale of goods:

Revenue from the sale of goods is recognised when i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods, (ii) effective control over the goods sold, (iii) the amount of revenue can be measured reliably, (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably. Sales returns are recognized as and when ascertained and are reduced from the sales turnover of the year. Amounts disclosed as revenue are net of Goods & Service Tax, trade allowances, rebates and value added items.

#### Other income

Interest income- Interest income is recognised and accounted on the basis of the effective Interest rate method.  
Dividend income- Dividend income is accounted for when the right to receive is established.

### E. TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### a) Income Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years (Temporary Differences) and items that are never taxable or deductible (Permanent Differences). The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.



b) Deferred Tax

Deferred Tax assets and liabilities are recognized for the future tax consequences attributable to the timing differences that result between the profit offered for the income tax and profit as per financial statement of the company. Deferred tax assets on timing differences are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the period that includes the enactment/ substantive enactment date.

F. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at costs less accumulated depreciation (other than freehold land) and impairment loss, if any.

The cost includes purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation is provided for property, plant and equipment on the straight-line method over the estimated useful life from the date the assets are ready for intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Capital work in progress

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress.

G. INTANGIBLE ASSETS

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any.

Intangible assets are amortized on a straight line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gain or loss arising from Derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised/disposed.



**Depreciation and amortization**

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. Intangible assets are amortized on a straight-line basis over the estimated useful economic life.

The useful lives estimated by the management are given below:

Asset	Useful life (In Years) estimated by the management
Vehicles	10

In respect of plant and equipment, furniture and fixtures and vehicles, the management, basis internal assessment of usage pattern believes that the useful lives as mentioned above best represent the period over which management expects to use these assets.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Project specific assets are depreciated over the period of contract or useful life of the asset, whichever is lower.

**Impairment of assets**

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

**A) Financial assets****Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through profit and loss (FVTPL)**

Financial assets are measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognized in statement of profit and loss.

**Foreign exchange gains and losses**

The fair value of foreign assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For the foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in statement of profit and loss.

**B) Financial liabilities and Equity****Financial liabilities at amortized cost**

Financial liabilities are measured at amortized cost using effective interest method.

**Equity instruments**

An equity instrument is contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments

recognised by the Company are recognised at the proceeds received net off direct issue costs.



**Foreign exchange gains and losses**

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in "Other income". The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in the profit and loss.

**I. CASH FLOW STATEMENT**

The entity reports the cash flow from

- Operating activities using indirect method by adjusting the profit or loss for the effects of transactions of non-cash nature, deferrals or accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing cash flows.
- From investing and financing activities by reporting separately the major cash receipts and cash payments that arises from investing and financing activities except to the extent permitted to be reported on net basis by IND AS -7.

**J. RETIREMENT AND OTHER EMPLOYEE BENEFITS****Employee benefits****Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**Post-employment benefits****Defined contribution plans**

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

**Gratuity**

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan) covering all employees. The Gratuity plan provides a lumpsum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the year so employment with the Company. The Company makes provision. Gratuity is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary. Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with charge or credit recognised in other comprehensive income in the period in which they occur.

**Compensated absences**

The cost of short term compensated absences are provided for based on estimates. The expected cost of accumulating compensated absences is determined by actuarial valuation at each balance sheet date measured based on the amounts expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the entire obligation for compensated absences as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement beyond 12 months from the reporting date.

**K. EARNINGS PER SHARE (EPS)**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.



#### L. PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimates required to settle each obligation at balance sheet date. 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.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

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 recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

#### M. RECENT PRONOUNCEMENTS

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

##### Ind AS 1 – Presentation of Financial Statements

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

##### Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

##### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

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





Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars	(Rs. in Lakhs)		
	Vehicles	Total property, plant and equipment	
<b>At cost or deemed cost</b>			
As at April 1, 2022	12.00	12.00	
Additions		-	
Disposals/transfer*		-	
As at March 31, 2023	12.00	12.00	
Additions		-	
Disposals/transfer		-	
As at March 31, 2024	12.00	12.00	
<b>Accumulated depreciation</b>			
As at April 1, 2022	(0.69)	(0.69)	
Depreciation charge for the year		-	
Disposals/adjustments		-	
As at March 31, 2023	(0.69)	(0.69)	
Depreciation charge for the year	(1.26)	(1.26)	
Disposals/adjustments		-	
As at March 31, 2024	(1.95)	(1.95)	
<b>Net carrying amount</b>			
As at March 31, 2023	11.31	11.31	
As at March 31, 2024	10.05	10.05	
<hr/>			
<b>Asset block</b>	<b>Gross block</b>	<b>Accumulated depreciation</b>	<b>Net block</b>
Vehicle	12.00	(1.95)	10.05
Total	12.00	(1.95)	10.05



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

**NON CURRENT ASSETS**  
**NOTE 04 : DEFERRED TAX ASSET**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Deferred Tax Asset(Net)	1.40	1.48
	<u>1.40</u>	<u>1.48</u>

**NOTE 05 : TRADE RECEIVABLES**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(At amortised cost)		
Unsecured		
Trade receivables - considered good (refer note below)	158.13	184.07
Trade receivables - considered doubtful	-	-
Trade receivables (gross)	<u>158.13</u>	<u>184.07</u>
Less: Impairment allowance for trade receivables considered doubtful	<u>158.13</u>	<u>184.07</u>
Total		
Further classified as		
Receivable from related parties (refer note no. 25)	10.45	42.93
Receivable from others	<u>108.68</u>	<u>141.14</u>
	<u>158.13</u>	<u>184.07</u>

**Note :**

- Trade receivables are non-interest bearing and are generally on terms of 7 to 60 days.
- Trade receivables are usually non-interest bearing and are on trade terms of 0 - 60 days.
- Trade Receivables ageing schedule:-

Particulars	(Rs. in Lakhs)						Total
	As on March 31, 2024	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed trade receivables							
- considered good	-	87.80	16.07	20.12	-	-	134.99
- which have significant increase in credit risk	-	-	-	-	-	24.05	24.05
(ii) Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>87.80</b>	<b>16.07</b>	<b>20.12</b>	<b>-</b>	<b>24.05</b>	<b>158.13</b>

Particulars	(Rs. in Lakhs)						Total
	As on March 31, 2023	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
(i) Undisputed trade receivables							
- considered good	-	134.63	24.58	-	-	-	-
- credit impaired	-	-	-	-	-	24.86	24.86
(ii) Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>134.63</b>	<b>24.58</b>	<b>-</b>	<b>-</b>	<b>24.86</b>	<b>184.07</b>

**NOTE 06 : CASH AND CASH EQUIVALENTS**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance with banks:		
Current accounts	13.77	43.05
Fixed deposits account with an original maturity of less than three months	-	-
Cash on hand	-	-
<b>Total</b>	<u>13.77</u>	<u>43.05</u>



## NOTE 07 : OTHER FINANCIAL ASSETS (CURRENT)

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Interest accrued but not due on deposits with Banks, bonds and debentures	0.03	0.06
Advance to Employees		
<b>Total</b>	<b>0.03</b>	<b>0.06</b>

## NOTE 08 : CURRENT TAX ASSET

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Tax credit (net of provision for income tax)	5.04	5.38
<b>Total</b>	<b>5.04</b>	<b>5.38</b>

## NOTE 09 : OTHER CURRENT ASSETS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Advance to contractors/suppliers		20.85
Balances with Statutory/Government authorities	-	12.52
Prepaid expenses		
<b>Total</b>	<b>-</b>	<b>33.47</b>
(Unsecured, credit impaired)		
Advances recoverable in cash or kind	-	-
- Others	-	-
Less : Provision for doubtful advances	-	-
<b>Total</b>	<b>-</b>	<b>33.47</b>



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

NOTE 19 : EQUITY SHARE CAPITAL

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Authorized share capital: 50,000 fully paid equity shares of Rs. 10/- each (March 31, 2023 : 50,000 fully paid equity shares of Rs. 10/- each)	5.00	5.00
	<u>5.00</u>	<u>5.00</u>
Issued, subscribed & paid up share capital: 50,000 fully paid equity shares of Rs. 10/- each (March 31, 2023 : 50,000 fully paid equity shares of Rs. 10/- each)	5.00	5.00
Total	<u>5.00</u>	<u>5.00</u>

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

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
At the beginning of the year	50,000	5.00	50,000	5.00
Bonus shares issued during the year	-	-	-	-
Outstanding at the end of the year	<u>50,000</u>	<u>5.00</u>	<u>50,000</u>	<u>5.00</u>

(c) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of 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.

(d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding	Number of shares	% of holding
Kuron Enterprise Limited - Holding Company	49,940	99.88%	49,940	99.88%

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

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

Shares issued for consideration other than cash

There are no shares reserved for issue under options and contracts or commitments. Further, there are no shares that have been issued during the last 5 years pursuant to a contract without payment being received in cash, shares allotted as fully paid up by way of bonus shares or shares bought back.

(e) Shareholding of promoters & promoter group

Shares held by promoters at the end of the year	As at March 31, 2024			As at March 31, 2023		
	Number of Shares	% of holding	% Change during the year	Number of Shares	% of holding	% Change during the year
Promoter name						
Kuron Enterprise Limited - HC	49,940	99.88%	0%	49,940	99.88%	
Municipal holdings private limited	10	0.02%	0%	10	0.02%	
Metropolis builders private limited	10	0.02%		10	0.02%	
Jyothi Ashan Pradhan	10	0.02%		10	0.02%	
Jaya s pai	10	0.02%		10	0.02%	
T. Sudhakar pai	10	0.02%		10	0.02%	
Mr. Ashish Nitai Pradhan	10	0.02%	0%	10	0.02%	
Total		<u>100.00%</u>			<u>100.00%</u>	



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 11 : OTHER EQUITY

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Securities premium account	-	-
Capital reserve (refer note (a) below)	0.27	0.27
General reserve (refer note (b) below)	-	-
Retained earnings	-197.97	-138.03
Other comprehensive income	-	-
Cash flow hedge reserve	-	-
<b>Total</b>	<b>-197.70</b>	<b>-137.76</b>

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Capital Reserve</b>		
Opening balance	0.27	-
Addition	-	0.27
<b>Closing balance</b>	<b>0.27</b>	<b>0.27</b>
<b>Retained earnings</b>		
Opening balance	-138.03	-
Net profit for the year	-81.39	-93.67
Bonus shares issued during the year	-	-
Expenses towards increase in authorised capital	-	-
Remeasurements of the net defined benefit plans (net of tax)	1.45	-44.37
Less : Dividend paid	-	-
<b>Closing balance</b>	<b>-197.97</b>	<b>-138.03</b>
<b>Other Comprehensive Income</b>		
Opening balance	-	-
Fair value gain(Loss) on debt instruments (Net of Tax)	-	-
Realised gain from debt instruments transferred to profit and loss (Net of Tax)	-	-
<b>Closing balance</b>	<b>-</b>	<b>-</b>

- Common control transaction capital reserve is created on account of merger of Home Comfort Retail LLP with Belvedere International Limited. This reserve amounting to Rs. 0.27 Lakhs is not freely available for distribution.

- Retained earnings comprises of priorless and current year's undistributed earnings after tax.

## NOTE 12 : OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Deposits from dealers and others	51.35	53.70
Unearned interest income on deposits from dealers	-	-
<b>Total</b>	<b>51.35</b>	<b>53.70</b>



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 13 : PROVISIONS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
-Provision for gratuity	2.07	2.54
-Compensated absences	2.89	0.44
Other provisions:		-
-Provision for warranty (refer note below)		
<b>Total</b>	<b>5.96</b>	<b>2.99</b>
<b>Short-term provisions:</b>		
Provision for employee benefits:		
-Compensated absences	0.44	0.10
-Gratuity	0.01	0.01
Other provisions:	6.14	80.00
-Provision for warranty (refer note below)	-	
<b>Total</b>	<b>6.59</b>	<b>80.11</b>

## NOTE 14 : BORROWINGS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Secured borrowings</b>		
Loans from banks		
<b>Unsecured borrowings</b>		
Loans from related parties	-	16.39
<b>Total</b>	<b>-</b>	<b>16.39</b>

## Note:

## Terms and conditions of above borrowings:

- Loan from KEL is the on demand loan for a period of 3 years, which may be extended and lender can recall loan as deem fit.
- Interest @12% shall be paid on an annual basis
- Payable in 3 years or as decided by the both the parties
- Loan from KMP and related individuals is a on demand loan



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024  
NOTE 15 : TRADE PAYABLES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade payables other than acceptances:		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	266.24	234.61
<b>Total</b>	<b>266.24</b>	<b>234.61</b>

**Note:**

- Trade payables due to related parties are disclosed in note no. 25.
- Trade payables for micro and small enterprises are non interest bearing and are normally settled on 7 days to 30 days credit terms.
- Trade payables other than micro and small enterprises are non interest bearing and are normally settled on 60 days to 90 days credit terms.
- Ageing Analysis for Trade payables

Particulars	Outstanding for following periods from due date of payment						(Rs. in Lakhs)
	Unbilled Dues	Payables not due	Less than 1 Year	1-2 years	2-3 years	more than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	266.24	-	-	-	266.24
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>266.24</b>	-	-	-	<b>266.24</b>

Particulars	Outstanding for following periods from due date of payment						(Rs. in Lakhs)
	Unbilled Dues	Payables not due	Less than 1 year	1-2 years	2-3 years	more than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	226.52	-	-	-	226.52
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>226.52</b>	-	-	-	<b>226.52</b>

NOTE 16 : OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Creditors for capital goods		
Employee related liabilities		
Unpaid dividend account	-	8.50
Interest accrued but not due on loan		
Liability against foreign currency swap contracts	-	1.57
Unearned interest income on deposits from dealers		
Unearned rent income		
<b>Total</b>	<b>-</b>	<b>11.13</b>

NOTE 17 : OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Refund liabilities		
Deferred capital grant (refer note (a))		
Advance from customer		
Statutory dues payable	15.14	10.26
Provision for expenses	4.88	1.66
Advance from customer	21.47	1.32
<b>Total</b>	<b>41.49</b>	<b>13.24</b>

**Notes:**

- Contract liabilities are recognised as revenue when the Company performs under the contract (i.e. transfer of control of the related goods).
- Consists of advances received from customers towards supply of products.



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024  
(In Indian Rupees (Lakhs), unless otherwise stated)

## NOTE 18 : REVENUE FROM OPERATIONS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
<b>Sale of products</b>		
Finished goods	1,360.54	1,320.66
Traded goods	-	-
Less : Schemes & rebates	-	-
	<u>1,360.54</u>	<u>1,320.66</u>
Other operating revenue	-	-
- Income from sale of processed scrap	-	-
<b>Total</b>	<u>1,360.54</u>	<u>1,320.66</u>

**Note:**

Includes sale of finished goods to related parties

## NOTE 18.1 : TIMING OF REVENUE FROM OPERATIONS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Goods transferred at a point in time	1,360.54	1,320.66
	<u>1,360.54</u>	<u>1,320.66</u>

## NOTE 18.2 : RECONCILIATION OF AMOUNT OF REVENUE RECOGNISED WITH CONTRACT PRICE

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Revenue as per contract price	1,360.54	1,320.66
Less : Discounts	-	-
	<u>1,360.54</u>	<u>1,320.66</u>

## NOTE 19 : OTHER INCOME

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Other non operating income	1.57	-
Liabilities/provisions no longer required written back	3.19	39.15
Other miscellaneous income	-	-
<b>Total</b>	<u>4.76</u>	<u>39.15</u>

## NOTE 20 : PURCHASE OF STOCK-IN-TRADE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Traded Goods -Bed sheets/comforters/PU foam/spring/foam mattresses	1,025.76	1,026.99
<b>Total</b>	<u>1,025.76</u>	<u>1,026.99</u>

## NOTE 21 : EMPLOYEE BENEFITS EXPENSE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, allowance, and other benefits	138.05	87.53
Contribution to gratuity (refer note no. 27)	4.85	3.50
Contribution to provident and other funds	3.35	2.19
Workmen and staff welfare	0.05	0.45
<b>Total</b>	<u>146.31</u>	<u>93.67</u>





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Notes forming part of the financial statements for the year ended March 31, 2024  
(in Indian Rupees (Lakhs), unless otherwise stated)  
NOTE 22 : FINANCE COSTS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense: (on financial liabilities measured at amortised cost)	-	1.57
- On borrowings	0.03	0.06
Bank Charges	0.03	1.63
<b>Total</b>	<b>0.06</b>	<b>1.66</b>

NOTE 23 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note no. 3)	1.26	0.69
<b>Total</b>	<b>1.26</b>	<b>0.69</b>

NOTE 24 : OTHER EXPENSES

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores, spares and consumables	10.60	0.36
Freight and forwarding	0.17	64.13
Trade Load/Scheme Expenses	34.34	65.04
Turn Over Disc-FOFO stores	2.85	10.20
Vehicle Maintenance - Petrol	3.00	2.13
Rates and taxes	0.18	0.39
Legal and professional	53.03	4.17
Royalty Expenses	54.09	37.71
Rewards - Dealers	2.23	0.65
Manpower charges	-	59.41
Cash Discount	15.69	10.75
Selling and promotion	0.01	1.70
Touring and conveyance	43.71	18.12
Commission	2.82	-
Advertisement & Selling Expenses	29.54	30.34
Net Loss on Foreign Currency exchange loss	1.01	0.56
Bad debts written off	-	24.66
Miscellaneous	0.09	0.42
<b>Total</b>	<b>253.26</b>	<b>351.97</b>

Note 24.1 : Auditor's remuneration included in legal and professional (excluding GST)

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit (including limited review)* Certification*	4.93	1.04
Out of pocket expenses*	-	-
<b>Total</b>	<b>4.93</b>	<b>1.04</b>

NOTE 24.2 EARNINGS PER SHARE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to Equity shareholders	(61.39)	(93.67)
Earnings used in the calculation of basic earnings per share	(61.39)	(93.67)
Earnings used in the calculation of diluted earnings per share	(61.39)	(93.67)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(Numbers in Lakhs)	(Numbers in Lakhs)
Weighted average number of equity shares for the purpose of basic and diluted earnings per share	0.50	0.50

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(Rs. per share)	(Rs. per share)
Basic and diluted earnings per share	(122.79)	(187.34)



Balredore International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 25 : RELATED PARTY TRANSACTIONS**

(A) Names of related parties and nature of relationship are given below :

Relationship	Name of the party
A. Ultimate Holding Company	Kurlon Limited Shoola Foam Limited (w.e.f 20/10/2023)
Fellow Subsidiary	Kurlon Retail Limited Komfort Universe Products and Services Private Limited Kenwa Concepts Private Limited Shreshth Value Chain & Manufacturing Private Limited
B. Holding Company	Kurlon Enterprises Limited
C. Key management personnel	Jaya Sudhakar Pai (Director) upto Dec 05th 2023 Tanse Pai (Director) upto Dec 05th 2023 Jyothi Ashish Pradhan (Director) upto Dec 05th 2023  Mr Anil Kumargupta (With Effect From December 12, 2023) Mr Abhilash Padmanabh Kamli (With Effect From December 12, 2023) Mr Narenvira Kulkarni (With Effect From December 12, 2023)

(B) Disclosure of transactions between the Company and related parties during the year

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Purchase of material / capital goods		
Holding Company		
Kurlon Enterprises Limited	1,324.88	578.91
	<u>-</u>	<u>-</u>
	<u>1,324.88</u>	<u>578.91</u>
(ii) Sale of material/ capital goods		
Kurlon Retail Limited	142.55	18.10
Kurlon Enterprises Limited		35.61
	<u>142.55</u>	<u>53.77</u>
Related entities		
	<u>142.55</u>	<u>53.77</u>

(C) Disclosure of balances outstanding at the end of the reporting year

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Subsidiary/step-down subsidiary		
Lease Receivable	<u>-</u>	<u>-</u>
Trade payable		
Holding Company		
Kurlon Enterprises Limited	<u>205.09</u>	<u>203.66</u>
	<u>205.09</u>	<u>203.66</u>
Trade receivable		
Kurlon Retail Limited	19.45	2.26
Kurlon Enterprises Limited	<u>-</u>	<u>40.67</u>
	<u>19.45</u>	<u>42.93</u>



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

NOTE 26 : There are no title deeds of immovable Properties, which are not held in name of the Company.

**NOTE 27 : EMPLOYEE BENEFITS**

**A. Defined contribution plans**

Company's employees are covered by Provident Fund and Employees State Insurance Scheme/Fund and National Pension Scheme, to which the Company makes a defined contribution measured as a fixed percentage of salary. During the year, amount of Rs. 3.36 Lakhs (Previous Year: Rs. 2.19 Lakhs) has been charged to the Statement of Profit and Loss towards employer's contribution to these schemes/funds as under:

Particulars	[Rs. in Lakhs]	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution towards Provident Fund(PF)	3.36	2.19
Employer's contribution towards Employees State Insurance (ESI)	-	-
Employer's contribution towards National Pension Scheme (NPS)	-	-
<b>Total (refer note no. 21)</b>	<b>3.36</b>	<b>2.19</b>

**B. Long Term Benefits**

**Long service award**

Payable to the eligible employees as retention earned leave, after completion of service of five years, which can be en-cashed or accumulated till retirement. During the year Company had discontinued this policy. An amount of Rs. Nil (Previous Year: Rs.0 Lakhs) has been charged to the Statement of Profit and Loss towards the said benefit.

**C. Post employment benefits**

**Defined benefit plans**

**Gratuity**

The employees' gratuity fund scheme, which is a defined benefit plan, is managed by a trust with effect from 2019 and is being maintained by SFL Employees gratuity trust. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure on 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

This plan is governed by the Payment of Gratuity Act 1972, which requires that each employee who has completed 5 years of service shall be entitled to gratuity which is equal to salary of 15 days for each completed year of service.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.21%	7.53%
Future salary increase/salary escalation	7.00%	7.00%
Retirement age (years)	60	60
Mortality Tables		
Employee turnover		
18 to 30 years		
From 31 to 45 years		
Above 45 years		

**Notes:**

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

ii. Information given for retirement age is based on India's standard mortality table with modification to reflect expected changes in mortality/ others.



**Belvedere International Ltd**  
**Notes forming part of the financial statements for the year ended March 31, 2024**

Quantitative sensitivity analysis for significant assumptions as at March 31, 2024 is shown below:

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
Discount rate		
Increase by 1.00%	(0.24)	(0.25)
Decrease by 1.00%	0.28	0.30
Salary increase		
Increase by 1.00%	(0.24)	(0.29)
Decrease by 1.00%	0.28	0.25

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, Other Comprehensive Income and the funded status and amounts recognised in the Balance Sheet for the gratuity plan. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

Expense recognised in Statement of Profit and Loss and Other Comprehensive Income:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost:		
Current service cost	1.38	2.55
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.19	-
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>1.57</b>	<b>2.55</b>
Remeasurement on the net defined benefit liability:		
Actuarial (gains) / losses arising from changes in financial assumptions	0.08	
Actuarial (gains) / losses arising from experience adjustments	(1.52)	
Return on Plan Asset		
<b>Total</b>	<b>#REF!</b>	<b>#REF!</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

Movements in the present value of the defined benefit obligation are as follows:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	2.55	2.55
Current service cost	1.38	2.55
Interest cost	0.19	
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions		
Actuarial gains and losses arising from changes in financial assumptions	0.08	
Actuarial gains and losses arising from experience adjustments	(1.62)	
Benefits paid		
Closing defined benefit obligation	<u>2.68</u>	<u>2.55</u>

Maturity profile of gratuity liability is as follows:

Year	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
0 to 1 year	0.01	0.01
1 to 2 Year	0.01	0.01
2 to 3 Year	0.01	0.01
3 to 4 Year	0.02	0.01
4 to 5 Year	0.02	0.01
5 Year onwards	1.31	0.87

Expected contribution to the fund in next year ( Rs. in Lakhs)

Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

a. Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

b. Changes in discount rate:

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets holdings.

c. Inflation risks

Gratuity payments are not linked to inflation, so this is a less material risk.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of unit linked group insurance plan which further invests in government and corporate bonds, equities, money market instruments & public deposits. The plan asset mix is in compliance with the requirements of the respective local regulations.



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 28 : FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The Company has disclosed financial instruments such as loans, investment in preference shares, trade receivables, cash and cash equivalents, other bank balances, trade payables, other financial assets and liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.

**NOTE 29 : FAIR VALUE HIERARCHY**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

-Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

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

-Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in preference shares, other investments, loans receivables and lease receivables included in level 3.

**Valuation Processes**

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO) including board of directors. Discussions of valuation processes and results are held between the CFO and the valuation team every month. The Company takes the help of independent valuers for valuation purposes.

**Fair Valuation Technique**

The carrying amounts of trade receivables, trade payables, creditors towards capital goods, cash and cash equivalents, investment in prof. share, other investment and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values financial assets and liabilities consisting of loans receivable, lease receivable, lease liabilities, security deposits receivable and security deposit payable were calculated based on cash flows discounted using estimated borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024:

**Fair Value measurement hierarchy of Assets:**

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(Rs. in Lakhs)					
Financial Assets measured at fair value through profit and loss					
Other investments	March 31, 2024	-	-	-	-
Financial Assets measured at fair value through other comprehensive income					
Other investments	March 31, 2024	-	-	-	-
Financial Assets measured at amortized cost					
Investment in preference shares	March 31, 2024	-	-	-	-
Other investments	March 31, 2024	-	-	-	-
Loans	March 31, 2024	-	-	-	-
Trade receivables	March 31, 2024	158.13	-	-	158.13
Cash and cash equivalents	March 31, 2024	13.77	-	-	13.77
Bank balances other than cash and cash equivalents	March 31, 2024	-	-	-	-
Other financial assets	March 31, 2024	0.63	-	-	0.63

**Fair Value measurement hierarchy of Liabilities:**

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(Rs. in Lakhs)					
Financial liabilities measured at amortized cost					
Lease liabilities	March 31, 2024	-	-	-	-
Trade payables	March 31, 2024	266.24	-	-	266.24
Other financial liabilities	March 31, 2024	61.35	-	-	61.35



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Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023:

**Fair Value measurement hierarchy of Assets:**

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(Rs. in Lakhs)					
<b>Financial Assets measured at fair value through profit and loss</b>					
Other Investments	March 31, 2023	-	-	-	-
<b>Financial Assets measured at fair value through other comprehensive income</b>					
Other Investments	March 31, 2023	-	-	-	-
<b>Financial Assets measured at amortized cost</b>					
Investment in preference shares	March 31, 2023	-	-	-	-
Other Investments	March 31, 2023	-	-	-	-
Loans	March 31, 2023	-	-	-	-
Trade receivables	March 31, 2023	184.07	-	-	184.07
Cash and cash equivalents	March 31, 2023	43.65	-	-	43.65
Bank balances other than cash and cash equivalents	March 31, 2023	-	-	-	-
Other financial assets	March 31, 2023	0.06	-	-	0.06

**Fair Value measurement hierarchy of Liabilities:**

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(Rs. in Lakhs)					
<b>Financial liabilities measured at amortized cost</b>					
Lease liabilities	March 31, 2023	-	-	-	-
Trade payables	March 31, 2023	234.61	-	-	234.61
Other financial liabilities	March 31, 2023	64.83	-	-	64.83

**NOTE 30 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial liabilities, comprise of deposits from dealers, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. Further, the Company has financial risk / exposure of financial guarantees given to the banks towards security against the loans taken by its subsidiaries, however, considering that there is no expected credit losses, there is no financial liability as at the year end on this account. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents and other bank balances that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.



Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

The management reviews and agrees policies for managing each of these risks which are summarized as below:

**a) Market risk**

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The analysis exclude the impact of movements in market variables on, the carrying values of gratuity and other post-retirement obligations, provisions, and the non-financial assets and liabilities.

The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024 and March 31, 2023.

**(i) Interest risk**

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's financial liabilities comprise mainly of interest-bearing deposits with dealers, however, these are not exposed to risk of fluctuation in market interest rate as the rates are fixed at the time of contract/agreement and do not change for any market fluctuation.

**(ii) Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of bedding articles, home comfort products, furniture cushioning and specialized foam and therefore require a continuous supply of raw materials i.e. TDI and Polyol being the major input used in the manufacturing. Due to the significantly increased volatility of the price of the TDI and Polyol, the Company has entered into various purchase contracts for these material for which there is an active market. The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company partly mitigated the risk of price volatility by entering into the contract for the purchase of these material and further the Company increases prices of its products as and when appropriate to minimize the impact of increase in raw material prices.

**b) Credit risk**

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**(i) Trade receivables**

Customer credit risk is managed by the Company through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit limits, regulatory changes, industry outlook etc. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. In accordance with Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or reversal thereof. Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on monthly basis.

**(ii) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits, bonds, debentures and mutual funds. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts which are given below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-current assets</b>		
- Other investments	-	-
- Loans	-	-
- Other non-current financial assets	-	-
<b>Current assets</b>		
- Other Investments	-	-
- Trade receivables	158.13	184.07
- Cash and cash equivalents	13.77	43.65
- Bank balances other than cash and cash equivalents	-	-
- Loans	-	-
- Other current financial asset	0.83	0.95
<b>Total</b>	<b>172.53</b>	<b>227.78</b>

**(c) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short-term bank deposits and short term investments. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be very low.





Belvedere International Ltd  
Notes forming part of the financial statements for the year ended March 31, 2024

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Particulars			(Rs. in Lakhs)
	Less than 1 Year	More than 1 Year	Total
<b>Year ended March 31, 2024</b>			
Trade payables	266.24	-	266.24
Other financial liabilities	-	61.35	61.35
Lease Liabilities	-	-	-
	<u>266.24</u>	<u>61.35</u>	<u>327.59</u>
<b>Year ended March 31, 2023</b>			
Trade payables	234.61	-	234.61
Other financial liabilities	11.13	53.70	64.83
Lease Liabilities	-	-	-
	<u>245.74</u>	<u>53.70</u>	<u>299.43</u>

**NOTE 31: CAPITAL MANAGEMENT**

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital and 2) Other Reserves comprising of General Reserve and Retained Earnings. The Company's capital structure is based on the Management's assessment of the balances of key elements to ensure strategic decisions and day to day activities.

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Equity	5.00	5.00
Other Equity	(197.70)	(137.78)
Total equity	<u>(192.70)</u>	<u>(132.78)</u>
Borrowings (including lease liabilities)	0	-
Less: cash and cash equivalents	-	-
Total debt	<u>13.77</u>	<u>43.55</u>
Overall financing	<u>(188.93)</u>	<u>(176.33)</u>
Gearing ratio (in %)	<u>0/ (18)</u>	<u>-</u>

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The capital structure of the Company is managed with a view of the overall macro economic conditions and the risk characteristics of the underlying assets. The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company. The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.



**BELVEDORE INTERNATIONAL LIMITED**  
Notes forming part of the standalone financial statements for the year ended March 31, 2024

**NOTE 32: DISCLOSURE FOR SPECIFIC RATIOS**

Particulars	Formula	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	Variance	Reasons for variances
		<b>Numerator</b>				
		<b>Denominator</b>				
Current Ratio	Current Assets / Current Liabilities	Current Assets- Inventories+ Financial assets+ Other current assets	0.58	0.75	25%	Substantial increase in current investment as compare to previous year
Debt equity Ratio	Debt / Equity	Debts	-	(0.12)	100%	Loans have been repaid
Debt Service coverage ratio	Net Operating Income / Debt Service	Net Operating Income = Profit before tax for the year + Finance costs + Depreciation and amortisation expense	-	(56.93)	100%	
Return on Equity Ratio	Profit after tax / Shareholder's Equity	Total comprehensive income for the year	0.31	1.00	71%	
Inventory turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of goods sold = Cost of material consumed + Purchase of traded goods + Other manufacturing expenses + Changes in inventories of finished goods, traded goods & work in progress.	NA	NA	NA	
Trade receivables turnover ratio	Net Credit Sales / Average Trade Receivables	Net Credit sales = Revenue from operations	7.50	6.68	-16%	
Trade payable turnover Ratio	Net Credit Purchases / Average Trade Payables	Net credit purchases + Purchase of raw material and packing material + Purchase of traded goods + Other manufacturing expenses	4.10	4.46	8%	
Net capital turnover Ratio	Revenue / Working Capital	Revenue = Revenue from operations	(9.91)	(35.78)	73%	There is reduction in Capital turnover ratio due to increase in working capital on account of increase in current investment.
Net Profit Ratio	Net Profit / Net Sales	Net Profit = Profit for the year	(0.04)	(3.07)	38%	
Return on Equity Ratio	Profit after tax / Shareholder's Equity	Total comprehensive income for the year	0.31	0.71	68%	
Return on capital employed	EBIT / Capital Employed	EBIT = Profit before tax + Finance costs	0.32	3.82	81%	
Return on investment	Interest/ Avg Investment	Interest (Finance Income)	NA	NA	NA	



## Belvedere International Ltd

Notes forming part of the standalone financial statements for the year ended March 31, 2024

- 33 The Company has accumulated losses of Rs.197.70 lakhs as at March 31, 2024 and its net worth as at that date is Rs. 192.70 lakhs (negative) and its current liabilities exceed current assets. Kurkon Enterprises Limited (holding company) would support in the operations of the Company whenever required as considering the synergies and business nature, it would provide the desired requirements to ensure smooth conduct of business by the Company. Further the Company is in the process of merging with the holding company, Kurkon Enterprises Limited and the application in this regard is pending with NCLT - Mumbai Branch. Accordingly, the financial statements have been prepared on a going concern basis.
- 34 **Other Statutory Information**
- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
  - The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
  - The Company has not been declared as willful defaulter by any bank or financial institutions or other lenders.
  - The Company does not own any immovable property and as such, there exists no circumstance, where the title deeds of immovable properties of the Company are held in the name of a person, other than the Company.
  - The Company have not traded or invested in Crypto currency or Virtual Currency during the financial period.
  - The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - 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 to or on behalf of the Ultimate Beneficiaries
  - The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - 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.
  - 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 period 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).
  - The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
  - The company is in compliance within the number of layers prescribed under Clause (87) of Section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.
  - The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
  - The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received the Indian Parliament and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 35 Previous year figures have been regrouped where necessary to conform with current year's classification / disclosure.

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No.: 0256635

For and on behalf of the Board of Directors of  
Belvedere International Ltd  
CIN : U52520KA2023PLC142418



*S.K. Subramanian*  
S.K. Subramanian  
Partner  
Membership No. 205737

Place: Bangalore  
Date: 14-05-2024

*Amit Kumar Gupta*

Amit Kumar Gupta  
Director  
DIN: 01435743

Place: Bangalore  
Date: 14-05-2024

*Abhilash Padmanabh Kamte*

Abhilash Padmanabh Kamte  
Director  
DIN: 01587117

Place: Bangalore  
Date: 14-05-2024



Belvedere International Limited  
Balance Sheet as at September 30, 2024

(Rs. in Lakhs)

Particulars	Note no.	As at September 30, 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1	9.42
Deferred tax assets (net)	2	1.40
<b>Total non-current assets</b>		<b>10.82</b>
<b>Current assets</b>		
<b>Financial assets</b>		
(i) Trade receivables	3	139.81
(ii) Cash and cash equivalents	4	27.26
(iii) Other financial assets	5	0.44
Current tax assets (net)	6	6.63
<b>Total current assets</b>		<b>173.14</b>
<b>Total assets</b>		<b>183.98</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	7	6.00
Other equity	8	124.68
<b>Total equity</b>		<b>130.68</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Other non-current financial liabilities	9	56.50
	10	5.96
<b>Total non-current liabilities</b>		<b>62.46</b>
<b>Current liabilities</b>		
<b>Trade payables</b>		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	11	110.85
Provisions	12	9.98
Other current liabilities	13	40.72
<b>Total current liabilities</b>		<b>161.55</b>
<b>Total liabilities</b>		<b>123.61</b>
<b>Total equity and liabilities</b>		<b>183.98</b>

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

For and on behalf of the Board of Directors of  
Belvedere International Limited  
CIN: U52520KA2620PLC142418

  
Amit Kumar Gupta  
Director  
DIN: 01498743



Place: Noida  
Date: 02-12-2024

Balvotre International Limited  
Statement of Profit and Loss for the period ended September 30, 2024

(Rs. in Lakhs)

Particulars	Note no.	For the period September 30, 2024
<b>Income</b>		
Revenue from operations	13	289.85
Other income	14	2.44
<b>Total Income</b>		<b>292.29</b>
<b>Expenses</b>		
Purchase of stock-in-trade	15	729.28
Employee benefits expense	16	81.03
Depreciation and amortisation expense	17	0.83
Other expenses	18	49.11
<b>Total Expenses</b>		<b>860.25</b>
Profit/(loss) before tax		(47.97)
Exceptional items		-
<b>Profit/(Loss) before tax from continuing operations</b>		<b>(47.97)</b>
Income Tax expense		-
Current tax		-
Tax expense related to earlier years		-
Deferred tax (net)		-
<b>Total income tax expense</b>		<b>-</b>
<b>Profit/(loss) for the period</b>		<b>(47.97)</b>
<b>Other comprehensive income (net of tax)</b>		
Items that will not be reclassified to profit or loss		
Remeasurements gain/(loss) of the net defined benefit plans		0.72
Income tax on above item		-
<b>Total Other comprehensive income/(loss) (net of tax)</b>		<b>0.72</b>
<b>Total comprehensive income for the period</b>		<b>(46.25)</b>
<b>Earnings per equity share (face value of Rs.5/- each):</b>		
Basic and diluted (Rs.)		(95.34)

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

For and on behalf of the Board of Directors of  
Balvotre International Limited  
CIN : U52529KA2020PLC142418

  
Anil Kumar Gupta  
Director  
DIN: 01458743



Place: Noida  
Date: 02-12-2024

Befredone International Ltd  
Notes forming part of the standalone financial statements for the period ended September 30, 2024

**NOTE 1 : PROPERTY, PLANT AND EQUIPMENT**

Particulars	(Rs. in Lakhs)	
	Vehicles	Total property, plant and equipment
At cost or deemed cost		
As at April 1, 2024	10.05	10.05
Additions		
Disposals/transfer		
As at September 30, 2024	<u>10.05</u>	<u>10.05</u>
Accumulated depreciation		
As at April 1, 2024		
Depreciation charge for the period	0.63	0.63
Disposals/adjustments		
As at September 30, 2024	<u>0.63</u>	<u>0.63</u>
Net carrying amount		
As at September 30, 2024	<u>9.42</u>	<u>9.42</u>

Behndora International Ltd  
Notes forming part of the standalone financial statements for the period ended September 30, 2024

**NON CURRENT ASSETS**

**NOTE 02 : DEFERRED TAX ASSET**

(Rs. in Lakhs)

Particulars	As at September 30, 2024
Deferred Tax Asset(Net)	1.40
	<u>1.40</u>

**NOTE 03 : TRADE RECEIVABLES**

(Rs. in Lakhs)

Particulars	As at September 30, 2024
(At amortised cost)	
Unsecured	
Trade receivables - considered good (refer note below)	132.51
Trade receivables (gross)	<u>139.51</u>
Less: Impairment allowance for trade receivables considered doubtful	-
Total	<u>139.51</u>

**NOTE 04 : CASH AND CASH EQUIVALENTS**

(Rs. in Lakhs)

Particulars	As at September 30, 2024
Balance with banks :	
Current accounts	27.26
Total	<u>27.26</u>

**NOTE 05 : OTHER FINANCIAL ASSETS (CURRENT)**

(Rs. in Lakhs)

Particulars	As at September 30, 2024
(Unsecured, considered good)	
Advance to Employees	0.70
Stamps & Food Coupon	<u>(0.26)</u>
Total	<u>0.44</u>

**NOTE 06 : CURRENT TAX ASSET**

(Rs. in Lakhs)

Particulars	As at September 30, 2024
Tax credit (net of provision for income tax)	8.63
	<u>8.63</u>

Devgone International Ltd  
Notes forming part of the standalone financial statements for the period ended September 30, 2024

**NOTE 07 : EQUITY SHARE CAPITAL**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
(a) Authorized share capital: 50,000 fully paid equity shares of Rs. 10/- each (March 31, 2024 : 50,000 fully paid equity shares of Rs. 10/- each)	5.00
	<u>5.00</u>
Issued, subscribed & paid up share capital: 50,000 fully paid equity shares of Rs. 10/- each (March 31, 2024 : 50,000 fully paid equity shares of Rs. 10/- each)	5.00
Total	<u>5.00</u>

**NOTE 8 : OTHER EQUITY**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Retained earnings	
Opening balance	1187.70
Profit(loss) for the period	147.67
Remeasurements of the net defined benefit plans (net of tax)	0.72
Closing balance	<u>1344.85</u>

**NOTE 9 : OTHER NON CURRENT FINANCIAL LIABILITIES**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Deposits from dealers and others	55.50
Total	<u>55.50</u>



## Belvedere International Ltd

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 10 : PROVISIONS

(R\$ in Lakhs)	
Particulars	As at September 30, 2024
<b>Long-term provisions:</b>	
Provision for employee benefits:	
-Provision for gratuity	2.87
-Compensated absences	2.89
<b>Total</b>	<u>5.56</u>
<b>Short-term provisions:</b>	
Provision for employee benefits:	
-Compensated absences	0.44
-Gratuity	0.01
Other provisions	0.53
<b>Total</b>	<u>0.98</u>

## NOTE 11 : TRADE PAYABLES

(R\$ in Lakhs)	
Particulars	As at September 30, 2024
<b>Trade payables other than acceptances:</b>	
Total outstanding dues of creditors other than micro-enterprises and small enterprises	310.85
<b>Total</b>	<u>310.85</u>

## NOTE 12 : OTHER CURRENT LIABILITIES

(R\$ in Lakhs)	
Particulars	As at September 30, 2024
Statutory dues payable	8.31
Provision for Expenses	16.05
Advance from customer	18.40
<b>Total</b>	<u>40.72</u>

## Behavore International Ltd

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 13 : REVENUE FROM OPERATIONS

Particulars	(Rs. in Lakhs)
	For the period September 30, 2024
<u>Revenue from contracts with customers</u>	
Sale of products	
Traded goods	289.95
<b>Total</b>	<b>289.95</b>

## NOTE 14 : OTHER INCOME

Particulars	(Rs. in Lakhs)
	For the period September 30, 2024
Interest income from:	
Other non operating income	
Other miscellaneous income	2.44
<b>Total</b>	<b>2.44</b>

## NOTE 15 : PURCHASE OF STOCK-IN-TRADE

Particulars	(Rs. in Lakhs)
	For the period September 30, 2024
Traded Goods - Bed sheet/comforters/FU foam/spring/foam mattresses	229.29
<b>Total</b>	<b>229.29</b>

## NOTE 16 : EMPLOYEE BENEFITS EXPENSE

Particulars	(Rs. in Lakhs)
	For the period September 30, 2024
Salaries, wages, allowance, and other benefits	58.81
Contribution to gratuity	0.77
Contribution to provident and other funds	1.44
Workmen and staff welfare	0.01
<b>Total</b>	<b>61.03</b>

Belvedere International Ltd  
Notes forming part of the standalone financial statements for the period ended September 30, 2024

**NOTE 17 : DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	(Rs. in Lakhs)
	For the period September 30, 2024
Depreciation of property, plant and equipment	0.83
<b>Total</b>	<b>0.83</b>

**NOTE 18 : OTHER EXPENSES**

Particulars	(Rs. in Lakhs)
	For the period September 30, 2024
Consumption of stores, spares and consumables	0.17
Trade Load/Scheme Expenses	7.38
Turn Over Disc-FDFO Stores	0.13
Vehicle Maintenance - Petrol	1.00
Rates and taxes	0.16
Legal and professional	22.75
Reverends - Dealers	0.04
Manpower charges	0.73
Cash Discount	2.72
Selling and promotion	1.04
Traveling and conveyance	11.76
Commission	0.80
Advertisement & Selling Expenses	1.65
Bank Charges	0.01
<b>Total</b>	<b>49.11</b>

For and on behalf of the Board of Directors of  
Belvedere International Limited  
CIN : U52520KA2020PLC142418

  
Amit Kumar Gupta  
Director  
DIN: 01438749



Place: Hoide  
Date: 02.12.2024

**S P SRIVASTAVA & Associates**

Chartered Accountants  
N-306, Manipal Center,  
47, Dickenson Road,  
Bangalore - 560042  
Karnataka, INDIA

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Kanvas Concepts Private Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying Financial Statements of **Kanvas Concepts Private Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SA's") 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 Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

**Material Uncertainty in relation to Going Concern**

We draw attention to Note 30 in the Financial Statements, which indicates that the Company has accumulated losses of ₹ 135.34 lakhs as at March 31, 2024 and its net worth as at that date is ₹ 134.34 lakhs (negative), which indicates that a material uncertainty exists in the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the Financial Statements, and our Auditor's report thereon.



- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained 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.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.

#### **Other Matter**

The financial statements of the Company for the year ended March 31, 2023 were audited by another auditor whose report dated July 26, 2023 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

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



- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
- d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. The Company is a private limited company, and it falls under the exemption specified vide notification No. GSR 583(E) dated June 13, 2017 issued by the Ministry of Corporate Affairs. Hence, we have not reported on the adequacy and operating effectiveness of internal financial control over financial reporting as per the requirements of section 143(3)(i) of the Act;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company, and
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations as at March 31, 2024 which would impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 31 (v) of the Financial Statements, 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 31 (vi) of the Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Account) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

**For S P SRIVASTAVA & Associates**

Chartered Accountants

Firm's Registration No. 025663S



**S K Subramanian**

Partner

Membership No. 205737

UDIN: 24205737BKBINL6747



Place: Bengaluru

Date: 14/05/2024



## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kanvas Concepts Private Limited 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.
  - (a) (A) The Company does not own any property, plant or equipment during the year. Accordingly, reporting under clause 3(i)(a)(A) of the Order is not applicable.
  - (B) The Company does not own any intangible assets and hence reporting under clause 3(i)(a)(B) of the Order is not applicable.
  - (b) The Company does not own any property, plant or equipment during the year. Accordingly, reporting under clause 3(i)(b) of the Order is not applicable.
  - (c) The Company does not have immovable properties. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
  - (d) The Company does not own any property, plant or equipment during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The Company does not hold any physical inventories during the year. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the order is not applicable.
- iii. The Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv. The Company has neither made any investments nor has given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.



vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) There are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs, duty of excise as on March 31, 2024, on account of disputes.

viii. 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.

ix.

(a) The company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) to (d) of the Order is not applicable.

(e) 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. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.

x.

(a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on clause 3(x)(a) of the order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on clause 3(x)(b) of the order is not applicable.

xi.

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) 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) Based on the information and explanation provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. The transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. The company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013, hence reporting under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.
- 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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) 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. On an overall examination of the Financial Statements of the Company, the Company has incurred cash losses in the current financial year amounting to ₹21.50 Lakhs and ₹2.59 Lakhs in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation 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. The provisions of the Companies Act 2013 with respect to CSR are not applicable to the Company, hence reporting under clause 3(xx)(a) and (b) of the order is not applicable.

**For S P SRIVASTAVA & Associates**

Chartered Accountants

Firm's Registration No. 025663S



**S K Subramanian**

Partner

Membership No. 205737

UDIN: 24205737BKBINL6747

Place: Bengaluru

Date: 14/05/2024

Kanvas Concepts Private Limited  
Balance Sheet as at March 31, 2024

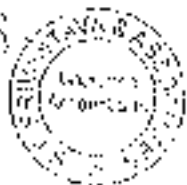
Particulars	Notes no.	(Rs. in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
Non-current assets		-	-
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Cash and cash equivalents	5	0.90	0.27
(ii) Other financial assets	6	-	0.05
Other current assets	7	0.85	42.01
<b>Total current assets</b>		<b>1.75</b>	<b>42.33</b>
<b>Total assets</b>		<b>1.75</b>	<b>42.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	8	1.00	1.00
Other equity	8	(125.24)	(112.84)
<b>Total equity</b>		<b>(124.24)</b>	<b>(111.84)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	10	-	191.96
(ii) Other non-current financial liabilities		-	-
Provisions		-	-
<b>Total non-current liabilities</b>		<b>-</b>	<b>191.96</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	11	135.60	-
(ii) Trade payables		-	-
(iii) Total outstanding dues of micro enterprises and small enterprises		-	-
(iv) Total outstanding dues of creditors other than micro enterprises and small enterprises	12	1.20	1.23
Other current liabilities	13	-	40.66
<b>Total current liabilities</b>		<b>136.80</b>	<b>41.89</b>
<b>Total liabilities</b>		<b>136.80</b>	<b>41.89</b>
<b>Total equity and liabilities</b>		<b>1.95</b>	<b>43.22</b>

The accompanying notes are an integral part of these financial statements.  
As per our report of even date

For S P SRINIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No. 0269635

For and on behalf of the Board of Directors of  
Kanvas Concepts Private Limited  
CIN U74999KA2020PTC136887

S K Subramanian  
Partner  
Membership No. 201737



*Arav Kishor Gupta*

Arav Kishor Gupta  
Director  
DIN-01436743

*Abhilash Padmanabh Kamd*

Abhilash Padmanabh Kamd  
Director  
DIN-01887417

Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024



Karves Concepts Private Limited  
Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Note no.	(Rs. in Lakhs)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	14	-	29.42
Other income	15	-	6.31
<b>Total Income</b>		-	<b>45.73</b>
<b>Expenses</b>			
Changes in inventories of finished goods, stock-in-trade and work-in-progress	16	-	29.42
Employed benefits expense	17	-	0.44
Depreciation and amortisation expense	18	-	2.16
Other expenses	19	21.50	8.47
<b>Total Expenses</b>		<b>21.50</b>	<b>40.49</b>
<b>Profit before tax</b>		<b>(21.50)</b>	<b>(4.76)</b>
Exceptional items		-	-
<b>Profit/(Loss) before tax from continuing operations</b>		<b>(21.50)</b>	<b>(4.76)</b>
Deferred tax (net)		-	(4.12)
<b>Total Income less expense</b>		<b>-</b>	<b>(8.88)</b>
<b>Profit for the year</b>		<b>(21.50)</b>	<b>(8.88)</b>
Other comprehensive income (net of tax)		-	-
<b>Total comprehensive income for the year</b>		<b>(21.50)</b>	<b>(8.88)</b>
<b>Earnings per equity share (face value of Rs.10/- each):</b>			
Basic and diluted (Rs.)	20	(215)	(164)

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

As per our report of even date.

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No. 0356833

For and on behalf of the Board of Directors of  
Karves Concepts Private Limited  
CRRU74998KA2020PTC13886T

S K Subramanian  
Partner  
Membership No. 208737



Place: Bangalore  
Date: 14-05-2024

Amit Kumar Gupta  
Director  
DIN:01426742

Ashish Padmanabh Nallal  
Director  
DIN:01587117

Place: Bangalore  
Date: 14-05-2024



Place: Bangalore  
Date: 14-05-2024

Kavay Concepts Private Limited  
Statement of Cash Flows for the year ended March 31, 2024

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	(29.50)	(4.76)
Adjustments for:		
Depreciation and amortisation expense	-	2.15
Bad debts written off	18.17	-
Other Income - Miscellaneous Income	-	4.28
Operating profit before working capital changes	(3.33)	1.68
Changes in working capital:		
Decrease in Inventories	-	39.42
(Increase) / Decrease in loans and trade receivables	02.92	(78.01)
Decrease / (Increase) in other financial and non-financial assets	0.05	8.08
(Decrease) / Increase in trade payables	(0.03)	(1.42)
(Decrease) / Increase in other financial liabilities, non-financial liabilities and provisions	(80.60)	(58.74)
Cash generated from operations	18.93	(90.68)
Income tax paid (net of refunds)	-	2.53
<b>Net cash flow from operating activities (A)</b>	<b>18.93</b>	<b>(90.18)</b>
<b>B. Cash flow from investing activities</b>		
Purchases of property, plant and equipment and change in capital work in progress	-	25.86
Proceeds from Sale of property, plant and equipment	-	-
<b>Net cash (used in) investing activities (B)</b>	<b>-</b>	<b>25.86</b>
<b>C. Cash flow from financing activities</b>		
Proceeds (repayment) from Borrowings	(18.50)	(2.30)
<b>Net Cash (used in) Financing Activities (C)</b>	<b>(18.50)</b>	<b>(2.30)</b>
<b>Net (decrease) / Increase in cash and cash equivalents (A+B+C)</b>	<b>0.43</b>	<b>(66.62)</b>
Cash and cash equivalents at the beginning of the year	0.27	0.90
Cash and cash equivalents at the end of the year	0.90	0.27

**Note :**

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Figures in bracket represents cash outflow.
- Components of cash and cash equivalents

	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balance with banks in current accounts	0.90	0.27
Balance as per Statement of Cash Flows	0.59	0.87

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

As per our report of even date

For S P BRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No: 0256635

For and on behalf of the Board of Directors of  
Kavay Concepts Private Limited  
CIN:U74996KA2020PTC138867

S K Subramanian  
Partner  
Membership No: 205737

Ann Hemar Gupta  
Director  
DIN 01436743

Abhishek Padmanabh Kishu  
Director  
DIN 01567117

Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024



Kumar Concepts Private Limited  
Statement of Changes in Equity for the year ended March 31, 2021

**A. EQUITY SHARE CAPITAL**

Particulars	Rs. In Lakhs
Balance as on April 01, 2020	1.00
Add issued during the year	-
Balance as on March 31, 2021	1.00
Balance as on March 31, 2020	1.00

**B. OTHER EQUITY**

Particulars	Reserves and surplus				Items of Other Comprehensive Income		Total
	Reserve for contingencies	Reserves - premium	Capital reserve	General reserve	Debit revaluation through OCI	Credit flow hedge reserve through OCI	
Balance as on April 01, 2020	413.26	-	-	-	-	-	413.26
Profit for the year	18.51	-	-	-	-	-	18.51
Total comprehensive income for the year	18.51	-	-	-	-	-	18.51
Balance as on March 31, 2021	431.77	-	-	-	-	-	431.77
Profit for the year	128.53	-	-	-	-	-	128.53
Total comprehensive income for the year	128.53	-	-	-	-	-	128.53
Balance as on March 31, 2021	560.30	-	-	-	-	-	560.30

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

As per Chartered Accountant

For S P Srinivasan Chartered Accountant  
Firm Registration No. 0756630

For and on behalf of the Board of Directors of  
Kumar Concepts Private Limited  
CIN U74999KA2010PTC194853

S.K. Subramanian  
Partner  
Membership No. 265731

Ash Kumar Gupta  
Director  
DIN:01136713

Ashish Kumar Gupta  
Director  
DIN:01167117

Place: Bangalore  
Date: 14-05-2021

Place: Bangalore  
Date: 14-05-2021

Place: Bangalore  
Date: 14-05-2021





**Kaavas Concepts Private Limited**  
Notes to the financial statements for the year ended March 31, 2024  
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**1 CORPORATE INFORMATION**

Kaavas Concepts Private Limited was incorporated in Karnataka on 22.09.2020. The company is a wholly owned subsidiary of Karlon Enterprises Limited and is engaged in the business of interiors & extensions of Homes, stage designer, laminating, designing, decorating, renovating and remodeling of bungalows, houses, shops, show rooms, complexes, apartments, office hotels, restaurants and other commercial and residential sources and for other purposes to act as organizer, consultant, advisor, trader, buyer, seller, supervisor, surveyor, broker agent and to do all other incidental acts and things necessary for the attainment of above objects.

The company is in the process of merging with Karlon Enterprises Limited including company's and the application regarding this pending in MCI T, Mumbai Branch.

**2 Summary of Material Accounting Policies**

**2A Statement of Compliance**

The financial statements have been prepared in accordance with the provisions of Companies Act 2013 (the Act) and the AS notified under the Companies (Indian Accounting Standards) Rules, 2015, issued by the Ministry of Corporate Affairs in exercise of powers conferred by section 133 of the Act.

**2C Basis of preparation of financial statements**

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the Accounting policies below. The accounts of the company have been prepared on a going concern basis.

Ministry of Corporate Affairs (MCA) through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013 and applies for the reporting period beginning on or after April 1, 2021. The amendment encompasses certain additional disclosure requirements. The Company has applied and incorporated the requirements of amended Division II of Schedule III of the Companies Act, 2013, to the extent applicable on it while preparing these financial statements.

The operating cycle in the normal course has been ascertained to have a duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS - 1 "Presentation of Financial Statements" and Schedule - III to the Companies Act, 2013.

The Balance Sheet, the Statement of Profit and Loss and the statements of Changes in Equity are prepared in the format prescribed in Schedule III to the Act. The Cash Flow Statement has been prepared and presented as per the requirement of Ind AS "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the Ind AS.

The financial statements are presented in Indian Rupees Lakhs and all values are rounded off to two decimal lakh extent as otherwise stated.

**2D Significant accounting policies**

**i Use of Estimates**

In preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period and. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**ii Property, plant and equipment and depreciation/burdenation**

**A. Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation (other than residual loss) and impairment loss, if any.

The cost includes purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Lease rentals and premium for lease hold are amortized over the primary lease period.

Depreciation is provided for property, plant and equipment on the reducing balance method over the estimated useful life from the date the assets are ready for intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit or loss.

**Capital work in progress**

Amount paid towards the acquisition of property, plant and equipment, outstanding as at each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work in progress.

The capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.



Karnas Concepts Private Limited  
 Notes to the Financial Statements for the year ended March 31, 2024  
 (All amounts in Indian Rupees Lakhs, except as otherwise stated)

**B. Depreciation and amortisation methods, estimated useful lives and residual value**

I. a) Depreciation is provided on a pro rata basis on the Reducing Balance method to allocate the cost, net of residual value over the estimated useful lives of the assets.

b) Where a significant component (in terms of cost) of an asset has an estimated economic useful life shorter than that of its corresponding asset, the component is depreciated over its shorter life.

c) Useful life of assets are determined by the Management by internal technical assessments except in case where such assessment suggests a life significantly different from those prescribed by Schedule II- Part 'C'. The useful life is as assessed and certified by a technical expert.

II. Assets which are depreciated over useful life/residual plus indicated by Schedule III are as follows:

Assets Class  
 Office Equipments-5 Years  
 Furniture and Fixtures - 10 Years  
 Computer and Accessories - 3Years  
 Software - 6 Years

III. Depreciation on additions and deletions is being provided on pro rata basis from the month of each addition or deletion.

IV. Depreciation on assets sold, discarded or demolished during the year is being provided up to the month in which such assets are sold, discarded or demolished.

**C. Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

**IV. Intangible assets and amortisation**

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life of computer software is 6 years. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively.

Intangible assets are derecognised when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the carrying amount of the asset (net of disposal proceeds, if applicable) and recognised in the Statement of Profit and Loss when the asset is derecognised.

**V. Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost includes all charges in bringing the goods to the point of sale, including cartage and other levies, transit insurance and receiving charges. Cost of inventories are determined on a weighted average basis. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**VI. Investments & financial assets**

**a) Classification**

The Company classifies its financial assets in the following measurement categories :-

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- those measured at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

**b) Measurement**

At initial recognition, the Company measures a financial asset at its fair value in the case of financial asset not at fair value through profit or loss. Where the costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Financial assets carried at amortised cost:**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



**Konara Concepts Private Limited**  
 Notes to the Financial Statements for the year ended March 31, 2024  
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**Financial assets at fair value through other comprehensive income:**

A financial asset is subsequently measured at fair value through other comprehensive income (FVOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Fair value through profit or loss.**

Assets that do not meet the criteria for amortised cost are measured at fair value through profit or loss (e.g. investments in mutual funds). A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss (what other shareholders) in the period in which it arises.

**De-recognition of financial assets**

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

**vi Income recognition**

**Interest Income**

Interest income from financial assets (Bank deposits) is recognised using the effective interest rate method.

**Dividends**

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

**vii Foreign currency transactions**

Foreign currency transactions are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year-end exchange rates. Exchange rate differences arising on settlement of transaction of monetary items are recognised as income or expenses in the year in which they arise. Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

**viii Cash & Cash equivalents**

For the purpose of presentation in the Statement of Cash Flow, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are nearly convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**ix Revenue Recognition**

The Company has adopted Ind AS 115-“Revenue from Contracts with Customer”, with effect from 01 April 2018. Company has applied the following accounting policy in the preparation of its financial statements.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115.

Step 1. Identify the contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer that are distinct.

Step 3. Determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

Company recognises revenue at a point in time when it satisfies a performance obligation by transferring promised goods/services to a customer. An asset is transferred when the customer obtains control of the same.

When the company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

**x Cash Flow Statement**

The entity reports the cash flows as:

a) operating activities using indirect method by adjusting the profit or loss for the effects of transactions of non-cash nature, deferrals or accruals of past or future cash receipts or payments and item of income or expense associated with investing or financing cash flows.

b) From investing and financing activities by reporting separately the major cash receipts and cash payments that arise from investing and financing activities except to the extent permitted to be reported on net basis by IND AS .7.



**Mantra Concepts Private Limited**  
Notes to the financial statements for the year ended March 31, 2024  
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

- iii) Borrowing costs**  
Borrowing costs include interest expense calculated using the effective interest method. Borrowing costs specifically identified to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit or Loss in the year in which it is incurred.
- iv) Earnings Per Share**  
Basic earnings per share amounts are computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- v) Taxation**  
Current tax is determined based on the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognized on timing differences, being the difference between the taxable income and accounting income that originates in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities are recognized at the rate that have been enacted or substantively enacted by the Balance sheet date. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognized only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**vi) Contingent Liabilities & Provisions**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A doubtful liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**vii) Leases**

The lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, or a portion of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- (1) the contract involves the use of an identified asset;
- (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes those options when it is reasonably certain that they will be exercised.

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

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

For the purpose of impairment testing, the recoverable amount is the higher of the fair value less cost to sell and the value-in-use is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost or the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate in the country of domicile of the lessee. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets, have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the non-cancelable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in later periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

**viii) Functional Currency**

Currency of the primary economic environment in which the Company operates (the functional currency) is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the Management has determined its functional currency to be Indian Rupee (₹).



Kanvas Concepts Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars					(Rs. in Lakhs)
	Furniture and fixtures	Electrical fittings	Office equipment	Computers	Total property, plant and equipment
<b>At cost or deemed cost</b>					
As at April 1, 2022	88.13	0.46	0.95	7.91	97.45
Additions	-	-	-	-	-
Disposals/transfer*	(88.13)	(0.46)	(0.95)	(7.91)	(97.45)
As at March 31, 2023	-	-	-	-	-
Additions	-	-	-	-	-
Disposals/transfer	-	-	-	-	-
As at March 31, 2024	-	-	-	-	-
<b>Accumulated depreciation</b>					
As at April 1, 2022	8.27	0.06	0.18	2.30	10.81
Depreciation charge for the year	0.55	0.85	0.03	0.42	1.85
Disposals/adjustments	(8.62)	(0.91)	(0.21)	(2.72)	(12.56)
As at March 31, 2023	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-
Disposals/adjustments	-	-	-	-	-
As at March 31, 2024	-	-	-	-	-
<b>Net carrying amount</b>					
As at March 31, 2023	-	-	-	-	-
As at March 31, 2024	-	-	-	-	-



**Kanvas Concepts Private Limited**  
**Notes forming part of the financial statements for the year ended March 31, 2024**

**NOTE 4 : INTANGIBLE ASSETS**

(Rs. in Lakhs)

Particulars	Computer Software	Total
<b>Cost</b>		
At April 1, 2022	10.78	10.78
Additions	-	-
Disposal/transfer	(10.78)	(10.78)
As at March 31, 2023	-	-
<b>Additions</b>		
Disposal/transfer	-	-
As at March 31, 2024	-	-
<b>Amortisation</b>		
At April 1, 2022	1.57	1.57
Charge for the year	0.29	0.29
Disposal/transfer	(1.85)	(1.85)
As at March 31, 2023	-	-
<b>Charge for the year</b>	-	-
Disposal/transfer	-	-
As at March 31, 2024	-	-
<b>Net book value as at March 31, 2023</b>	-	-
<b>Net book value as at March 31, 2024</b>	-	-



Kanvaar Concepts Private Limited  
 Note forming part of the financial statements for the year ended March 31, 2024  
 (in Indian Rupees (Lakhs), unless otherwise stated)

NOTE 5 - CASH AND CASH EQUIVALENTS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance with banks		
Current accounts	0.90	0.27
<b>Total</b>	<b>0.90</b>	<b>0.27</b>

NOTE 6 : OTHER FINANCIAL ASSETS (CURRENT)

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Security Deposits	-	0.05
<b>Total</b>	<b>-</b>	<b>0.05</b>

NOTE 7 : OTHER CURRENT ASSETS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
- Related parties (Refer Note 22)	-	41.80
- Others	-	39.42
Balances with Statutory/Government authorities	0.94	0.33
<b>Total</b>	<b>0.94</b>	<b>81.55</b>
	<b>0.94</b>	<b>82.05</b>



Kurvan Concrete Private Limited  
 Notes forming part of the financial statements for the year ended March 31, 2024  
 (In Indian Rupees Lakhs, unless otherwise stated)

**NOTE 4 : EQUITY SHARE CAPITAL**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Authorized share capital: 10,00,000 fully paid equity shares of Rs. 10/- each (March 31, 2023: 10,00,000)	150.00	150.00
	<u>150.00</u>	<u>150.00</u>
Issued, subscribed & paid up share capital 10,00,000 fully paid equity shares of Rs. 10/- each (March 31, 2023: 10,00,000)	1.00	1.00
<b>Total</b>	<u>1.00</u>	<u>1.00</u>

**(b) Reconciliation of shares outstanding at the beginning and at the end of the reporting year**

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
At the beginning of the year	10,000	1.00	10,000	1.00
Outstanding at the end of the year	<u>10,000</u>	<u>1.00</u>	<u>10,000</u>	<u>1.00</u>

**(c) Terms and rights attached to equity shares**

Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the company the holders of equity will be entitled to the remaining assets of the company, after satisfaction to all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(d) Details of shareholders holding more than 3% shares in the Company**

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding	Number of shares	% of holding
Kurvan Enterprise Limited	10,000	100.00%	10,000	100.00%

**(e) Shareholding of promoters & promoter group**

Share held by promoters at the end of the year	As at March 31, 2024			As at March 31, 2023		
	Number of Shares	% of holding	% Change during the year	Number of Shares	% of holding	% Change during the year
Promoter name						
Kurvan Enterprise Limited	10,000	100.00%	0%	10,000	100.00%	0.00%
<b>Total</b>		<u>100.00%</u>	<u>0.00%</u>		<u>100.00%</u>	<u>0.00%</u>





Kanvas Concepts Private Limited  
 Being forming part of the financial statements for the year ended March 31, 2024  
 (In Indian Rupees (Lakhs), unless otherwise stated)

**NOTE 9 - OTHER EQUITY**

Particulars	₹(In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Reserve earnings		
Total	<u>-135.34</u>	<u>-113.84</u>
		(₹. In Lakhs)
Reserve earnings		
Opening balance	-113.84	(113.00)
Net profit for the year	-21.50	-0.84
Closing balance	<u>-135.34</u>	<u>-113.84</u>

**NOTE 10 - BORROWINGS NON CURRENT**

Particulars	₹(In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Unsecured borrowings		
Loans from related parties (Refer Note 22)	-	143.30
Total	<u>-</u>	<u>143.30</u>
Current		
Non current	-	143.30

**NOTE 11 - BORROWINGS CURRENT**

Particulars	₹(In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Secured borrowings		
Loans from banks	-	-
Unsecured borrowings		
Loans from related parties (Refer Note 22)	135.00	-
Total	<u>135.00</u>	<u>-</u>

Note: Kanvas Concepts Private Limited is the wholly owned subsidiary of Kuff On Enterprise Limited. And the company has invested in the business of its wholly owned subsidiary and to support its operations. And the advances received for the same do not carry any interest and same is not provided for in the books of its holding company as well.



Kavayitree Sangathan Private Limited  
Notes forming part of the Financial Statements for the year ended March 31, 2024  
(In Indian Rupees (Rupees), unless otherwise stated)

## NOTE 12 : TRADE PAYABLES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade payables other than acceptances		
(i) Total outstanding dues of micro-enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro-enterprises and small enterprises	1.20	1.20
Total	1.20	1.20

Note: The above disclosure is based upon the information available with the Company. There are no Micro and Small Enterprises vendors.

As on March 31, 2024 Particulars	Outstanding for following periods from due date of payment						(Rs. in Lakhs) Total
	Unbilled Dues	Payable not due	Less than 1 Year	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	1.20	-	-	-	-	-	1.20
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	1.20	-	-	-	-	-	1.20

As on March 31, 2023 Particulars	Outstanding for following periods from due date of payment						(Rs. in Lakhs) Total
	Unbilled Dues	Payable not due	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	1.20	-	-	-	-	-	1.20
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	1.20	-	-	-	-	-	1.20

## NOTE 13 : OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Contingent liabilities	-	21.29
Statutory dues payable	-	0.06
Payable to Related party	-	13.37
Total	-	48.98



Karvud Concepts Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 14: REVENUE FROM OPERATIONS**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Sale of products		
Interne Design & Services	-	39.42
<b>Total</b>	-	39.42

**NOTE 15: OTHER INCOME**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income from:		
Financial assets at amortised cost	-	0.10
Investment in debt	-	4.21
Other miscellaneous income	-	-
<b>Total</b>	-	4.31

**NOTE 16: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Closing stock:		
Work-in-progress	-	-
Opening stock:		
Work-in-progress	-	39.42
<b>Changes in inventories of finished goods, Stock-in-Trade and work-in-progress</b>	-	39.42

**NOTE 17: EMPLOYEE BENEFITS EXPENSE**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, allowances, and other benefits	-	0.44
<b>Total</b>	-	0.44

**NOTE 18: DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note no. 3)	-	2.16
<b>Total</b>	-	2.16



**Manraj Concepts Private Limited**  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 19 : OTHER EXPENSES**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent and hire	-	4.95
Rates and taxes	0.08	-
Legal and professional	3.10	1.68
Traveling and conveyance	-	0.60
Bad debt written off	16.17	-
Postage and telephone charges	-	-
Miscellaneous	0.15	0.39
Bank Charges	0.00	0.05
<b>Total</b>	<b>19.50</b>	<b>6.67</b>

Note 19.1 : Auditor's remuneration included in legal and professional (excluding GST)

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit (including limited review)	1.20	0.50
Certification	0.20	-
Out of pocket expenses	0.00	-
<b>Total</b>	<b>1.40</b>	<b>0.50</b>

**NOTE 20. EARNINGS PER SHARE**

a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be raised on conversion of all the dilutive potential equity shares into equity shares.

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to Equity shareholders	(21.50)	(0.84)
Charge used in the calculation of basic earnings per share	(31.50)	(0.84)
Charge used in the calculation of diluted earnings per share	(21.50)	(0.64)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(Numbers in Lakhs)	(Numbers in Lakhs)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	0.10	0.10

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(Rs. per share)	(Rs. per share)
Basic and diluted earnings per share	(215)	(8.4)



Kurvas Concepts Private Limited  
Notes to the financial statements for the year ended March 31, 2024  
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

#### 21. Capital commitments & Contingent liabilities

During the year ended, there are no capital commitments and contingent liabilities.

#### 22. Related Party Disclosures

##### a) Names of Related Parties:

Relationship		Related Parties
Holding Company		Kurton Enterprise Limited
Ultimate Holding Company		Kurton Consumer Products Limited (upto 20/02/23) Sheela Foam Limited (w.e. 12/10/2023)
Fellow Subsidiaries		Kurton Consumer Products and Services Pvt Ltd Behavore International Limited Kurton Retail Limited Shreshth Value Chain Manufacturing Private Limited Sevalal Solar Private Limited (upto 12/10/2023) Sree Solar Energy Private Limited (upto 12/10/2023)
Key Management Personnel and their relatives		Mr. Anish Padmanabh Karve (w.e. 10/12/2023) Mr. Anil Kumar Gupta (w.e. 04/12/2023) Mr. Torise Sudhakar Patil (upto 05/12/2023) Mrs. Jyoti Ashish Pradhan (upto 05/12/2023) Mr. Ashish Vilas Pradhan (upto 05/12/2023)

##### b) Transactions with related parties during the year:

Nature of Transaction / relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
Sales Promotion, Insurance Expenses & other expenses - Kurton Retail Limited	-	03.69
Kurton Retail Limited GST	-	16.92
Trade Receivable : Kurton Retail Limited	0.00	41.80
Outstanding as at end of the Period		
Trade Payable : Kurton Enterprise Limited	0.00	19.33
Advance Payable : Kurton Enterprise Limited	135.00	153.30
	135.00	326.04



## NANDA'S CONCEPTS PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 23 : DISCLOSURE FOR SPECIFIC RATIOS

Particulars	Formula	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	Variance	Reasons for variances	
		Numarator	Denominator				
Current Ratio	Current Assets / Current liabilities	Current Assets = Inventories+Financial assets+ Other current assets	Current liabilities = Financial liabilities + Short Term Provisions+ Current Tax liabilities+Other current liabilities	0.01	1.37	99%	Due to reduction in other assets
Debt:Equity Ratio	Debt / Equity	Debt = (Borrowings+ Other financial liabilities)	Equity = Equity share capital + Other Equity	11.00	4.361	25%	Due to repayment of Loan
Trade payable turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit purchases = Purchase of raw material and packing material +Purchase of stores goods +Other manufacturing supplies	Average Trade Payables (year end no. 20)	NA	NA	NA	Due to Nil Purchase during the year
Net capital turnover Ratio	Revenue / Working Capital	Revenue = Revenue from operations	Working Capital= Current assets -Current Liabilities	-	0.97	100%	Due to Nil revenue during the year
Debt Service coverage ratio	Net Operating Income / Debt Service	Net Operating Income = Profit before tax for the year + Finance costs + Depreciation and amortisation expense	Debt service=Finance cost + Lease payments	NA	NA	NA	There are no interest expenses incurred
Net Profit Ratio	Net Profit / Net Sales	Net Profit = Profit for the year	Net Sales = Revenue from operations	-	10.02	100%	
Return on Equity Ratio	Profit after tax / Shareholder's Equity	Total comprehensive income for the year	Shareholders' Equity/Total Equity	0.15	0.61	278%	
Return on capital employed	EBIT / Capital Employed	EBIT = Profit before tax + Finance costs	Capital Employed = Total assets - current liabilities	0.15	-0.12	236%	
Inventory turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of goods sold = Cost of material consumed + Purchase of finished goods + Other manufacturing expenses + Changes in wages of labour goods, finished goods & work in progress	Average Inventory	-	-	0%	
Ratio of Investment	Net Profit / Net Investment	Net Profit = Profit before tax + Finance costs	Net Investment = Total Equity	0.16	0.34	-51%	
Trade receivable turnover Ratio	Net Credit Sales / Average Trade Receivable	Net Credit sales = Revenue from operations	Average Trade Receivables	NA	NA	NA	



Kanaga Concepts Private Limited  
Notes to the financial statements for the year ended March 31, 2024  
(All amounts in Indian Rupees LAKhs except as otherwise stated)

#### 24. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company's gearing ratio, which is total net borrowings divided by total capital employed is as below:

Particulars	As at	
	31 March 2024	31 March 2023
Borrowings (note 10&11)	134.00	153.30
Less: Cash and cash equivalents (note 5)	0.90	0.27
Net debt	134.99	153.03
Equity	(194.74)	(212.64)
Total capital	(112.34)	(112.84)
Capital and net debt	10.73%	40.19%
Gearing ratio	-57614.78%	380.62%

#### 25. Fair values

Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

##### a) Fair value of financial assets:

Particulars	Carrying values		Fair values	
	As at	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Financial assets measured at amortised cost				
Cash and cash equivalents (note 5)	0.90	0.27	0.90	0.27
Other assets	-	0.05	-	0.05
Total	0.90	0.32	0.90	0.32

##### b) Fair value of financial liabilities:

Particulars	Carrying values		Fair values	
	As at	As at	As at	As at
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Financial liabilities measured at amortised cost				
Borrowings (note note 10&11)	134.00	153.30	134.00	153.30
Trade Payables	1.20	0.23	1.20	0.23
Total	135.20	153.53	135.20	153.53

Management has assessed that remaining financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these

instruments (as noted in determining fair value).

The interest rates used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average internal cost of borrowings of the Company and in case of financial assets is the average market rate of similar credit risk instrument. The company maintains detailed and procedures to value financial assets or financial liabilities using the best and most reliable data available.

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



Kavva Concepts Private Limited  
Notes to the financial statements for the year ended March 31, 2024  
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

#### 26. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorized 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) prices in active markets for identical assets or liabilities.

The fair value hierarchy of assets and liabilities measured at fair value as of 31 March 2024 is as follows:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets				
Cash and cash equivalents (refer note 5)	0.90	-	-	0.90

The fair value hierarchy of assets and liabilities measured at fair value as of 31 March 2023 is as follows: (continued)

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities				
Borrowings	135.00	-	-	135.00
Trade Payables	1.20	-	-	1.20

The fair value hierarchy of assets and liabilities measured at fair value as of 31 March 2023 is as follows:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets				
Cash and cash equivalents (refer note 5)	0.27	-	-	0.27
Other assets	0.05	-	-	0.05
Liabilities				
Borrowings (refer note 10)	151.30	-	-	151.30
Trade Payables	1.23	-	-	1.23

#### 27. Financial risk management objectives and policies

The Company's principal financial activities comprise of trade and other payables, borrowings, lease liability and payables for property, plant and equipment. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash, bank balances and term deposits, which are derived directly from its operations.

##### A. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

The sensitivity analysis in the following sections relate to the position as at 31 March 2024 and 31 March 2023.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-employment obligations, provisions, and the non-financial assets and liabilities.

##### (i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's current bearing financial liabilities includes borrowings with fixed interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107.

##### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an asset or liability will fluctuate because of changes in foreign exchange rates. The Company's The Company transacts business only in local currency as well as in foreign currency therefore, not exposed to foreign exchange risk.

##### B. Credit risk

It is the risk of loss that arises with the outstanding financial instruments should a counterparty default on its obligation.

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	-
Foreign receivables (increased) during the year, net	-	-
Balance at the end of the year	-	-

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings.





Karwa Concepts Private Limited  
Notes to the financial statements for the year ended March 31, 2024  
(All amounts in Indian Rupees Lakhs, except as otherwise stated)

28. Financial risk management objectives and policies (continued)

(i) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at 31 March 2024	Amount	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Financial Liabilities:</b>					
Banking (refer note 10)	135.00	-	135.00	-	135.00
Trade Payables	1.20	1.20	-	-	1.20
	136.20	1.20	135.00	-	136.20

As at 31 March 2023	Amount	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Financial Liabilities:</b>					
Banking (refer note 10)	163.30	-	163.30	-	163.30
Trade Payables	1.23	1.23	-	-	1.23
	164.53	1.23	163.30	-	164.53

29. Segment reporting

Since the company falls under the small company under section 2(85) of the Companies Act, 2013, the segment reporting is not applicable.

30. The Company has accumulated losses of Rs. 129.34 lakhs as at March 31, 2024 and its net worth as at that date is Rs. 124.34 lakhs (negative) and its current liabilities exceed current assets. Karwa Enterprises Limited (holding company) would support in the operations of the Company wherever required as considering the synergies and business nature, it would provide the desired requirements to ensure smooth conduct of business by the Company. Further, the Company is in the process of merging with the holding company and the application in this regard is pending with MCA 21, Mumbai Branch. Accordingly, the financial statements have been prepared on a going concern basis.

31. Other statutory disclosures

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transaction with companies struck off.
- (iii) The Company does not have any charges or registration which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not raised or invested in Cryptocurrency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or granted (subsidiary or other persons) or benefited, including foreign entities (intermediates) with the understanding that the intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security in the form of lien or in kind on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any and hold any proceeds (or benefits), including foreign entities (Funding Party) with the understanding, wherever recorded in writing or otherwise that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security in the form of lien or in kind on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any such intimation which is not recorded in the books of accounts that has been considered or disclosed as income during the year in the past assessment year(s) under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The company has not entered into any scheme of arrangement which has or appearing impact on current or previous financial year.
- (ix) The company is in compliance with the number of layers prescribed under Clause (B) of Section 2 of the Companies Act read with the Companies (Restriction on Number of Layers) Rules, 2017.
32. Corporate Social Responsibility  
The Company is not required to contribute towards Corporate Social Responsibility (CSR) as required by Schedule VII of the Act, as the Company does not meet criteria specified in the applicable rules and regulations relating to contributing towards CSR.
33. The Company has reclassified/grouped previous year figures in balance sheet, wherever necessary, to conform to current year's classification.

The accompanying notes form an integral part of these Ind-AS Financial Statements as per our report of even date attached.

As per our report attached  
For S P BHAVATAMA & Associates  
Chartered Accountants  
Firm Registration No. 0256003

For and on behalf of Board of Directors of  
Karwa Concepts Private Limited  
CIN U74999MA2020PT0135687

S. K. Subramanian  
Partner  
Membership No. 205737

Place: Bangalore  
Date: 14-05-2024

Arul Karwa Gupta  
Director  
DIN 01436743

Place: Bangalore  
Date: 14-05-2024

Abhilash Padmanabh Kamli  
Director  
DIN 01567117

Place: Bangalore  
Date: 14-05-2024



Karvas Concepts Private Limited  
Balance Sheet as at September 30, 2024

		(₹ in Lakhs)
Particulars	Note no.	As at September 30, 2024
<b>ASSETS</b>		
<b>Current assets</b>		
<b>Financial assets</b>		
Cash and cash equivalents	1	0.10
Other current assets	2	1.36
<b>Total current assets</b>		<b>1.46</b>
<b>Total assets</b>		<b>1.46</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3	1.00
Other equity	4	(137.19)
<b>Total equity</b>		<b>(136.19)</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	5	137.35
(ii) Trade payables		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6	0.30
<b>Total current liabilities</b>		<b>137.65</b>
<b>Total liabilities</b>		<b>137.65</b>
<b>Total equity and liabilities</b>		<b>1.46</b>

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

For and on behalf of the Board of Directors of  
Karvas Concepts Private Limited  
CIN U74999KA2020PTC138667

  
Ankit Kumar Gupta  
Director  
DIN:01436743



Place Noida  
Date: 02-12-2024

**Kanvas Concepts Private Limited**  
**Statement of Profit and Loss for the period ended September 30, 2024**

(₹ in Lakhs)

Particulars	Note no.	For the period ended September 30, 2024
<b>Income</b>		
Total Income (I)		-
<b>Expenses</b>		
Other expenses	7	1.85
Total Expenses (II)		1.85
Profit/(Loss) before tax		(1.85)
Exceptional items		-
Profit/(Loss) before tax from continuing operations		(1.85)
Deferred tax (net)		-
Total income tax expense		-
<b>Profit for the period</b>		<b>(1.85)</b>
Other comprehensive income (net of tax)		-
<b>Total comprehensive income for the period</b>		<b>(1.85)</b>
<b>Earnings per equity share (face value of Rs.10/- each):</b>		
Basic and diluted (Rs.)		(18.48)

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

For and on behalf of the Board of Directors of  
 Kanvas Concepts Private Limited  
 CIN U74900KA2020PTC138867

  
 Amit Kumar Gupta  
 Director  
 DIN:01436743



Place: Noida  
 Date: 02-12-2024

Kanvas Concepts Private Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 1 : CASH AND CASH EQUIVALENTS**

[₹ in Lakhs]	
Particulars	As at September 30, 2024
Balance with banks :	
Current accounts	0.10
<b>Total</b>	<b>0.10</b>

**NOTE 2 : OTHER CURRENT ASSETS**

[₹ in Lakhs]	
Particulars	As at September 30, 2024
(Unsecured, considered good)	
Balances with Statutory/Government authorities:	1.36
<b>Total</b>	<b>1.36</b>

Kanvas Concepts Private Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 3 : EQUITY SHARE CAPITAL**

Particulars	(₹ in Lakhs)
	As at September 30, 2024
Authorized share capital:	
15,00,000 fully paid equity shares of Rs. 10/- each	150.00
(March 31, 2024: 15,00,000)	<u>150.00</u>
Issued, subscribed & paid up share capital:	
10,000 fully paid equity shares of Rs. 10/- each	1.00
(March 31, 2024: 10,000)	<u>1.00</u>
Total	

**NOTE 4 : OTHER EQUITY**

Particulars	(₹ in Lakhs)
	As at September 30, 2024
Retained earnings	(137.19)
Total	<u>(137.19)</u>
Retained earnings	
Opening balance	(138.34)
Net profit / (loss) for the period	(1.85)
Closing balance	<u>(137.19)</u>

**NOTE 5 : BORROWINGS CURRENT**

Particulars	(₹ in Lakhs)
	As at September 30, 2024
Unsecured borrowings	
Loans from related parties	137.35
Total	<u>137.35</u>

**NOTE 6 : TRADE PAYABLES**

Particulars	(₹ in Lakhs)
	As at September 30, 2024
Trade payables other than acceptances:	
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.30
Total	<u>0.30</u>

Kanvas Concepts Private Limited  
 Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 7 : OTHER EXPENSES**

Particulars	(₹ In Lakhs)
	For the period ended September 30, 2024
Rates and Taxes	0.05
Legal and professional	1.82
<b>Total</b>	<b>1.86</b>

For and on behalf of the Board of Directors of  
 Kanvas Concepts Private Limited  
 CIN:U74999KA2020PTC138867

  
 Ankit Kumar Gupta  
 Director  
 DIN:01436743



Place: Noida  
 Date: 02-12-2024

# S P SRIVASTAVA & Associates

Chartered Accountants  
N-306, Manipal Center,  
47, Dickenson Road,  
Bangalore - 560042  
Karnataka, INDIA

## INDEPENDENT AUDITOR'S REPORT

**To The Members of Kurlon Retail Limited**

**Report on the Audit of the Financial Statements**

### Opinion

We have audited the accompanying Financial Statements of **Kurlon Retail Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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 of the Financial Statements in accordance with the Standards on Auditing ("SA"s) 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 Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the Financial Statements, and our auditor's report thereon.
- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained 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.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are





- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.

#### **Other Matter**

The financial statements of the Company for the year ended March 31, 2023 were audited by another auditor whose report dated August 29, 2023 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to the directors.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 40 (v) of the Financial Statements, 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 40 (vi) of the Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Account) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified paragraphs 3 and 4 of the Order.

**For S P SRIVASTAVA & Associates**

Chartered Accountants

Firm's Registration No. 025663S

**S K Subramanian**

Partner

Membership No. 205737

UDIN: 24205737 BKBINS 9049



Place: Bengaluru

Date: 14/05/2024

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kurlon Retail Limited of even date)

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

We have audited the Internal Financial Controls with reference to Financial Statements of **Kurlon Retail Limited** (the "Company") as of March 31, 2024, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). 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 Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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 was established and maintained and if such controls operated effectively in all material respects.

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

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 with reference to Financial Statements.



### Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements 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 ICAI.

**For S P SRIVASTAVA & Associates**

Chartered Accountants

Firm's Registration No. 025663S



**S K Subramanian**

Partner

Membership No. 205737

UDIN: 24205737BKBINJ9049



Place: Bengaluru

Date: 14/05/2024

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kurlon Retail Limited 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, right-of-use assets, and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant or equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) All property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification to cover all the items in a phased manner over period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) There are no immovable properties (other than the properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company.
  - (d) The Company has not revalued its property, plant and equipment or intangible assets during the year ended March 31, 2024.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. Discrepancies of 10% or more in aggregate for each class of inventory have not been noted during the physical verification by the management. There are no inventories lying with third parties.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the order is not applicable.
- iii. The Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability Partnerships or any other parties. Accordingly, reporting under clause



3(iii)(a) to 3(iii)(f) of the Order are not applicable.

- iv. The Company has neither made any investments nor has given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.  
  
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
  - (b) There are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs, duty of excise as on March 31, 2024, on account of disputes.
- viii. 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.
- ix.
  - (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - (b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - (d) The Company has not utilized funds raised on short-term basis for long term purposes.



(e) 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) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.

x.

(a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on clause 3(x)(a) of the order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on clause 3(x)(b) of the order is not applicable.

xi.

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) 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) Based on the information and explanation provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act, 2013.

xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. The transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian accounting standards.

xiv. The company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013, hence reporting under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.

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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi.

(a) In our opinion, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) 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.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios disclosed in note 38 to the financial statements, the ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, and considering the Company's current liabilities exceed the current assets by Rs. 2790.51 lakhs, the company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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. The provisions of the Companies Act 2013 with respect to CSR are not applicable to the Company, hence reporting under clause 3(xx)(a) and (b) of the order is not applicable.

**For S P SRIVASTAVA & Associates**  
Chartered Accountants  
Firm's Registration No. 025663S




**S K Subramanian**  
Partner  
Membership No. 205737  
UDIN: 24205737BKBIN59049

Place: Bengaluru  
Date: 14/05/2024

Kurlon Retail Limited  
Balance Sheet as at March 31, 2024

Particulars	Note no.	(Rs. in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	142.39	198.05
Right-of-use assets	4	415.48	715.62
Other intangible assets	5	3.36	2.57
<b>Financial assets</b>			
(i) Other financial assets	6	267.39	129.15
Non-current tax assets (net)	7	19.37	19.35
<b>Total non-current assets</b>		<b>857.99</b>	<b>1,064.74</b>
<b>Current assets</b>			
Inventory	8	486.29	182.74
<b>Financial assets</b>			
(i) Trade receivables	9	120.89	74.80
(ii) Cash and cash equivalents	10	81.11	27.08
(iii) Bank balances other than cash and cash equivalents	11	3.01	1.36
(iv) Other financial assets	12	-	34.08
Other current assets	13	459.68	134.15
<b>Total current assets</b>		<b>1,070.98</b>	<b>459.11</b>
<b>Total assets</b>		<b>1,928.97</b>	<b>1,623.85</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	761.33	761.33
Other equity	15	(2,661.08)	(2,657.89)
<b>Total equity</b>		<b>(1,899.75)</b>	<b>(1,896.56)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	17	371.75	646.43
Provisions	18	6.30	12.15
<b>Total non-current liabilities</b>		<b>378.05</b>	<b>658.58</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	16	2,782.14	2,405.37
(a) Lease liabilities	17	125.07	275.80
(ii) Trade payables		-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	19	71.35	101.07
(iii) Other financial liabilities	20	13.79	27.28
Provisions	18	3.04	14.91
Other current liabilities	21	24.16	25.67
<b>Total current liabilities</b>		<b>3,140.26</b>	<b>2,849.83</b>
<b>Total liabilities</b>		<b>3,528.31</b>	<b>3,418.41</b>
<b>Total equity and liabilities</b>		<b>1,928.97</b>	<b>1,623.85</b>

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No. 0256636

For and on behalf of the Board of Directors of  
Kurlon Retail Limited  
CIN U38124KA2012PLC066684

S K Subramanian  
Partner  
Membership No. 205757

Place: Bangalore  
Date: 14/05/2024

Ansh Kumar Gupta  
Director  
DIN: 01405740

Place: Bangalore  
Date: 14/05/2024

Ashish Padmanabha Kumar  
Director  
DIN: 61567117

Place: Bangalore  
Date: 14/05/2024



Kurion Retail Limited  
Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Note no.	(Rs. in Lakhs)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	22	8,456.87	1,852.85
Other income	23	14.98	137.57
<b>Total Income</b>		<b>8,471.85</b>	<b>1,990.42</b>
<b>Expenses</b>			
Purchase of stock-in-trade	24	2,368.51	587.95
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	(300.62)	276.68
Employee benefits expense	26	225.43	241.97
Finance costs	27	9.39	108.46
Depreciation and amortisation expense	28	210.21	304.50
Other expenses	29	607.66	258.27
<b>Total Expenses</b>		<b>3,402.59</b>	<b>2,049.83</b>
Profit before tax		63.26	(69.21)
Exceptional items		-	-
Profit/(Loss) before tax from continuing operations		63.26	(69.21)
Income Tax expense		-	-
Total income tax expense		-	-
<b>Profit for the year</b>		<b>63.26</b>	<b>(69.21)</b>
<b>Other comprehensive income (net of tax)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements gain / (loss) of the net defined benefit plans		3.45	(2.98)
Income tax on above item		-	-
<b>Items that will be reclassified to profit or loss</b>			
Fair value gain / (loss) on investments and other financial instruments		-	-
Income tax on above item		-	-
<b>Total Other comprehensive income/(loss) (net of tax)</b>		<b>3.45</b>	<b>(2.98)</b>
<b>Total comprehensive income for the year</b>		<b>66.71</b>	<b>(72.19)</b>
<b>Earnings per equity share (face value of Rs.5/- each):</b>			
Basic and diluted (Rs)	30	0.41	(0.39)

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

As per our report of even date

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No: 0256639

For and on behalf of the Board of Directors of  
Kurion Retail Limited  
CIN: U35104KA2012PLC065664

S.K. Subramanian  
Partner  
Membership No: 305737

Place: Bangalore  
Date: 14/05/2024

Anil Kumar Gupta  
Director  
DIN: 01496749

Place: Bangalore  
Date: 14/05/2024

Abhilash Padmanabh Kamath  
Director  
DIN: 01587117

Place: Bangalore  
Date: 14/05/2024



**Kurion Retail Limited**  
**Statement of Changes in Equity for the year ended March 31, 2023**

**A. EQUITY SHARE CAPITAL**

Particulars	Rs. In Lakhs
Balance as at April 01, 2022	783.33
Agst. issued during the year	-
<b>Balance as at March 31, 2023</b>	<b>783.33</b>
Agst. issued during the year	-
<b>Balance as at March 31, 2023</b>	<b>783.33</b>

**B. OTHER EQUITY**

Particulars	Reserves and surplus				Items of Other Comprehensive Income		Total
	Retained earnings	Securities premium	Capital Reserve	General Reserve	Debt Instruments through OCI	Cash flow Hedge reserve through OCI	
Balance as at April 01, 2022	(3,592.34)	996.46	-	-	-	-	(2,595.88)
Profit for the year	(59.21)	-	-	-	-	-	(59.21)
Other Comprehensive Income (loss) for the year (net of tax)	(2.96)	-	-	-	-	-	(2.96)
Dividend paid	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>(62.16)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(62.16)</b>
<b>Balance as at March 31, 2023</b>	<b>(3,654.50)</b>	<b>996.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,658.04)</b>
Profit for the year	63.35	-	-	-	-	-	63.35
Other comprehensive income (loss) for the year (net of tax)	3.45	-	-	-	-	-	3.45
<b>Total comprehensive income for the year</b>	<b>66.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66.80</b>
<b>Balance as at March 31, 2023</b>	<b>(3,587.70)</b>	<b>996.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,591.24)</b>

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

As per our report of date 09/04/2023

For S.P. Srinivastava & Associates  
 Chartered Accountants  
 Firm Registration No. 0226635

For and on behalf of the Board of Directors of  
 Kurion Retail Limited  
 DIN: J38104920419L0002284

B.K. Subramanian  
 Partner  
 Membership No. 206797

Place Bangalore  
 Date: 14/05/2023

For and on behalf of the Board of Directors of  
 Kurion Retail Limited  
 Director  
 DIN: 01436741

Place Bangalore  
 Date: 14/05/2023



Abhishek  
 Abhishek Padmanabh Kamal  
 Director  
 DIN: 11927112

Place Bangalore  
 Date: 14/05/2023

**Harvest Retail Limited**  
**Statement of Cash Flows for the year ended March 31, 2024**

Particulars	(Rs. In Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	68.35	(89.21)
Adjustments for:		
Depreciation and amortisation expense	248.21	201.50
Finance costs	99.38	108.48
Equity share written off	0.00	-
(Profit)/Loss on sale of property, plant and equipment (net)	29.36	12.47
Cancellation adjustment	(14.87)	-
Gain on revaluation of lease	2.24	(81.75)
Interest income	(87.70)	-
Operating profit, before working capital changes	387.38	304.47
Changes in working capital:		
(Increase)/Decrease Other Financial Asset	(85.58)	109.08
(Increase)/Decrease Investment	4,332.81	224.67
(Increase)/Decrease Prepaid Income Tax	(47.12)	4.64
(Increase)/Decrease Bank Balance due to other than cash and cash equivalents	(0.23)	-
(Increase)/Decrease bank balance	(75.64)	(4.47)
(Increase)/Decrease loan receivables	391.78	-
(Increase)/Decrease trade payables	(30.41)	152.47
(Increase)/Decrease other financial liabilities	(18.47)	(43.36)
(Increase)/Decrease other liabilities	(12.37)	(2.48)
(Increase)/Decrease Other Current Liabilities	(1.61)	(24.25)
Cash generated from operations	324.20	613.88
Interest on paid (net of received)	(0.07)	(84.35)
Net cash flow from operating activities (A)	324.13	529.53
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(8.36)	(7.76)
Purchase of intangible assets	(1.77)	-
Adjustment in Intangible Assets	0.35	-
Proceeds from sale of property, plant and equipment	(0.87)	31.62
Movement in interbank bank balances	-	(61.17)
BCU Adjustment	(51.64)	-
Net cash (outflow)/ investing activities (B)	(62.49)	(47.36)
<b>C. Cash flow from financing activities</b>		
Repayment of long term loan/borrowings	(264.57)	(407.18)
Net proceeds from bank borrowings	-	(203.14)
Net cash (outflow)/ financing activities (C)	(264.57)	(610.32)
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	(0.93)	(12.15)
Cash and cash equivalents at the beginning of the year	21.08	44.82
Cash and cash equivalents at the end of the year	20.15	32.67

**Notes:**  
 1. The above statement of cash flows has been prepared under the "indirect method" as set out in Indian Accounting Standard - 7 "Statement of Cash Flows".  
 2. Figures in brackets represent cash outflow.  
 3. Components of cash and cash equivalents (Rs. In Lakhs)

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	20.15	32.67
Cash in hand	-	-
Deposits having original maturity of less than 3 months	-	-
Balance with banks in current accounts	20.15	32.67
Balance under Statement of Cash Flows	-	-

**4. Changes in lease liabilities arising from financing activities**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>LEASE LIABILITIES</b>		
Lease liabilities at the beginning of the year	296.23	1,834.44
Added during the year	-	7.18
Finance charges	(77.48)	(44.64)
Payment of lease liabilities	(428.57)	(388.08)
Cancellation / adjustment	(18.47)	(208.87)
Gain on sale of lease liability	(85.62)	(85.62)

The accompanying notes are an integral part of these condensed financial statements.  
 As per our report of even date  
**For P. P. PRYASHTAVA & Associates**  
 Chartered Accountants  
 Firm Registration No. 0256635

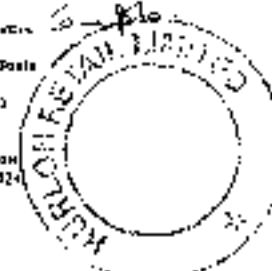
**For and on behalf of the Board of Directors of**  
**Harvest Retail Limited**  
**CIN: U74999KA2012PL006564**

*(Signature)*

S.K. Saravanan  
 Partner  
 Membership No. 506737

Place: Bangalore  
 Date: 13/05/2024

*(Signature)*



Amal Kumar Das  
 Director  
 DIN: 01102743

Place: Bangalore  
 Date: 13/05/2024

*(Signature)*

Abhinav Padmanabhan K  
 Director  
 DIN: 01587117

Place: Bangalore  
 Date: 13/05/2024

**Kurton Retail Limited**

Notes forming part of the Financial Statements for the year ended March 31, 2024

All amounts in Rs. Lakhs, unless otherwise stated

**1 Corporate Information**

Kurton Retail Limited was incorporated in Karnataka on August 31, 2012. The Company is a subsidiary of Kurton Enterprise Limited and is engaged in the business of buying, selling, storing, promoting, marketing, supplying, trading and dealing in mattresses, pillow, sofa and furniture on retail in India.

The company is in the process of merging with Kurton Enterprises Limited & the application regarding this is pending before the NCLT - Mumbai Branch.

**2 Goals of preparation**

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and preservation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as applicable.

This note provides a list of the significant accounting policies adopted in the preparation of the Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Financial Statements have been prepared on an accrual basis under the historical cost convention except for the following that are measured at fair value as required by relevant Ind AS.

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

These Financial Statements are presented in Indian Rupee, which is also functional currency of the Company. All the values are rounded off to the nearest lakhs, unless otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

**(a) Measurement of fair values**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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



**(b) Current versus non-current classification**

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

An asset is treated as current when it is:

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

All other assets are classified as non-current

A liability is current when:

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

The Company classifies all other liabilities as non-current. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

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

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

**(c) Use of estimates and judgements**

In preparing these Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and liabilities at the date of the Financial Statements and reported amounts of income and expenses during the period. Actual results may differ from these estimates.

Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding estimate. Changes in estimate are reflected in the financial statement in the period in which changes are made and, if material, their effects are disclosed in the notes to the Financial Statements

**Judgements:**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Financial Statements is included in the following notes:

- Note 2.1 and Note 2.2 - Useful life of property, plant and equipment and intangible assets;
- Note 2.6 - Measurement of defined benefit obligations: key actuarial assumptions
- Note 2.7 - Provision for income tax and valuation of deferred tax assets/liabilities,
- Note 2.10 - Valuation of financial instrument, and
- Note 2.15 - Lease classification and determination of lease term.

**Assumption and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 1.1 (a) - Fair value measurement
- Note 2.3 - Impairment of financial assets
- Note 2.3 - Impairment test of non-financial assets, key assumptions underlying recoverable amounts including the recoverability of expenditure on internally-generated intangible assets;
- Note 2.7 - Recognition of deferred tax assets, based upon likely timing and the level of future taxable profits together with future tax planning strategies,
- Note 2.9 - Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

**1.2 Funding of operations**

The Company has accumulated losses of Rs. 3,58.740 lakhs as at March 31, 2024 (March 31, 2023 - Rs. 3,604.55 lakhs) and the net worth of the Company has been fully eroded by such amount. The holding company has committed to provide financial and operational support to the Company for its continued operations in the foreseeable future. Hence, the financial statements have been prepared under going concern assumption and consequently, no adjustments have been made to the carrying values or classification of assets and liabilities.

## 2 Summary of Material accounting policies

### 2.1 Property, plant and equipment

Capital work in progress is stated at cost, net of accumulated impairment loss if any.

Subsequent costs related to an item of property, plant and equipment are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are recognized in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation is calculated using the straight-line method over their estimated useful lives as follows:

Asset description	Useful life in years as per	Useful life as
	Schedule II	per Company
Furniture and fixtures	10	15
Office equipment	6	20
Computers	3	6

The useful lives have been determined based on management's internal technical assessment, which in certain instances are different from those specified by Schedule II to the Act, in order to reflect the actual usage of the assets.

The assets' residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

### 2.2 Intangible assets

#### Intangible assets

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

An item of intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Asset description	Useful life in years
Computer software	5

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.





### 2.3 Impairment Impairment of financial assets

In accordance with Ind AS - 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost (e.g., loans, deposits, and bank balance)
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS - 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

Trade receivables or contract revenue receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

#### 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. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash-generating units (CGUs) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to other comprehensive income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's (CGU's) recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's

recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount; in which case, the reversal is treated as a revaluation increase.



## 2.4 Revenue recognition

Revenue from contracts with customer is recognised upon transfer of control of promised goods/services to customer's at an amount that reflects the consideration to which the Company expect to be entitled for those goods/services.

To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer
- Identify the performance obligations in the contract.
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract, and
- Recognise revenues when a performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

### Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

### Others

- The Company accounts for variable consideration like volume discounts, rebates, returns and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range possible consideration depending on which method better predicts the amount of consideration to which the Company may be entitled.

- Revenues are shown net of allowances, returns, goods and service tax and applicable discounts and allowances.

### Trade receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

### Interest income

Interest income 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 discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included under the head 'Other Income' in the statement of profit and loss.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

## 2.5 Interest expense

Interest expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.



## 2.6 Employee benefits

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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The liabilities for leave balances are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

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

### Post-employment obligations

The company operates the following post-employment schemes:

- (a) defined benefit plans - gratuity; and
- (b) defined contribution plans such as provident fund.

### Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

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 balance sheet. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently.

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 costs.

### Defined contribution plan

Retirement benefit in the form of provident fund scheme, employee state insurance are the defined contribution plans. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to these schemes as an expenditure when an employee renders the related service.



## 2.7 Income Taxes

Income tax comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in the other comprehensive income.

### Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income (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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis.

### Deferred tax

Deferred tax is provided 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 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.

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 reassessed 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.

The Company has significant unabsorbed depreciation and carry forward losses. No deferred tax asset has been recognised at the year-end as it is not reasonably certain that sufficient taxable income will be available in the foreseeable future against which such deferred tax asset can be utilised.

## 2.8 Earnings/(loss) per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.



## 2.9 Provision and contingent liabilities

### Provisions

Provisions are recognized when there is 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, in respect of which a reliable estimate can be made of the amount of the obligation.

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

### Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence 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 is not recognized 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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the Financial Statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

## 2.10 Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are readily convertible to a known amount and 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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## 2.11 Cash flow statement

Cash flows are reported using the indirect method, whereby net (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## 2.12 Financial instruments

### Recognition and initial measurement

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

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

### Classification and subsequent measurement

#### Financial assets

On initial recognition, a financial asset is classified as measured at either at amortised cost, FVTPL or fair value in other comprehensive income (FVOCI). Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of the investments.



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

#### *Financial assets: Subsequent measurement and gains and losses*

##### *Financial assets at FVTPL*

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

##### *Financial assets at FVOCI*

If the company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of the investments.

##### *Financial assets at amortised cost*

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

#### *Financial liabilities: Classification, subsequent measurement and gains and losses*

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

#### **Derecognition**

##### *Financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

##### *Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

#### **Offsetting**

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

## **2.13 Leases**

The Company has lease contracts for various buildings used in its operations. Lease terms generally ranges between 3 and 9 years.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.



#### The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.3 for policy on impairment of non-financial assets.

#### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are required to produce inventory) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### Extension and termination option

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Management have not considered any future cash outflow for which they are potentially exposed relating due to extension and termination options.

#### 2.14 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Trade goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

**Net realisable value** is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.



## 2.16 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company has identified one reportable segment based on the dominant source, nature of risks and return and the internal organization and management structure and for which discrete financial information is available. The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. The Company has only one reportable business segment, which is purchase and sale of core, foam and related products which constitutes a single business segment. Accordingly, the amounts appearing in the financial statements relate to the company's single business segment. Refer Note 30 for segment information and segment reporting.

## 2.16 Use of judgements, estimates and assumptions

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. The areas involving significant estimates or critical judgements are:

### (i) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. Due to 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.

The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at intervals in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates.

Further details about the gratuity obligations are given in Note 34.

### (ii) Impairment of financial and non-financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGUs) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

## 2.17 Changes in accounting policies and disclosures - New and amended standards

The Company applied for the first time the following standards and amendments, which are effective for annual periods beginning on or after April 1, 2022, as per the Companies (Indian Accounting Standard) Amendment Rules, 2022 dated March 29, 2022 notified by the Ministry of Corporate Affairs.

### (a) Onerous Contracts - Costs of Fulfilling a Contract - Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of other costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counter party under the contract.





**(b) Reference to the Conceptual Framework – Amendments to Ind AS 103**

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements. The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Leases, of Ind AS 37, if incurred separately. It has been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

**(c) Property, Plant and Equipment: Proceeds before Inaugural Use – Amendments to Ind AS 16**

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

**(d) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender including fees paid or received by either the borrower or lender on the other's behalf.

The aforesaid standards and amendments did not have any material impact on the financial statements of the Company.

**2.14 Standards notified but not yet effective**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023, to amend the following Ind AS which are effective from April 1, 2023.

**(a) Definition of Accounting Estimates – Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

**(b) Disclosure of Accounting Policies – Amendments to Ind AS 1**

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their significant accounting policies with a requirement to disclose their material accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. Consequential amendments have been made in Ind AS 107.

**(c) Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12**

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided the sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The aforesaid amendments are not expected to have any material impact on the Company's financial statements.



## Kurion Retail Limited

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars	Furniture and fixtures	Office equipment	Computers	Total property, plant and equipment
<b>At cost or deemed cost</b>				
As at April 1, 2022	739.14	15.37	18.11	771.62
Additions	5.95	0.14	-	6.99
Disposals/transfer*	(403.77)	(7.48)	(11.57)	(422.82)
As at March 31, 2023	340.22	8.03	6.54	354.79
Additions	2.89	8.04	0.02	8.95
Disposals/transfer	(57.45)	(2.80)	-	(60.25)
As at March 31, 2024	285.66	11.27	6.56	303.49
<b>Accumulated depreciation</b>				
As at April 1, 2022	469.88	11.43	17.33	498.64
Depreciation charge for the year	35.00	1.47	0.06	36.53
Disposals/adjustments	(360.88)	(7.25)	(11.50)	(379.44)
As at March 31, 2023	144.20	5.64	5.89	155.74
Depreciation charge for the year	15.90	0.17	0.01	17.08
Disposals/adjustments	(29.76)	(1.96)	-	(31.72)
As at March 31, 2024	131.34	3.85	5.90	141.10
<b>Net carrying amount</b>				
As at March 31, 2023	196.02	2.39	0.65	199.05
As at March 31, 2024	154.32	7.43	0.66	162.39

\* Represents adjustments between gross block and accumulated depreciation



Kudron Retail Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 4 : RIGHT-OF-USE ASSETS**

Particulars	(Rs. in Lakhs)	
	Buildings	Total
<b>Cost</b>		
At April 1, 2022	1,907.15	1,907.15
Additions	7.17	7.17
Disposal/transfer	(435.72)	(435.72)
Adjustments *		
<b>As at March 31, 2023</b>	<b>1,478.60</b>	<b>1,478.60</b>
Additions	-	-
Disposal/transfer	(50.15)	(50.15)
Adjustments *	(100.08)	(100.08)
<b>As at March 31, 2024</b>	<b>1,328.38</b>	<b>1,328.38</b>
<b>Accumulated Depreciation</b>		
At April 1, 2022	786.11	786.11
Charge for the year	267.47	267.47
Disposal/transfer	(200.60)	(200.60)
<b>As at March 31, 2023</b>	<b>782.98</b>	<b>782.98</b>
Charge for the year	182.50	182.50
Disposal/transfer	(42.60)	(42.60)
<b>As at March 31, 2024</b>	<b>912.88</b>	<b>912.88</b>
<b>Net book value as at March 31, 2023</b>	<b>715.62</b>	<b>715.62</b>
<b>Net book value as at March 31, 2024</b>	<b>415.48</b>	<b>415.48</b>

\* Represents reclass adjustments between gross block and accumulated depreciation.

(i) Refer note no. 46 for detailed disclosures as per IND AS 116 "Leases".

**NOTE 5 : INTANGIBLE ASSETS**

Particulars	(Rs. in Lakhs)	
	Computer Software	Total
<b>Cost</b>		
At April 1, 2022	0.49	0.49
Additions	1.77	1.77
Disposal/Transfer	-	-
<b>As at March 31, 2023</b>	<b>11.28</b>	<b>11.28</b>
Additions	1.77	1.77
Disposal/Transfer	-	-
<b>As at March 31, 2024</b>	<b>13.03</b>	<b>13.03</b>
<b>Amortisation</b>		
At April 1, 2022	0.19	0.19
Charge for the year	0.50	0.50
Disposal/transfer	-	-
<b>As at March 31, 2023</b>	<b>0.69</b>	<b>0.68</b>
Charge for the year	0.61	0.63
Adjustment	0.35	0.35
<b>As at March 31, 2024</b>	<b>9.67</b>	<b>9.67</b>
<b>Net book value as at March 31, 2023</b>	<b>2.57</b>	<b>2.67</b>
<b>Net book value as at March 31, 2024</b>	<b>3.36</b>	<b>3.36</b>



Fusion Retail Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 6 : OTHER FINANCIAL ASSETS (NON CURRENT)**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, completed good)		
Security deposits	267.39	130.86
Total	<u>267.39</u>	<u>130.86</u>

**NOTE 7 : NON CURRENT TAX ASSETS (NET)**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Advance income tax including un-credited MTD payble	16.86	14.84
Net Credit Entitlement	0.51	0.51
Total	<u>16.37</u>	<u>15.35</u>

**NOTE 8 : INVENTORIES**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realizable value unless otherwise stated)		
Traded goods	483.36	182.74
Traded goods in transit	2.85	-
Total	<u>486.21</u>	<u>182.74</u>

Notes:

The carrying value of inventories as reflected above is net of provision for aged slow moving stock of Rs. 21.58 lakhs as of 31.03.2023. (Rs. 14.00)

**NOTE 9 : TRADE RECEIVABLES**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(At amortized cost)		
Unsecured		
Trade receivables - considered good (refer note below)	123.89	78.80
Trade receivables (gross)	123.89	78.80
Less: Impairment allowance for trade receivables considered doubtful	-	-
Total	<u>123.89</u>	<u>78.80</u>

As on March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
(i) Unsecured trade receivables							
- considered good	-	123.89	-	-	-	-	123.89
- which have significant increase in credit risk	-	-	-	-	-	-	-
(ii) Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
Total	-	123.89	-	-	-	-	123.89

As on March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
(i) Unsecured trade receivables							
- considered good	-	78.81	-	0.19	-	-	79.00
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
Total	-	78.81	-	0.19	-	-	79.00



## Ryerson Mutual Limited

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 10 - CASH AND CASH EQUIVALENTS

Particulars	(R\$, in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance with banks		
Current accounts	54.81	25.98
Cash on hand	6.57	1.70
<b>Total</b>	<b>61.38</b>	<b>27.68</b>

## NOTE 11 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(R\$, in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Deposits having original maturity more than 3 months but less than 12 months	3.81	3.35
<b>Total</b>	<b>3.81</b>	<b>3.35</b>

## NOTE 12 - OTHER FINANCIAL ASSETS (CURRENT)

Particulars	(R\$, in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Security Deposits	-	34.86
<b>Total</b>	<b>-</b>	<b>34.86</b>

## NOTE 13 - OTHER CURRENT ASSETS

Particulars	(R\$, in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Advance to contractor/subpliers	17.35	4.18
Advance to employees	0.26	0.87
Balance with statutory/Government authorities	140.55	128.70
Prepaid expenses	0.31	0.80
Other Current Assets	1.22	-
<b>Total</b>	<b>159.69</b>	<b>134.55</b>



Kurton Retail Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

NOTE 14. EQUITY SHARE CAPITAL

Particulars	.. (Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Authorized share capital: 4,00,00,000 Equity shares of Rs. 5/- each with voting rights (March 31, 2023: 4,00,00,000 Authorized equity shares of Rs. 5/- each)	2,000.00	2,000.00
	<u>2,000.00</u>	<u>2,000.00</u>
Issued, subscribed & paid-up share capital: 1,52,66,666 Fully paid equity shares of Rs. 5/- each (March 31, 2023: 1,52,66,666 equity shares of Rs. 5/- each)	763.33	763.33
Total	<u>763.33</u>	<u>763.33</u>

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

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
At the beginning of the year	1,52,66,666	763.33	1,52,66,666	763.33
Shares issued during the year				
Outstanding at the end of the year	<u>1,52,66,666</u>	<u>763.33</u>	<u>1,52,66,666</u>	<u>763.33</u>

(c) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 5 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferred amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding	Number of shares	% of holding
Kurton Enterprise Limited*	1,52,66,666	100.00%	1,52,66,666	100.00%

\* Includes the beneficial interest in 1,200 shares, held by individuals as nominee of Holding Company.

(e) Shareholding of promoters & promoter group

Shares held by promoters at the end of the year	As at March 31, 2024			As at March 31, 2023		
	Number of Shares	% of holding	% Change during the year	Number of Shares	% of holding	% Change during the year
Promoter name						
Kurton Enterprise Limited	1,52,66,666	100.00%	0.00%	1,52,66,666	100.00%	0.00%
Total		<u>100.00%</u>			<u>100.00%</u>	



## Kurio Retail Limited

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 15 : OTHER EQUITY

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Securities premium account	906.66	906.66
Retained earnings	-3,587.75	-3,654.55
Total	-2,681.09	-2,457.89
		(Rs. in Lakhs)
Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium account		
Opening balance	906.66	896.65
Addition	-	-
Closing balance	906.66	896.65
Retained earnings		
Opening balance	-3,654.55	(3,662.38)
Net profit for the year	63.35	-50.21
Reimbursements of the net defined benefit plans (net of tax)	3.45	(2.48)
Closing balance	-3,587.75	-3,654.55
Other Comprehensive Income		
Opening balance	-	-
Fair value gain/(loss) on debt instruments (Net of Tax)	-	-
Realised gain from debt instruments transferred to profit and loss (Net of Tax)	-	-
Closing balance	-	-
Cash flow hedge reserve		
Opening balance	-	-
Loss on cash flow hedge reserve (net of tax)	-	-
Closing balance	-	-

## NOTE 16 : BORROWINGS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Secured borrowings		
Loans from banks	1.65	1.68
Unsecured borrowings		
Loans from related parties (Refer Note 14)	2,790.50	2,390.69
Total	2,792.15	2,400.37

## Note:

(a) Loans from banks of Rs. 1.65 lakhs (March 31, 2023 : Rs. 1.68 lakhs)

(b) The Company has obtained corporate credit cards from banks and the outstanding balance as of March 31, 2024 is Rs. 1.65 lakhs (March 31, 2023 : Rs. 1.68 lakhs)

(c) Loans from related parties of Rs. 2,790.51 lakhs (March 31, 2023 : Rs. 2,390.69 lakhs)

(d) The Company has obtained a loan from holding company, Kurio Enterprise Limited. The loan is unsecured and is repayable on demand.

The table below depicts changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes:

## NOTE 17 : LEASE LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer Note 14, 3d)	607.62	636.23
Total	607.62	636.23
Current	235.87	279.60
Non-current	371.75	356.63



Kurban Metal Limited  
Notes forming part of the financial statements for the year ended March 31, 2024  
NOTE 18 - PROVISIONS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Long-term provisions		
- Provision for gratuity	-	12.15
- Compensated absences	8.30	-
Total	8.30	12.15
Short-term provisions		
Provision for employee benefits		
- Compensated absences	3.04	10.50
- Liability	-	4.39
Total	3.04	14.89

## NOTE 19 - TRADE PAYABLES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade payables other than acceptance		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total payable dues of creditors other than micro enterprises and small enterprises	71.36	101.82
Total	71.36	101.82

## Note:

- a. Trade payables due to related parties are disclosed in note no. 33.  
b. Trade payables for micro and small enterprises are non interest bearing and are normally settled on 7 days to 30 days credit terms.  
c. Trade payables other than micro and small enterprises are non interest bearing and are normally settled on 60 days to 90 days credit terms.  
d. Aging Analysis for Trade payables

Particulars	Outstanding for following periods from due date of						Total
	Unbilled Dues	Payables not due	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	21.95	19.35	0.04	-	-	71.35
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	21.95	19.35	0.04	-	-	71.35

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Payables not due	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	27.93	-	41.51	2.79	0.02	9.57	101.82
Total	27.93	-	41.51	2.79	0.02	9.57	101.82

## NOTE 20 - OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Employee related liability	13.79	27.26
Total	13.79	27.26

## NOTE 21 - OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Contract liabilities	14.16	10.00
Statutory dues payable	9.40	8.79
Total	24.16	25.67





Kamtek Finance Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 22 - REVENUE FROM OPERATIONS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Sale of products	3,296.14	2,043.93
Less: Schemes & rebates	(48.17)	(190.21)
Sale of services	-	0.22
	<u>3,247.97</u>	<u>1,853.94</u>
Other operating revenue Income from sale of processed soya	-	-
<b>Total</b>	<u><b>3,247.97</b></u>	<u><b>1,853.94</b></u>

## NOTE 22.1 : TAILIES OF REVENUE FROM OPERATIONS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Revenue as per contract price	3,450.97	1,557.35
	<u>3,450.97</u>	<u>1,557.35</u>

## NOTE 22.2 : RECONCILIATION OF AMOUNT OF REVENUE RECOGNISED WITH CONTRACT PRICE

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Revenue as per contract price	3,450.94	2,043.93
Less: Schemes and rebates	(48.17)	(190.21)
	<u>3,402.77</u>	<u>1,853.72</u>

## NOTE 22.3 : MOVEMENT IN CONTRACT LIABILITIES DURING THE YEAR \*

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Opening balance	16.88	23.89
Less: Revenue recognised during the year	(16.88)	(22.89)
Add: Amount of consideration received during the year	14.18	15.88
	<u>14.18</u>	<u>16.88</u>

\* Contract liabilities consists of advances received from customers towards supply of products.

## NOTE 23 - OTHER INCOME

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income from: Financial assets at amortised cost Cash deposits	0.22	0.18
Security deposits	0.70	44.48
Other non operating Income Losses/provisions no longer required within scope Gain on early termination of lease Other miscellaneous income	-	29.34
	3.34	61.73
	<u>2.70</u>	<u>1.62</u>
<b>Total</b>	<u><b>34.96</b></u>	<u><b>137.67</b></u>

## Note:

a Fair value through profit and loss of investments represent the valuation changes in mutual funds which includes dividend declared and not distributed (paid) based on report dated to 31 reporting date, which have not been recognized in financial statements.



## Kajaria Papers Limited

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 24 : PURCHASE OF STOCK-IN-TRADE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Traded Goods -Bad sheet stock/misprint/PU/ignition/printer/machines	2958.51	857.96
Total	<u>2958.51</u>	<u>857.96</u>

## NOTE 25 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Closing stock:		
Finished goods	453.36	162.74
Opening stock:	433.38	162.74
Finished goods	162.74	453.42
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	<u>(120.32)</u>	<u>256.83</u>

## NOTE 26 : EMPLOYEE BENEFITS EXPENSE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, allowance and other benefits	200.16	217.08
Contribution to gratuity (refer note no. 32)	4.52	4.77
Contribution to provident and other funds	13.68	10.65
Staff welfare expenses	7.97	5.87
Total	<u>226.33</u>	<u>248.37</u>

## NOTE 27 : FINANCE COSTS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense (on financial liabilities measured at amortised cost)		
- Security deposits	69.36	68.64
- On lease liabilities	22.38	13.87
Bank Charges	91.35	108.86
Total	<u>183.09</u>	<u>191.37</u>

## NOTE 28 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note no. 3)	17.36	36.53
Amortisation of intangible assets	0.63	0.06
Depreciation on right-of-use assets (refer note no. 4)	292.01	267.47
Total	<u>310.00</u>	<u>304.06</u>



**Supplies (Excl. GST)**

Notes forming part of the financial statements for the year ended March 31, 2023

**NOTE 29 - OTHER EXPENSES**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores, spares and consumables	-	-
Power and fuel	44.59	44.45
Freight and forwarding	37.12	16.15
Rent and hire	88.55	74.15
Insurance	1.70	4.57
Rates and taxes	4.57	4.75
Legal and professional	5.33	8.35
Water Fees - Statutory	0.18	10.24
Repair & Maintenance - Plant & Machinery	0.89	7.92
Other Repairs and maintenance	5.52	14.87
Traveling and conveyance	11.36	10.07
Loss on sale/disposal of fixed assets	29.36	17.47
Advertisement & Selling Expenses	557.71	28.27
Advances/balances written off	0.27	1.32
Postage and courier	2.84	3.92
Miscellaneous	14.67	21.35
<b>Total</b>	<b>847.33</b>	<b>246.37</b>

Note 28.1 - Auditor's remuneration included in legal and professional (including GST)

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit (including limited review)	8.16	12.20
<b>Total</b>	<b>8.16</b>	<b>12.20</b>

**NOTE 30. EARNINGS PER SHARE**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to Equity shareholders	63.35	(59.21)
Earnings used in the calculation of basic earnings per share	63.35	(59.21)
Earnings used in the calculation of diluted earnings per share	63.35	(59.21)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(Number in Lakhs)	(Number in Lakhs)
Weighted average number of equity shares for the purpose of basic and diluted earnings per share	152.67	153.67

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(Rs. per share)	(Rs. per share)
Basic and diluted earnings per share	0.42	(0.39)



Kurlon Rejil Limited

Notes forming part of the financial statements for the year ended March 31, 2024

NOTE 31 : There are no life deeds of Immoveable Properties, which are not held in name of the Company.

## NOTE 32 : EMPLOYEE BENEFITS

## A. Defined contribution plans

The Company makes contributions for qualifying employees to Provident Fund, Employee State Insurance and Labour Welfare fund. During the year, the Company recognised Rs. 12.58 lakhs (March 31, 2023 : Rs. 15.53 lakhs) towards Provident fund contributions, Rs. 0.50 lakhs (March 31, 2023 : Rs. 1.01 lakhs) towards Employee State Insurance scheme contributions and Rs. Nil (March 31, 2023 : Rs. Nil) towards Labour Welfare fund.

## B. Post employment benefits

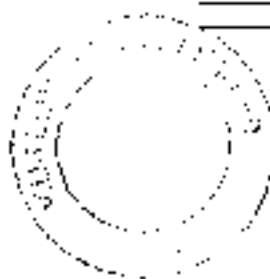
## Defined benefit plans

## Gratuity

The Company has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972 ('Gratuity Act') under which an employee who has completed five years of service is entitled to specific benefit. The amount of benefit provided depends on the employee's length of service and salary at retirement/termination date. The plan is funded by the company.

The following tables summarises the amounts recognised in the statutory financial statements .

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Balance Sheet</b>		
Defined benefit obligation	20.77	19.70
Plan assets	21.99	3.17
Net liability	1.22	16.53
Current	-	4.39
Non-current	-	12.15
<b>Changes in the present value of defined benefit obligation</b>		
	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	19.70	12.49
Service cost	3.98	4.08
Interest cost	1.48	0.82
Remeasurements - Actuarial loss/(gain)	4.40	2.72
Benefit paid	0.00	-0.52
Balance at end of the year	20.77	19.70
<b>Changes in the fair value of plan assets</b>		
	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	3.17	3.50
Contributions made	18.82	0.19
Interest income	0.95	0.25
Payments	-	-0.52
Actuarial Gain/(Loss)	-0.95	-
Return on plan assets	0	-0.25
Balance at end of the year	21.99	3.17
<b>Statement of profit and loss</b>		
	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost	3.98	4.08
Interest cost net of income	0.53	0.68
Total	4.52	4.77
<b>Other comprehensive (income)/loss</b>		
	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurements - Actuarial loss/(gain)	(4.40)	2.72
Return on plan assets	-	0.25
Total	(4.40)	2.97



## Kulon Retail Limited

Notes forming part of the financial statements for the year ended March 31, 2024

## Principal assumptions used in determining defined benefit obligation

	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.21%	7.52%
Expected return on plan assets	7.50%	7.51%
Salary escalation	5.00%	4.00%
Employee turnover	10.00%	10.00%

The categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Investment with insurance companies	100.00%	100.00%

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

## Sensitivity analysis of significant assumptions

	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Discount rate</b>		
1% increase	17.91	(2.62)
1% decrease	24.36	3.28
<b>Salary escalation</b>		
1% increase	24.19	3.10
1% decrease	18.00	(2.59)
<b>Employee turnover</b>		
1% increase	19.85	(0.83)
1% decrease	21.67	0.97

## Maturity profile of defined benefit obligation

	For the year ended March 31, 2024	For the year ended March 31, 2023
Within 1 year	1.07	0.83
1-2 year	0.99	0.73
2-3 year	0.88	0.67
3-4 year	0.77	0.60
4-5 year	0.69	0.52
5-10 year	2.40	1.83
10 years onwards	13.99	14.54

The average duration of the defined benefit obligation at the end of the reporting year is 9.02 years (March 31, 2023: 9.42 years)



## Kurlon Retail Limited

Notes forming part of the financial statements for the year ended March 31, 2024

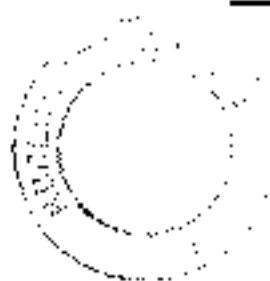
## NOTE 33: RELATED PARTY TRANSACTIONS

(A) Names of related parties and nature of relationship are given below

Relationship	Name of the party
A. Holding Company	Kurlon Enterprise Limited
Ultimate Holding Company	Kanara Consumer Products Limited (Formerly known as Kurlon Limited) up to 20/10/2023 Sheela Foam Limited w.e.f 20/10/2023
B. Fellow subsidiaries	Komkon Universe Products & Services Limited Belvedere International Limited Kannas Concepts Private Limited Sanskrit Value Chain & Manufacturing Pvt Ltd Sevanti Sales Private Limited (up to 13/10/2023) Sheel Foam Private Limited (up to 13/10/2023) Sriya Direct Sales Private Limited (up to 13/10/2023)
C. Directors and Key Managerial Personnel	Mr. T. Sathish Raj, Director (up to 06/12/2023) Mr. Janshree Manoj Pandey, Director (up to 06/12/2023) Mr. Achyut Pankajsinh Karmu, Director (w.e.f 04/12/2023) Mr. Arun Kumar Gupta, Director (w.e.f 04/12/2023) Mr. Nandini Kudva, Director

(B) Disclosure of transactions between the Company and related parties during the year

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
		(Rs. In Lakhs)
(i) Sale of products		
Kurlon Enterprise Limited	41.33	
Belvedere International Limited	-	18.16
Home Komkon Retail LLP	-	
Komkon Universe Products & Services Limited	-	
Manul Advertising Services Private Limited	-	
Sheela Foam Limited	-	
Sanskrit Value Chain and Manufacturing Private Limited	-	
International Komkon Technologies	-	
	<u>41.33</u>	<u>18.16</u>
(ii) Purchase of traded goods		
Kurlon Enterprise Limited	1,751.43	823.32
Belvedere International Limited	142.55	18.60
Home Komkon Retail LLP	-	5.82
	<u>1,893.98</u>	<u>847.74</u>
(iii) Scheme expenses		
Kurlon Enterprise Limited	12.50	2.82
Komkon Universe Products & Services Limited	-	
Belvedere International Limited	-	
	<u>12.50</u>	<u>2.82</u>



## Kurlon Retail Limited

Notes forming part of the financial statements for the year ended March 31, 2024

## Disclosure of transactions between the Company and related parties during the year (Contd.)

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Borrowings		
Kurlon Enterprise Limited	2,790.90	2,391.69
	<u>2,790.90</u>	<u>2,391.69</u>

## (a) Loan from banks of Rs. 2.68 lakhs (March 31, 2023: Rs. 2.19 lakhs)

The Company has obtained corporate credit cards from banks and the outstanding balance as of March 31, 2023 is Rs. 1.68 lakhs (March 31, 2022: Rs. 2.40 lakhs)

## (b) Loan from related parties of Rs. 2,790.90 lakhs (March 31, 2022: Rs. 2,601.54 lakhs)

The Company has obtained a loan from holding company, Kurlon Enterprise Limited. The loan is unsecured and is repayable on demand and carries interest rate of 8.5% p.a.

## (c) Disclosure of balances outstanding at the end of the reporting year

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade payable		
Kanvas Concepts Private Limited		44.00
Belvedere International Limited	19.45	3.76
Maha Rajahar Agas Corporation Limited.		0.41
	<u>19.45</u>	<u>48.17</u>

## (a) Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Based on the information available with the Company and the nature of the transaction with Micro, Small and Medium Enterprises, there are no dues which are outstanding for more than 45 days as of March 31, 2024 to these enterprises. Further, no interest has been paid or payable during the year under the terms of the MSMED Act, 2006.

## (b) Contingent liabilities and capital commitments

There are no contingent liabilities and capital commitments as on March 31, 2024 and March 31, 2023.

Trade receivable		
Bahadron Internal and Limited	-	-
International Comfort Technologies	-	-
Komfort Lifestyle Products & Services Limited	-	-
Kurlon Retail Limited	-	-
Shree Retail Limited	-	-
Sandip Value Chain and Manufacturing Private Limited	-	-
Home Kurlon Retail LLP	-	-
Margal Advertising Services Private Limited	-	-
	<u>-</u>	<u>-</u>



Kurlon Paper Limited

Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 34. DISCLOSURES AS PER IND AS 116 LEASES****(A) Company as lessee**

(i) The Company's significant leasing arrangements are in respect of the following assets:

(a) The Company has leases of land and buildings for offices, warehouses and service centres. Right of Use Assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The lease term for leasehold buildings ranges between 2 years to 10 years.

(c) The carrying amounts of lease liabilities and the movements during the year.

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Liabilities	836.23	1,334.54
Additions		7.18
Accretion of interest	89.38	94.64
Repayment of Lease liabilities	(286.52)	(343.36)
Cancellation / adjustments	(11.47)	(206.87)
Closing liabilities	<u>607.62</u>	<u>836.23</u>
Current	235.87	278.80
Non-current	371.75	558.43
	<u>607.62</u>	<u>836.23</u>

(d) Maturity analysis of the lease liabilities

Contractual undiscounted cash flows	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
3 months or less		
3-12 months		
1-2 years		
2-5 years		
More than 5 years		
Total undiscounted lease liability	-	-
Less: Impact of discounting and other adjustments	-	-
Lease liabilities as at March 31, 2024	<u>-</u>	<u>-</u>

(e) The following are the amounts recognised in the Statement of Profit and Loss

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance cost	69.38	94.64
Depreciation and amortisation expense	181.50	187.47
Expenses relating to short term leases	86.55	74.15

(f) The following are the amounts disclosed in the Statement of Cash Flows:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023

Cash outflow from leases

(v) There are no variable lease payments considered in the initial measurement of the lease liability and asset.

(vi) Extension and termination options held are exercisable based on mutual agreement of the Company and the lessors.





Hellen Retail Limited

Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 35: FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The Company has disclosed financial instruments such as loans, investment in preference shares, trade receivables, cash and cash equivalents, other bank balances, trade payables, other financial assets and liabilities of carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the profit/loss in the expected future of these receivables.

**NOTE 36: FAIR VALUE HIERARCHY**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

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

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in preference shares, other investments, loans receivables and trade receivables included in level 3.

**Valuation Processes**

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO) including board of directors. Dispositions of valuation processes and results are held between the CFO and the valuation team every month. The Company seeks the help of independent valuers for valuation purposes.

**Fair Valuation Techniques**

The carrying amounts of trade receivables, trade payables, creditors towards capital goods, cash and cash equivalents, investment in pref. shares, other investments and other bank balances are considered to be the same as their fair values, due to their short-term nature.

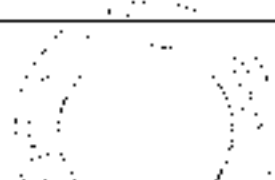
The fair values financial assets and liabilities consisting of loans receivable, loans receivable, loan facilities, security deposits receivable and security deposit payable were calculated based on cash flows discounted using estimated borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Qualitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024:

Fair Value measurement hierarchy of Assets:			(Rs. in Lakhs)		
Particulars	Date of Valuation	Total	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Assets measured at fair value through profit and loss					
Other Investments	March 31, 2024	-	-	-	-
Financial Assets measured at fair value through other comprehensive income					
Other Investments	March 31, 2024	-	-	-	-
Financial Assets measured at amortized cost					
Investment in preference shares	March 31, 2024	-	-	-	-
Other Investments	March 31, 2024	-	-	-	-
Loans	March 31, 2024	-	-	-	-
Trade receivables	March 31, 2024	123.85	-	-	123.85
Cash and cash equivalents	March 31, 2024	67.14	-	-	67.14
Bank balances, other bank cash and cash equivalents	March 31, 2024	3.61	-	-	3.61
Other financial assets	March 31, 2024	257.25	-	-	257.25

Assets for which Fair Values are disclosed:		(Rs. in Lakhs)	
	March 31, 2024	March 31, 2023	
Investment Property	2,364.85	2,594.31	

Fair Value measurement hierarchy of Liabilities:			(Rs. in Lakhs)		
Particulars	Date of Valuation	Total	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial Liabilities measured at amortized cost					
Borrowings	March 31, 2024	2,782.15	-	-	2,782.15
Lease liabilities	March 31, 2024	607.62	-	-	607.62
Trade payables	March 31, 2024	71.25	-	-	71.25
Other financial liabilities	March 31, 2024	19.79	-	-	19.79



Hortens Retail Limited

Notes forming part of the financial statements for the year ended March 31, 2024

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023:

Fair Value measurement hierarchy of Assets					(Rs. in Lakhs)
Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Assets measured at fair value through profit and loss</b>					
Other Investments	March 31, 2023	-	-	-	-
<b>Financial Assets measured at fair value through other comprehensive income</b>					
Other Investments	March 31, 2023	-	-	-	-
<b>Financial Assets measured at amortized cost</b>					
Investment in preference shares	March 31, 2023	-	-	-	-
Other Investments	March 31, 2023	-	-	-	-
Loans	March 31, 2023	-	-	-	-
Trade receivables	March 31, 2023	69.85	-	-	76.80
Cash and cash equivalents	March 31, 2023	27.09	-	-	27.09
Bank balances other than cash and cash equivalents	March 31, 2023	3.38	-	-	3.38
Other financial assets	March 31, 2023	883.11	-	-	883.11

Fair Value measurement hierarchy of Liabilities					(Rs. in Lakhs)
Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Liabilities measured at amortized cost</b>					
Borrowings	March 31, 2023	2,400.37	-	-	2,400.37
Lease liabilities	March 31, 2023	836.29	-	-	836.29
Trade payables	March 31, 2023	101.82	-	-	101.82
Other financial liabilities	March 31, 2023	17.26	-	-	17.26

#### NOTE 37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse and set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its living and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company's Board of Directors is assisted in its oversight role by the Internal audit who undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Board of Directors. The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

#### a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include deposits from dealers, investments and foreign currency receivables and payables.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.



**Kurjon Retail Limited**

Notes forming part of the financial statements for the year ended March 31, 2024

**(i) Interest rate**

Interest rate is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's financial liabilities comprises mainly of interest-bearing deposits with dealers, however, these are not exposed to risk of fluctuation in market interest rate as the rates are fixed at the time of bank arrangement and do not change for any market fluctuation.

**(ii) Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of bedding articles, home comfort products, furniture cushioning and specialized foams and therefore require a continuous supply of raw materials i.e. TCI and Polyester being the major input used in the manufacturing. Due to the significantly increased volatility of the price of the TCI and Polyester the Company has entered into various purchase contracts for these material for which there is an active market. The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company partly mitigated the risk of price volatility by entering into the contract for the purchase of these material and further the Company averages prices of its products as and when appropriate to minimize the impact of increase in raw material prices.

**(iii) Credit Risk**

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**(iv) Trade receivables**

Counterparty credit risk is managed by the Company through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit limits, regulatory changes, industry outlook etc. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. In accordance with Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or reversal thereof. Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for delinquency on monthly basis.

**(v) Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits, bonds, debentures and mutual funds. The limits are set to minimize the concentration of risks and wherever mitigate financial loss through counter party's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts which are given below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery such as debtor failing to engage in the repayment plan with the Company.

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-current assets</b>		
- Other investments	-	-
- Land	-	-
- Other non-current financial assets	257.39	128.40
<b>Current assets</b>		
- Other investments	-	-
- Trade receivables	123.89	75.80
- Cash and cash equivalents	61.10	57.08
- Bank balances other than cash and cash equivalents	3.81	3.38
- Loans	-	-
- Other current financial asset	-	34.66
<b>Total</b>	<b>444.07</b>	<b>278.97</b>

**Bunton Retail Limited**

Notes forming part of the financial statements for the year ended March 31, 2024

**(c) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short-term bank deposits and short term investments. Processes and policies related to such risks are defined by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be very low.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	(Rs. in Lakhs)		
	Less than 1 Year	More than 1 Year	Total
<b>Year ended March 31, 2024</b>			
Trade payables	71.31	0.04	71.35
Other financial liabilities	13.79	-	13.79
Lease liabilities	235.87	374.75	610.62
	<u>320.97</u>	<u>374.79</u>	<u>695.76</u>
<b>Year ended March 31, 2023</b>			
Trade payables	00.01	2.81	101.02
Other financial liabilities	27.26	-	27.26
Lease Liabilities	278.80	525.43	804.23
	<u>406.07</u>	<u>528.24</u>	<u>934.31</u>

**NOTE 38. CAPITAL MANAGEMENT**

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital and 2) Other Reserves comprising of General Reserve and Retained Earnings. The Company's capital structure is based on the Management's assessment of the balances of key elements to ensure strategic decisions and day to day activities.

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Equity	783.33	763.33
Other equity	(2,991.04)	(2,657.30)
Total equity	(2,207.71)	(1,893.97)
Borrowings (including lease liabilities)	3,399.77	3,296.60
Loans, cash and cash equivalents	64.18	27.08
Total debt	3,335.59	3,323.68
Overall financing	(2) = (1) + (3)	1,514.96
Gearing ratio (in %)	(2)/(3)	2.14

The Company has not distributed any dividend to its shareholders. The Company maintains gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The capital structure of the Company is managed with a view of the overall macro economic conditions and the risk characteristics of the underlying assets. The Company's policy is to manage a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder vendor and market confidence and sustain continuous growth and development of the Company. The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

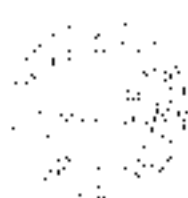
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.



Kulon Retail Limited  
Notes forming part of the financial statements for the year ended March 31, 2022

NOTE 36 DISCLOSURE FOR SPECIFIC RATIOS

Particulars	Formula	Particulars		For the year ended March 31, 2021	For the year ended March 31, 2022	Variance	Reasons for variances
		Numerator	Denominator				
Current Ratio	Current Assets / Current Liabilities	Current Assets Inventories+Financial assets+ Other current assets	Current Liabilities+ Financial Liabilities+ Short Term Provisions+ Other Tax Liabilities+ Other current liabilities	0.27	0.16		Substantial increase in 2022 current liabilities as compared to previous year
Debt equity Ratio	Debt / Equity	Debt + Lease liabilities	Equity + Equity share capital + Other Equity	(0.73)	(1.27)		74% increase in debt equity
Trade Payable turnover Ratio	Net Credit Purchases / Average Trade Payables	Net credit purchases Purchase of raw material and packing material +Purchase of finished goods +Other manufacturing expenses	Average Trade Payables (after note no. 35)	37.13	5.71	-308%	
Net capital turnover Ratio	Revenue / Working Capital	Revenue - Re-invested from operations	Working Capital = Current assets - Current liability	(1.90)	(0.78)	-92%	Tradeable reduction of Capital turnover ratio due to increase in working capital on account of increase in current investment.
Debt Service coverage ratio	Net Operating Income / Debt Service	Net Operating Income = Profit before tax for the year + Profit on goods + Depreciation and amortisation expense	Debt service = Finance cost + Lease payments	1.19	0.50	-197%	
Net Profit Ratio	Net Profit / Net Sales	Net Profit - Profit for the year	Net Sales - affected from operations	0.02	(0.02)	157%	
Return on Equity Ratio	Profit after tax / Shareholder's Equity	Total comprehensive income for the year	Shareholders Equity/Total Equity	(0.04)	(0.02)	-22%	
Return on capital employed	EBIT / Capital Employed	EBIT = Profit before tax + Finance costs	Capital Employed = Total assets - current liabilities	(0.11)	0.10	207%	
Inventory turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of goods sold = Cost of material purchased + Purchase of finished goods + Other manufacturing expenses + Changes in inventories of finished goods, Inward goods & work in progress	Average Inventory	6.15	3.53	-78%	
Return on investment	Net Profit from Investment	Net Profit from before tax + Finance Costs	Net Investment = Total Equity	(0.06)	(0.02)	228%	
Trade receivables turnover (BQ)	Net Credit Sales / Average Trade Receivables	Net Credit sales = Revenue from operations	Average Trade Receivables	34.29	34.04	-4%	



Hurler Print Limited  
 Neely Forming part of the financial statements for the year ended March 31, 2024  
 All amounts in Rs. Lakhs, unless otherwise stated

#### 40. Other statutory information

- (i) The Company do not have any bonus property, where any proceeding has been initiated or pending against the Company for holding any bonus property under the Bonus Transactions (Prohibition) Act, 1986 and rules made thereunder.
- (ii) The Company did not have any shares held with compulsorily convertible preference shares under section 238 of the Companies Act, 2013 or section 260 of the Companies Act, 1956
- (iii) The Company do not have any charges or registration which is still to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- (iv) The Company have not issued or received in cash or kind or currency during the financial year
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall
- 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
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
- 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.
- (vii) The Company have not entered into any such transaction which is not recorded in the books of accounts that has been considered or declared as income during the period 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).
- (viii) The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (ix) The company is in compliance with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act read with the Companies (Fertilizer or number of Layers) Rules, 2017.
- (x) The company has not revalued its property, plant and equipment or intangible assets during the current or previous year

41. The comparative figures have been regrouped/reclassified, where necessary, to conform to this period's classification

As per our report of even date

For B P SHARMA & Associates  
 Chartered Accountants  
 Firm Registration No. 029675

B.P. Sharma  
 Partner  
 Membership No. 082131

Place: Bangalore  
 Date: 14/05/2024

For and on behalf of the Board of Directors of  
 Hurler Print Limited  
 CIN: U26104KA2012PLC029444

Dr. K. K. Gupta  
 Director  
 DIN: 01428749

Place: Bangalore  
 Date: 14/05/2024

Ashish Padmanabh Katti  
 Director  
 DIN: 01587117

Place: Bangalore  
 Date: 14/05/2024



Kurton Retail Limited  
Balance Sheet as at September 30, 2024

(Rs in Lakhs)

Particulars	Note no.	As at September 30, 2024
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	1	156.93
Right-of-use assets	2	329.83
Other intangible assets	3	3.08
Financial assets		
(i) Other financial assets	4	260.60
Non-current tax assets (net)	5	27.26
<b>Total non-current assets</b>		<b>777.70</b>
Current assets		
Inventories	6	540.36
Financial assets		
(i) Trade receivables	7	93.16
(ii) Cash and cash equivalents	8	67.21
(iii) Bank balances other than cash and cash equivalents	9	3.73
Other current assets	10	275.89
<b>Total current assets</b>		<b>1,890.34</b>
<b>Total assets</b>		<b>1,890.04</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Equity share capital	11	763.33
Other equity	12	(2,898.37)
<b>Total equity</b>		<b>(2,135.04)</b>
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	14	296.50
Provisions	15	8.30
<b>Total non-current liabilities</b>		<b>304.80</b>
Current liabilities		
Financial liabilities		
(i) Borrowings	13	2,794.57
(ii) Lease liabilities	14	227.80
(iii) Trade payables		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	16	830.74
(iv) Other financial liabilities	17	6.91
Provisions	15	2.70
Other current liabilities	18	59.27
<b>Total current liabilities</b>		<b>3,716.29</b>
<b>Total liabilities</b>		<b>3,993.09</b>
<b>Total equity and liabilities</b>		<b>1,890.06</b>

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

For and on behalf of the Board of Directors of  
Kurton Retail Limited  
CIN: U38104KA2012PLC065964



Anil Kumar Gupta  
Director  
DIN: 01406743



Place: Noida  
Date: 02-12-2024


Kurion Retail Limited  
Statement of Profit and Loss for the period ended September 30, 2024

(Rs in Lakhs)

Particulars	Note no.	For the period ended September 30, 2024
<b>Income</b>		
Revenue from operations	19	1,820.79
Other income	20	4.70
<b>Total Income</b>		<b>1,825.49</b>
<b>Expenses</b>		
Purchase of stock-in-trade	21	1,468.94
Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	(54.93)
Employee benefits expense	23	133.73
Finance costs	24	32.12
Depreciation and amortisation expense	25	93.34
Other expenses	26	481.06
<b>Total Expenses</b>		<b>2,134.06</b>
<b>Profit/(loss) before tax</b>		<b>(308.57)</b>
Exceptional items		
<b>Profit/(Loss) before tax from continuing operations</b>		<b>(308.57)</b>
<b>Income Tax expense</b>		
Current tax		-
Tax expenses related to earlier years		-
Deferred tax (net)		-
<b>Total income tax expense</b>		<b>-</b>
<b>Profit/(loss) for the period</b>		<b>(308.57)</b>
<b>Other comprehensive income (net of tax)</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Re-measurements - gain / (loss) of the net defined benefit plans		1.72
Income tax on above item		-
<b>Total Other comprehensive income/ (loss) (net of tax)</b>		<b>1.72</b>
<b>Total comprehensive income for the period</b>		<b>(307.25)</b>
<b>Earnings per equity share (face value of Rs. 10/- each)</b>		
<b>Basic and diluted (Rs)</b>		<b>(2.02)</b>

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

For and on behalf of the Board of Directors of  
Kurion Retail Limited  
CIN: U38104KA2012PLC085664

  
Anil Kumar Gupta  
Director  
DIN: 01438743



Place: Noida  
Date: 02-12-2024



Karlon Retail Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 1 : PROPERTY, PLANT AND EQUIPMENT**

Particulars					(Rs in Lakhs)
	Furniture and fixtures	Vehicles	Office equipment	Computers	Total property, plant and equipment
<b>At cost</b>					
As at April 1, 2024	285.66	-	11.27	6.56	303.49
Additions	-	-	2.20	-	2.20
Disposals	(0.26)	-	-	-	(0.26)
<b>As at September 30, 2024</b>	<b>285.39</b>	<b>-</b>	<b>13.47</b>	<b>6.56</b>	<b>305.43</b>
<b>Accumulated depreciation</b>					
As at April 1, 2024	131.34	-	3.35	5.90	141.10
Depreciation charge for the period	7.20	-	0.20	0.01	7.40
Disposals	-	-	-	-	-
<b>As at September 30, 2024</b>	<b>138.54</b>	<b>-</b>	<b>4.04</b>	<b>5.90</b>	<b>148.50</b>
<b>Net carrying amount</b>					
<b>As at September 30, 2024</b>	<b>146.85</b>	<b>-</b>	<b>9.43</b>	<b>0.67</b>	<b>156.93</b>

Karson Retail Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 2: RIGHT-OF-USE ASSETS**

Particulars	(Rs. in Lakhs)	
	Buildings	Total
Cost		
As at April 1, 2024	1,328.36	1,328.36
Additions	-	-
Disposal/Transfer	-	-
As at September 30, 2024	<u>1,328.36</u>	<u>1,328.36</u>
Accumulated Depreciation		
As at April 1, 2024	912.80	912.80
Charge for the period	85.65	85.65
Disposal/Transfer	-	-
As at September 30, 2024	<u>998.52</u>	<u>998.52</u>
Net book value as at September 30, 2024	<u>329.83</u>	<u>329.83</u>

**NOTE 3: INTANGIBLE ASSETS**

Particulars	(Rs. in Lakhs)	
	Computer Software	Total
Cost		
As at April 1, 2024	13.03	13.03
Additions	-	-
Disposal/Transfer	-	-
As at September 30, 2024	<u>13.03</u>	<u>13.03</u>
Amortisation		
As at April 1, 2024	9.87	9.87
Charge for the period	0.28	0.28
Adjustment	-	-
As at September 30, 2024	<u>10.15</u>	<u>10.15</u>
Net book value as at September 30, 2024	<u>2.88</u>	<u>2.88</u>

Karlon Retail Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

## NOTE 4 : OTHER FINANCIAL ASSETS (NON CURRENT)

(Rs. in Lakhs)

Particulars	As at September 30, 2024
(Unsecured, considered good)	
Security deposits	280.00
Total	280.00

## NOTE 5 : NON CURRENT TAX ASSETS (NET)

(Rs. in Lakhs)

Particulars	As at September 30, 2024
Advance income tax including tax deducted at source	26.74
MN Credit Entitlement	0.51
Total	27.25

## NOTE 6 : INVENTORIES

(Rs. in Lakhs)

Particulars	As at September 30, 2024
(Valued at lower of cost and net realisable value unless otherwise stated)	
Traded goods	538.29
Traded goods in transit	2.00
Total	540.29

## NOTE 7 : TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	As at September 30, 2024
(At amortised cost)	
Unsecured	
Trade receivables - considered good (refer note below)	193.18
Trade receivables - considered doubtful	
Trade receivables (gross)	193.18
Less: Impairment allowance for trade receivables considered doubtful	
Total	193.18

Kurion Retail Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 8 : CASH AND CASH EQUIVALENTS**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Balance with banks :	
Current accounts	87.74
Cash on hand	8.47
<b>Total</b>	<b>96.21</b>

**NOTE 9 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Deposits having original maturity more than 3 months but less than 12 months	3.73
<b>Total</b>	<b>3.73</b>

**NOTE 10 : OTHER CURRENT ASSETS**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
(Unsecured, considered good)	
Advance to contractors/suppliers	60.05
Advance to employees	1.58
Balance with Statutory/Government authorities	212.17
Prepaid expenses	0.00
Other Current Assets	2.01
<b>Total</b>	<b>275.81</b>

Kurson Retail Limited  
 Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 11 : EQUITY SHARE CAPITAL**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
(a) Authorised share capital: 4,00,00,000 Equity shares of Rs. 5/- each with voting rights (March 31, 2024 : 4,00,00,000 fully paid equity shares of Rs. 5/- each)	2,000.00
	2,000.00
Issued, subscribed & paid up share capital: 1,52,68,886 fully paid equity shares of Rs. 5/- each (March 31, 2024 : 1,52,68,886 equity shares of Rs. 5/- each)	763.33
<b>Total</b>	<b>763.33</b>

Kurlon Retail Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 12 : OTHER EQUITY**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Securities premium account	596.66
Retained earnings	(3,895.03)
<b>Total</b>	<b>(2,898.37)</b>

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Securities premium account	
Opening balance	596.66
Addition	
<b>Closing balance</b>	<b>596.66</b>
Retained earnings	
Opening balance	(3,547.75)
Net profit/loss for the period	(308.97)
Remeasurements of the net defined benefit plans (net of tax)	1.72
Less : Other adjustments	(0.03)
<b>Closing balance</b>	<b>(3,895.03)</b>

**NOTE 13 : BORROWINGS**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Secured borrowings	
Loans from banks	1.07
Unsecured borrowings	
Loans from related parties	2,790.50
<b>Total</b>	<b>2,791.57</b>

**NOTE 14 : LEASE LIABILITIES**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Lease liabilities	484.10
<b>Total</b>	<b>484.10</b>
Current	227.60
Non current	266.50

Karlon Retail Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 15: PROVISIONS**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Long-term provisions:	
-Compensated absences	8.30
<b>Total</b>	<b>8.30</b>
Short-term provisions:	
Provision for employee benefits:	
-Compensated absences	2.70
<b>Total</b>	<b>2.70</b>

**NOTE 16 : TRADE PAYABLES**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Trade payables other than acceptances	
Total outstanding dues of creditors other than micro enterprises and small enterprises	630.24
<b>Total</b>	<b>630.24</b>

**NOTE 17 - OTHER FINANCIAL LIABILITIES (CURRENT)**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Employee related liabilities	6.91
<b>Total</b>	<b>6.91</b>

**NOTE 18 : OTHER CURRENT LIABILITIES**

Particulars	(Rs. in Lakhs)
	As at September 30, 2024
Contract liabilities	22.23
Statutory dues payable	37.04
<b>Total</b>	<b>59.27</b>

Kurion Retail Limited  
 Notes forming part of the financial statements for the period ended September 30, 2024  
 Balance Sheet as at September 30, 2024

**NOTE 19 : REVENUE FROM OPERATIONS**

Particulars	(Rs. in Lakhs)
	For the period ended September 30, 2024
Revenue from contracts with customers	
Sole of products	1,820.79
<b>Total</b>	<b>1,820.79</b>

**NOTE 20 : OTHER INCOME**

Particulars	(Rs. in Lakhs)
	For the period ended September 30, 2024
Interest income	
From:	
Bank deposits	0.12
Other non operating income	
Other miscellaneous income	4.58
<b>Total</b>	<b>4.70</b>

**NOTE 21 : PURCHASE OF STOCK-IN-TRADE**

Particulars	(Rs. in Lakhs)
	For the period ended September 30, 2024
Traded Goods - Bed sheets /comforters/ Mattress	1,468.94
<b>Total</b>	<b>1,468.94</b>

**NOTE 22 : CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

Particulars	(Rs. in Lakhs)
	For the period ended September 30, 2024
Closing stock:	
Traded goods	538.29
Opening stock:	
Traded goods	483.36
<b>Changes in Inventories of Stock-in-Trade</b>	<b>54.93</b>



Kurlon Retail Limited  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 23 : EMPLOYEE BENEFITS EXPENSE**

Particulars	(Rs. in Lakhs)
	For the period ended September 30, 2024
Salaries, wages, allowance, and other benefits	120.24
Contribution to gratuity	1.72
Contribution to provident and other funds	1.73
Staff welfare expenses	3.84
<b>Total</b>	<b>133.13</b>

**NOTE 24 : FINANCE COSTS**

Particulars	(Rs. in Lakhs)
	For the period ended September 30, 2024
Interest expense: (on financial liabilities measured at amortised cost)	
- Security deposits	
- On lease liabilities	22.41
Bank Charges	9.71
<b>Total</b>	<b>32.12</b>

**NOTE 25 : DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	(Rs. in Lakhs)
	For the period ended September 30, 2024
Depreciation of property, plant and equipment	7.41
Amortisation of intangible assets	0.28
Depreciation on right-of-use assets	85.65
<b>Total</b>	<b>93.34</b>

**NOTE 26 : OTHER EXPENSES**

Particulars	(Rs. in Lakhs)
	For the period ended September 30, 2024
Power and fuel	23.38
Freight and forwarding	18.83
Rent and lease	59.81
Insurance	3.01
Rates and taxes	2.28
Legal and professional	8.31
Audit Fees - Statutory	0.80
Other repairs and maintenance	2.70
Travelling and conveyance	5.62
Advertisement & Selling Expenses	329.70
Postage and courier	1.10
Miscellaneous	13.61
<b>Total</b>	<b>481.86</b>

For and on behalf of the Board of Directors of  
Kurlon Retail Limited  
CIN: U00104KA2012PLC000064



Ansh Kumar Gupta  
Director  
DIN: 01436743



Place: Noida  
Date: 02-12-2024

**S P SRIVASTAVA & Associates**

Chartered Accountants  
N-306, Manipal Center,  
47, Dickenson Road,  
Bangalore - 560042  
Karnataka, INDIA

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Komfort Universe Products and Services Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying Financial Statements of **Komfort Universe Products and Services Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SA's) 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 Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

**Material Uncertainty in relation to Going Concern**

We draw attention to Note 29 in the Financial Statements, which indicates that the Company has accumulated losses of ₹1,093.46 lakhs as at March 31, 2024 and its net worth as at that date is ₹1,088.46 lakhs (negative), which indicates that a material uncertainty exists in the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the Financial Statements, and our Auditor's report thereon.



- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained 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.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.

#### **Other Matter**

The financial statements of the Company for the year ended March 31, 2023 were audited by another auditor whose report dated July 25, 2023 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

#### **Report on Other Legal and Regulatory Requirements**

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



- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet and the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
- d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to the directors.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 30(vi) of the Financial Statements, 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide



any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 30 (vii) of the Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Account) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified paragraphs 3 and 4 of the Order.

**For S P SRIVASTAVA & Associates**

Chartered Accountants

Firm's Registration No. 025663S




**S K Subramanian**

Partner

Membership No. 205737

UDIN: 24205737BKBINK7415

Place: Bengaluru

Date: 14/05/2024

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Komfort Universe Products and Services Limited** of even date)

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

We have audited the Internal Financial Controls with reference to Financial Statements of **Komfort Universe Products and Services Limited** (the "Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). 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 Companies Act, 2013.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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 was established and maintained and if such controls operated effectively in all material respects.

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

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 with reference to Financial Statements.



### Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements 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 ICAI.

**For S P SRIVASTAVA & Associates**

Chartered Accountants

Firm's Registration No. 025663S




**S K Subramanian**

Partner

Membership No. 205737

UDIN: 24205737BKBINK7415

Place: Bengaluru

Date: 14/05/2024



## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Komfort Universe Products and Services Limited 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.
  - (a) (A) The Company does not own any property, plant or equipment during the year. Accordingly, reporting under clause 3(i)(a)(A) of the Order is not applicable.
  - (B) The Company does not own any intangible assets and hence reporting under clause 3(i)(a)(B) of the Order is not applicable.
  - (b) The Company does not own any property, plant or equipment during the year. Accordingly, reporting under clause 3(i)(b) of the Order is not applicable.
  - (c) The Company does not have immovable properties. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
  - (d) The Company does not own any property, plant or equipment during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The inventory, except goods-in-transit and stock lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. According to information and explanations given to us and on the basis of our examination of the records of the Company, there is no physical stock lying as on March 31, 2024.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the order is not applicable.
- iii. The Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv. The Company has neither made any investments nor has given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order



is not applicable.

- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) There are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs, duty of excise as on March 31, 2024, on account of disputes.
- viii. 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.
- ix.
- (a) The company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) to (d) of the Order is not applicable.
- (e) 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. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.
- x.
- (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on clause 3(x)(a) of the order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on clause 3(x)(b) of the order is not applicable.



- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) 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) Based on the information and explanation provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. The transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. The company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013, hence reporting under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.
- 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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) 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. On an overall examination of the Financial Statements of the Company, the Company has incurred cash losses in the current financial year amounting to ₹723.84 Lakhs and ₹9.07 Lakhs in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation 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. The provisions of the Companies Act 2013 with respect to CSR are not applicable to the Company, hence reporting under clause 3(xx)(a) and (b) of the order is not applicable.

**For S P SRIVASTAVA & Associates**

Chartered Accountants

Firm's Registration No. 025663S



**S K Subramanian**

Partner

Membership No. 205737

UDIN: 24205737BKBINK7415



Place: Bengaluru

Date: 14/05/2024

**KORICO UNIVERSAL PRODUCTS AND SERVICES LIMITED**  
**Balance Sheet as at March 31, 2024**

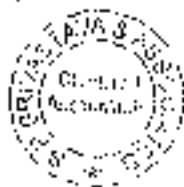
Particulars	Notes	(Rs. in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current Assets</b>			
<b>Current assets</b>			
<b>Financial assets</b>			
(a) Trade receivables	4	-	65.02
(ii) Cash and cash equivalents	5	8.28	3.18
Other current assets	6	74.23	58.84
<b>Total current assets</b>		<b>79.51</b>	<b>127.04</b>
<b>Total assets</b>		<b>79.51</b>	<b>127.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	7	5.00	5.00
Other equity	8	(1,093.46)	(381.43)
<b>Total equity</b>		<b>(1,088.46)</b>	<b>(376.43)</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Provisions	10	35.93	32.42
<b>Total non-current liabilities</b>		<b>35.93</b>	<b>32.42</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(a) Borrowings	9	141.03	-
(i) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	11	930.24	172.41
(ii) Other financial liabilities	12	37.80	48.39
Provisions	13	3.01	14.06
Other current liabilities	15	17.40	45.52
<b>Total current liabilities</b>		<b>1,132.04</b>	<b>480.38</b>
<b>Total liabilities</b>		<b>1,467.97</b>	<b>913.31</b>
<b>Total equity and liabilities</b>		<b>79.51</b>	<b>127.04</b>

The accompanying notes form an integral part of these financial statements.  
 As per our report of even date

For For S P SRINIVAS & Associates  
 Chartered Accountants  
 Firm Registration No. 0256635

For and on behalf of the Board of Directors of  
 Korico Universal Products And Services Limited  
 CIN: U52670KA2001PLC F43244

S.K Subramanian  
 Partner  
 Membership No. 205737



Place: Bangalore  
 Date: 14-05-2024

Abhishek Padmanabh Kowd  
 Managing Director  
 DIN: 01587117

Place: Bangalore  
 Date: 14-05-2024

Arav Kumar Dey  
 Director  
 DIN: 01436140

Place: Bangalore  
 Date: 14-05-2024



**KOMFORT DELIVERSE PRODUCTS AND SERVICES LIMITED**  
**Statement of Profit and Loss for the year ended March 31, 2024**

Particulars	Note no.	(Rs. in Lakhs)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	14	530.92	251.05
Other income	15	1.63	0.88
<b>Total Income</b>		<b>541.65</b>	<b>251.93</b>
<b>Expenses</b>			
Purchase of stock-in-trade	16	414.25	146.26
Changes in valuation of finished goods, stock-in-trade and work-in-progress	16	-	42.55
Employee benefits expense	17	767.41	254.78
Finance costs	18	0.04	0.01
Other expenses	18	423.84	210.78
<b>Total Expenses</b>		<b>1,795.64</b>	<b>664.38</b>
Profit before tax		(729.84)	(8.87)
Exceptional items		-	-
<b>Profit (Loss) before tax from continuing operations</b>		<b>(729.84)</b>	<b>(8.87)</b>
<b>Profit for the year</b>		<b>(729.84)</b>	<b>(8.87)</b>
Other comprehensive income (net of tax)			
Items that will not be reclassified to profit or loss			
Remeasurements (gains/losses) of the net defined benefit plans		16.85	15.41
Items that will be reclassified to profit or loss			
Fair value gains/losses on investments and other financial instruments			
Income tax on above item			
<b>Total Other comprehensive income/(loss) (net of tax)</b>		<b>16.85</b>	<b>15.41</b>
<b>Total comprehensive income for the year</b>		<b>(708.84)</b>	<b>7.32</b>
<b>Earnings per equity share (face value of Rs.10/- each):</b>			
Basic and diluted (Rs.)	23	(1.413.94)	44.74

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

As per our report of even date

For JCP SRINAGI & Associates  
 Chartered Accountants  
 Firm Registration No. 0254635

For and on behalf of the Board of Directors of  
 Comfort Deliverse Products and Services Limited  
 CIN: U2620KA2021PLC143244

SJK Subramanian  
 Partner  
 Membership No: 201177

Place: Bengaluru  
 Date: 14-05-2024

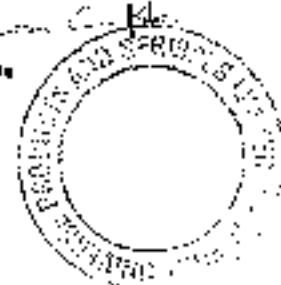


Abhilash Padmanabh Kamad  
 Managing Director  
 DIN: 01587147

Place: Bengaluru  
 Date: 14-05-2024

Amit Kumar Gupta  
 Director  
 DIN: 028743

Place: Bengaluru  
 Date: 14-05-2024



KOPIFORM UNIVERSE PRODUCTS AND SERVICES LIMITED  
Statement of Changes in Equity for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

Particulars	Rp. in Millions
Balance as at April 01, 2023	10.00
and issued during the year	-
Balance as at March 31, 2023	10.00
Add issued during the year	-
Balance as at March 31, 2024	10.00

B. OTHER EQUITY

Particulars	Retained and surplus				Liabilities or Other Comprehensive Income		Total
	Retained earnings	Securities premium	Capital reserve	General reserve	Debt instruments through OCI	Capital flow hedge reserve through OCI	
Balance as at April 01, 2023	(770.84)	-	-	-	-	-	(770.84)
Profit for the year	15.07	-	-	-	-	-	15.07
Other Comprehensive Income (Loss) for the year (net of tax)	16.44	-	-	-	-	-	16.44
Dividend paid	-	-	-	-	-	-	-
Transfers from one account for the year	7.37	-	-	-	-	-	7.37
Balance as at March 31, 2023	(742.40)	-	-	-	-	-	(742.40)
Profit for the year	(773.84)	-	-	-	-	-	(773.84)
Other comprehensive income (loss) for the year (net of tax)	16.44	-	-	-	-	-	16.44
Total comprehensive income for the year	(757.40)	-	-	-	-	-	(757.40)
Balance as at March 31, 2024	(1,500.44)	-	-	-	-	-	(1,500.44)

The accompanying notes are an integral part of these financial statements

\* In accordance with the Board of Directors' decision dated 03 April 2010, the Company has recognized contribution of defined benefit plans amounting to Rp 10.000.000.000 (10 billion) as a part of retained earnings in previous financial year.

As per approval of owners

For For S.P. SRIWASTANA & Associates  
Chartered Accountants  
Firm Registration No. 025655

For and on behalf of the Board of Directors of  
KopiForm Universe Products and Services Limited  
CIN: U62200KA2021PLC143244

Sri Sucarnan  
Partner  
Membership No. 205787



Place: Bengkulu  
Date: 14-05-2024

Achmad Padmanah Kanti  
Managing Director  
DIN: K1587137

Place: Bengkulu  
Date: 14-05-2024

Andi Kurnia Dewi  
Director  
DIN: 01486743

Place: Bengkulu  
Date: 14-05-2024



**KANFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
Statement of Cash Flows for the year ended March 31, 2024

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	723.84	18.87
Adjustments for:		
Finance costs	0.02	6.0
For sale gain / loss on investments (net)	16.25	
Operating profit before working capital changes	740.11	24.87
Changes in working capital:		
Decrease in inventories	-	42.59
(Increase) / Decrease in loans and trade receivables	85.02	28.98
Decrease / (Increase) in other financial and non-financial assets	-11.39	41.05
(Decrease) / Increase in trade payables	701.13	41.85
Increase / (Decrease) in other current liabilities	-27.43	1172.34
(Decrease) / Increase in debt, financial liabilities, non-financial liabilities and provisions	-15.05	35.74
Cash generated from operations	743.39	16.78
Increase by profit (net of dividend)		
<b>Net cash flow from operating activities (A)</b>	<b>743.39</b>	<b>16.78</b>
<b>B. Cash flow from investing activities</b>		
<b>C. Cash flow from financing activities</b>		
Payment of lease liabilities (principal and interest)	-	-
Fees paid for increase in authorised share capital	-	-
Finance costs	(0.02)	(5.0)
<b>Net Cash (used in) financing activities (C)</b>	<b>(0.02)</b>	<b>(5.0)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B-C)</b>	<b>743.39</b>	<b>11.78</b>
Cash and cash equivalents at the beginning of the year	7.18	0.04
<b>Cash and cash equivalents at the end of the year</b>	<b>8.57</b>	<b>11.82</b>

## Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- Figures in bracket represent cash outflow.
- Components of cash and cash equivalents

	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balance with banks in current accounts	8.28	7.18
Balance as per Statement of Cash Flows	0.29	0.64

## 4. Changes in liabilities arising from financing activities

Particular	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Lease liabilities		
Lease liabilities at the year end		

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

As per our report of date 08/06

For For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No. 0056635

For and on behalf of the Board of Directors of  
Kanfort Universe Limited  
CIN: U38101MH2011PLC222657

S.K. Sathyanarayanan  
Partner  
Membership No. 205737



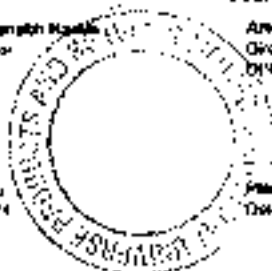
Place: Bangalore  
Date: 14-06-2024

Abhishik Padmanabh Kulkarni  
Managing Director  
DIN: 01587117

Anil Kumar Gupta  
Director  
DIN: 01436143

Place: Bangalore  
Date: 14-06-2024

Place: Bangalore  
Date: 14-06-2024





**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**

Notes forming part of the financial statements for the year ended March 31, 2024

**Notes forming part of the Financial Statements****Material Accounting Policies****1 Corporate Information**

Komfort Universe Products And Services Limited was incorporated in Karnataka on 11.04.2021. The Company is a wholly owned subsidiary company of Kurlon Enterprise Limited and is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, supplying, dealing and trading of Semi-finished Goods (SFG), foam products, RC Parts, EPPE Products and other related Products and Services on B2B basis in India and outside India.

The company is in the process of merging with Kurlon Enterprise Limited and the application in this regard is pending before the MCLT Mumbai bench.

**2 Material Accounting Policies****2.1 Statement of compliance**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS" notified under the Companies (Indian Accounting Standards) Rules, 2015. The Company has prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act, 2013 read together with paragraph 7 of Companies Rules, 2014 (Indian GAAP).

**2.2 Basis of Preparation and Presentation**

These Financial Statements are prepared in accordance with Division II of schedule III of Companies Act, 2013, under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Financial Statements are presented in Indian Rupees (₹) unless otherwise stated. Further deferred benefit plans and plan assets are measured at fair value at the end of the each reporting period as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principle market for the asset or liability, or in the absence of principle market, in the most advantageous market for the asset or liability. The principle or the most advantageous market must be accessible by the Company. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability and the assumptions the market participants would consider when pricing the asset or liability at the measurement date, assuming that market participants act in their best economic interest. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

Fair value measurement . . . . .

**Fair value measurements . . . . .**

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

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 inputs are unobservable inputs for the asset or liability.



Notes forming part of the Financial Statements  
Material Accounting Policies

**2.3 Use of Estimates and Judgement**

In preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS, management of the Company has made estimates, judgements and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income, expenses and disclosures relating to contingent liabilities as at the date of the financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively, judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements. Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year in respect of percentage of completion of contracts and recognition of probable loss, useful lives of property, plant and equipment, provision for income tax and valuation of deferred tax assets/ liabilities, provision for warranty and other provisions and contingent liabilities.

**Provisions and Contingent Liabilities**

A provision is recognized when the Company has a present obligation arising out of past events and it is probable that an outflow of economic resources would be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements but are disclosed appropriately. A contingent asset is neither recognized nor disclosed in the financial statements.

**2.4 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of Govt. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

**Sale of goods**

Revenue from the sale of goods is recognized when (i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods, (ii) retaining control over the goods sold, (iii) the amount of revenue can be measured reliably; (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably. Sales returns are recognized as and when ascertained and are reduced from the sales turnover of the year. Amounts disclosed as revenue are net of Sales Tax, Goods & Service Tax, trade allowances, rebates and value added items.

**Other Income**

**Interest Income**- Interest income is recognized and accounted on the basis of the effective interest rate method.  
**Dividend Income**- Dividend income is accounted for when the right to receive is established.

**2.5 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'Profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years (Temporary Differences) and items that are never taxable or deductible (Permanent Differences). The company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

**Deferred tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which these deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.



**Notes forming part of the Financial Statements**  
**Material Accounting Policies**

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

**2.6 Inventory**

Items of inventories are valued at the lower of cost and the net realizable value. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and delivering charges. Cost of inventories are determined on a weighted average basis.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**2.7 Provisions**

Provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset (if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably).

**2.8 Financial Instruments**

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through statement of profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**A) Financial Assets**

**Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**Financial Assets at Amortized Cost**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Notes forming part of the Financial Statements  
**Material Accounting Policies**

**Derecognition of financial assets** A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

**Financial Assets at Fair Value Through Profit and Loss (FVTPL)**

Financial assets are measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognized in statement of profit and loss.

**B) Financial Liabilities and Equity**

**Financial Liabilities at Amortized Cost**

Financial liabilities are measured at amortized cost using effective interest method.

**Equity Instruments**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognized by the Company are recognized at the proceeds received net of direct issue cost.

**2.9 Earnings Per Share (EPS)**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the positive effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**2.10 Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty**

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used. 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 future periods are affected. Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of Oil impairment, useful lives of Property, Plant and Equipment, depletion of oil and gas assets, decommissioning provision, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent liabilities.

**2.11 Critical judgments in applying accounting policies**

The following are the critical judgments, apart from those involving estimations, that the Management have made in the process of applying the company's accounting policies and that have the significant on the amounts recognized in the Financial Statements.

**2.12 Determination of functional currency**

Currency of the primary economic environment in which the company operates ("the functional currency") is Indian Rupee (₹) which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee(₹).

**2.13 Impact Assessment on Ind AS amendments applicable for FY 2023-24**

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

**Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

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



## KOMFORT UNIVERSAL PRODUCTS AND SERVICES LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 04 : TRADE RECEIVABLES

(Rs. in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
(All unsecured and)		
Unsecured		
Trade receivables - considered good (refer note below)	-	65.02
Trade receivables - considered doubtful	-	-
Trade receivables (gross)	-	65.02
Less: Impairment allowance for trade receivables considered doubtful	-	-
Total	-	65.02
Further classified as		
Receivable from others	-	65.02
	-	65.02

## Note :

- Trade receivables are non-interest bearing and are generally on terms of 7 to 90 days.
- Trade receivables are usually short-interest bearing and are on trade terms of 0 - 90 days.
- Trade Receivables aging schedule:

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 3 months	3 months - 1 year	1-2 years	2-3 years	more than 3 years	
Unsecured trade receivables - considered good	-	14.22	40.83	9.97	-	-	65.02
Total	-	14.22	40.83	9.97	-	-	65.02

## NOTE 05 : CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Balance Sheet as follows:

Particulars	As at	
	March 31, 2024	March 31, 2023
Balance with banks		
Current accounts	1.23	2.18
Fixed deposits availed with an original maturity of less than 12 months	-	-
Cash on hand	-	-
Total	1.23	2.18

## NOTE 06 : OTHER CURRENT ASSETS

(Rs. in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
(Unsecured, considered good)		
Advances to contractors/suppliers	-	-
Balances with Statutory/Government authorities	71.23	54.49
Total	71.23	54.49
(Unsecured, credit impaired)		
Advances recoverable in cash or kind	-	-
- Others	-	1.36
Less : Provision for doubtful advances	-	5.36
	71.23	50.84



**COMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2024**

**NOTE 07: EQUITY SHARE CAPITAL**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Authorised share capital: 50,000 fully paid equity shares of Rs. 10/- each (March 31, 2023: 50,000 fully paid equity shares of Rs. 10/- each)	5.00	5.00
Issued, subscribed & paid up share capital 50,000 fully paid equity shares of Rs. 10/- each (March 31, 2023: 50,000 equity shares of Rs. 10/- each)	5.00	5.00
Total	<u>5.00</u>	<u>5.00</u>

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

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
At the beginning of the year	50,000	10.00	50,000	10.00
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<u>50,000</u>	<u>10.00</u>	<u>50,000</u>	<u>10.00</u>

(c) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the company after distribution of all preferred amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding	Number of shares	% of holding
Karlon Enterprise Limited (Equity shares of ₹ 10/- each with voting rights)	50,000	100.00%	50,000	100.00%

\* Includes the beneficial interest in 100 shares, which are registered in the name of the Managing Director

(e) Shareholding of promoters & promoter group

Shares held by promoters at the end of the year	As at March 31, 2024			As at March 31, 2023		
	Number of Shares	% of holding	% Change during the year	Number of Shares	% of holding	% Change during the year
Promoter name Karlon Enterprise Limited (Equity shares of ₹ 10/- each with voting rights)	50,000	100.00%	0%	50,000	100.00%	0.00%
Total	<u>50,000</u>	<u>100.00%</u>	<u>0.00%</u>	<u>50,000</u>	<u>100.00%</u>	<u>0.00%</u>



**KOMPAGNI UNIVERSAL PRODUCTS AND SERVICES LIMITED**  
**Notes forming part of the financial statements for the year ended March 31, 2024**

**NOTE 08 : OTHER EQUITY**

Particulars	RS. IN LAKHS	
	As at March 31, 2024	As at March 31, 2023
Retained earnings	17,693.26	1581.47
Total	17,693.26	1581.47
		(Rs. in Lakhs)
Retained earnings		
Opening balance	186.47	(993.94)
Net profit for the year	723.34	607
Dividend declared during the year	-	-
Expenses towards increase of authorized capital	-	-
Share repurchase of the red-chipped bond plan (net of tax)	86.79	16.44
Loss Dividend paid	-	-
Closing balance	17,693.26	1581.47

**NOTE 09 : BORROWINGS**

Particulars	RS. IN LAKHS	
	As at March 31, 2024	As at March 31, 2023
Secured borrowings LOANS FROM BANKS	-	-
Unsecured borrowings Loans from related parties (Refer Note 35)	141.83	-
Total	141.83	-

**Note**

100% Loan from related parties of Rs. 141.83 Lakhs (March 31, 2024) & Nil (March 31, 2023)

**NOTE 10 : PROVISIONS**

Particulars	RS. IN LAKHS	
	As at March 31, 2024	As at March 31, 2023
Short-term provisions:		
Provision for employee benefits		
- Gratuity	11.28	21.26
- Compensated absences	24.55	11.96
Bonus Payable	-	-
- Provision for warranty claim cost below	-	-
Total	35.83	33.22
Long-term provisions:		
Provision for employee benefits		
- Compensated absences	3.79	3.07
- Gratuity	0.07	1.04
Other provisions	-	-
Bonus Payable	-	10.10
Total	3.86	14.21

**Note:**

Provision for warranty:



**NEWPORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
 Making forming part of the financial statements for the year ended March 31, 2024  
**NOTE 11 : TRADE PAYABLES**

Particulars	₹(s. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade payables other than MSMEs		
(i) Total outstanding dues of micro enterprises and small enterprises (refer note no. 5C)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	932.24	372.14
<b>Total</b>	<b>932.24</b>	<b>372.14</b>

**Note:**

- a. Trade payables due to related parties are disclosed in note no. 10.  
 b. Trade payables for micro and small enterprises are non-interest bearing and are normally settled on 7 days to 30 days credit terms.  
 c. Trade payables other than micro and small enterprises are non-interest bearing and are normally settled on 60 days to 90 days credit terms.  
 d. Aging Analysis for Trade payables:

Particulars	As on March 31, 2024						Total
	Unbilled Dues	Outstanding for following periods from due date of payment					
		Payables not due	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-	-	
(ii) Others	-	-	762.31	79.60	-	-	841.91
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>762.31</b>	<b>79.60</b>	-	-	<b>841.91</b>

Particulars	As on March 31, 2023						Total
	Unbilled Dues	Outstanding for following periods from due date of payment					
		Payables not due	Less than 1 year	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	239.32	137.79	-	-	377.11
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>239.32</b>	<b>137.79</b>	-	-	<b>377.11</b>

**NOTE 12 : OTHER FINANCIAL LIABILITIES (CURRENT)**

Particulars	₹(s. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Deposit from debtors and others	25.30	48.59
Payable to Employees	12.39	-
Unearned interest income on deposits from debtors	-	-
Unearned rent income	-	-
<b>Total</b>	<b>37.69</b>	<b>48.59</b>

**NOTE 13 : OTHER CURRENT LIABILITIES**

Particulars	₹(s. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Retention monies	-	-
Advanced credit limit	-	-
Advance from customers	10.57	6.70
Salary dues payable-PT	0.25	0.84
Salary dues payable-GSI	0.52	6.42
Salary dues payable-TDS	4.32	4.38
Salary dues payable-PF	1.73	1.94
Employees & other liabilities	-	27.16
<b>Total</b>	<b>17.39</b>	<b>48.34</b>





## KOMFORTUNIVERSE PRODUCTS AND SERVICES LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 14 : REVENUE FROM OPERATIONS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Sale of products		
finished goods	539.97	231.06
Finished goods	-	-
Less : Schemes & rebates	-	-
	<u>539.97</u>	<u>231.06</u>
Other operating incomes		
-income from sale of processed scrap	-	-
Total	<u>539.97</u>	<u>231.06</u>

## Note:

Includes sale of finished goods and semi-finished goods to related parties (refer note no. 15)

## NOTE 14.1 : TIMING OF REVENUE FROM OPERATIONS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Goods transferred at a point in time	539.97	231.06
	<u>539.97</u>	<u>231.06</u>

## NOTE 14.2 : RECONCILIATION OF AMOUNT OF REVENUE RECOGNISED WITH CONTRACT PRICE

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Revenue as per contract price	539.97	231.06
Less : Discounts	-	-
	<u>539.97</u>	<u>231.06</u>

## NOTE 14.3 : MOVEMENT IN CONTRACT LIABILITIES DURING THE YEAR \*

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Opening balance	8.79	436.82
Less : Revenue recognised during the year	(8.79)	(436.82)
Add : Amount of consideration received during the year	10.97	8.79
Closing balance	<u>10.97</u>	<u>8.79</u>

\* Contract liabilities consist of advances received from customers towards supply of products

## NOTE 16 : OTHER INCOME

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest income from:		
Others	-	596.73
Income tax refund	1.61	0.16
Other non operating income		
Other miscellaneous income	0.12	-
Total	<u>1.73</u>	<u>596.89</u>



## KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 16 : PURCHASE OF STOCK-IN-TRADE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Traded Goods -Red sheet/comforter/PU foam/sponge/cor mattresses	474.25	166.25
Total	<u>474.25</u>	<u>166.25</u>
Opening stock:		
Finished goods	-	-
Stock-in-trade	-	42.55
Work-in-progress	-	-
Right to recover return goods	-	-
	<u>-</u>	<u>42.55</u>
Changes in inventories of finished goods, Stock-in-trade and work-in-progress	<u>-</u>	<u>42.55</u>

## NOTE 17 : EMPLOYEE BENEFITS EXPENSE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, allowances, and other benefits	351.14	278.78
Contribution to gratuity (refer note no. 27)	6.75	6.02
Contribution to provident and other funds	10.52	9.99
Workmen and staff welfare	-	-
Total	<u>368.41</u>	<u>294.79</u>

## NOTE 18 : FINANCE COSTS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expnded for financial facilities measured at amortised cost)		
- Security deposits	-	-
- On lease liabilities	-	-
- On borrowings	-	-
Bank Charges	6.02	0.01
Customer financing costs	-	-
Other	-	-
Total	<u>6.02</u>	<u>0.01</u>



## KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 19 : OTHER EXPENSES

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of spares, stores and consumables	-	-
Asset written off	4.74	-
Rent and fire	-	-
Insurance	2.28	-
Rates and taxes	2.90	1.01
Legal and professional	155.88	47.18
Printing & Stationery	5.43	0.11
Minor Repairs and maintenance	-	-
Selling and promotion	27.71	12.87
Traveling and conveyance	40.41	5.95
Advertisement & Selling expenses	134.71	128.03
Bad debts written off	-	-
Miscellaneous	0.05	0.30
<b>Total</b>	<b>423.81</b>	<b>316.36</b>

Note 19.1 - Auditors remuneration included in legal and professional (excluding GST)

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit	0.76	0.75
ITR Filing	2.00	-
Limited Review	0.70	-
Certification (Vigilance & Accounting irregularities)	0.20	-
Out of pocket expenses*	0.01	-
<b>Total</b>	<b>3.67</b>	<b>0.75</b>

\*Includes Rs. Nil (March 31, 2023) Rs. 5.43 Lakhs paid to employee auditors

## NOTE 20 EARNINGS PER SHARE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to equity shareholders	(706.89)	1.37
Earnings used in the calculation of basic earnings per share	(706.89)	1.37
Earnings used in the calculation of diluted earnings per share	(706.89)	1.37
<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
	<b>(Numbers in Lakhs)</b>	<b>(Numbers in Lakhs)</b>
Weighted average number of equity shares for the purpose of basic and diluted earnings per share	0.50	0.50
<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
	<b>(Rs. per share)</b>	<b>(Rs. per share)</b>
Basic and diluted earnings per share	(1413.96)	2.74



**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**

Notes forming part of the financial statements for the year ended March 31, 2024

NOTE 21 : There are no title deeds of Immovable Properties, which are not held in name of the Company

**NOTE 22 : EMPLOYEE BENEFITS****A. Defined contribution plans**

Company's employees are covered by Provident Fund and Employees State Insurance Scheme/Fund and National Pension Scheme to which the Company makes a defined contribution measured as a fixed percentage of salary. During the year, amount of Rs. 10.52 Lakhs (Previous Year: Rs. 9.99 Lakhs) has been charged to the Statement of Profit and Loss towards employer's contribution to these schemes/funds as under:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution towards Provident Fund(PF)	10.52	9.99
Employer's contribution towards Employees State Insurance (ESI)	-	-
Employer's contribution towards National Pension Scheme (NPS)	-	-
<b>Total (refer note no. 35)</b>	<b>10.52</b>	<b>9.99</b>

**B. Long Term Benefits****Long service award**

Payable to the eligible employees as retention award leave, after completion of service of five years, which can be encashed or accumulated till retirement. During the year Company had discontinued this policy. An amount of Rs. 0.00 (Previous Year: Rs.0.0 Lakhs) has been charged to the Statement of Profit and Loss towards the said benefit.

**C. Post employment benefits****Defined benefit plans****Gratuity**

Gratuity Payable on separation as per the Payment of Gratuity Act, 1972 as amended @ 15 days pay, for each completed year of service to eligible employees who render continuous service of 5 years or more.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Discount rate	7.22%
Future salary increase/salary escalation	7.00%	7.00%
Retirement age (years)		
Mortality Tables		
Employee turnover		
18 to 30 years		
From 31 to 45 years		
Above 45 years		

**Notes:**

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

ii. Information given for retirement age is based on India's standard mortality table with modification to reflect expected changes in mortality covers.



## KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

Quantitative sensitivity analysis for significant assumptions as at March 31, 2024 is shown below:

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Increase / (decrease) on present value of defined benefits obligations at the end of the year		
<b>Discount rate</b>		
Increase by 1.00%	(1.38)	(2.38)
Decrease by 1.00%	1.68	2.62
<b>Salary increase</b>		
Increase by 1.00%	1.60	2.72
Decrease by 1.00%	(1.36)	(1.33)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, Other Comprehensive Income and the funded status and amounts recognised in the Balance Sheet for the gratuity plan. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

## Expense recognised in Statement of Profit and Loss and Other Comprehensive Income:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Service cost</b>		
Current service cost	4.08	3.55
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	1.83	2.47
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>5.91</b>	<b>6.02</b>
<b>Remeasurement on the net defined benefit liability</b>		
Actuarial (gains) / losses arising from changes in financial assumptions	0.48	(0.06)
Actuarial (gains) / losses arising from experience adjustments	(17.24)	(15.38)
Return on Plan Asset	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(16.76)</b>	<b>(15.44)</b>
<b>Total</b>	<b>(10.85)</b>	<b>(9.42)</b>

The current service cost and the net interest expense for the year are included in the Employee benefits expense line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	-	-
Fair value of plan assets	-	-
<b>Net deficit in funded plan (refer note no. 25)</b>	<b>-</b>	<b>-</b>



## KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

Movements in the present value of the defined benefit obligation are as follows:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	22.50	32.02
Current service cost	4.00	3.55
Interest cost	1.65	2.47
Remeasurement (gain)/losses		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	3.49	-0.06
Actuarial gains and losses arising from experience adjustments	(17.34)	(16.38)
Benefits paid	-	-
Closing defined benefit obligation	11.40	22.50

Change in plan assets are as follows:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening fair value of plan assets	-	-
Return on plan assets	-	-
Fund management charges	-	-
Employer contribution	-	-
Actuarial (Gain)/Loss on Asset	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-

The major categories of plan assets:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Insurance products	-	-
Total	-	-

Maturity profile of gratuity liability is as follows:

Year	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Within next 12 months	0.02	1.04
Between 1-2 years	0.02	0.08
Between 2-3 years	0.02	0.09
Between 3-4 years	0.02	0.88
Between 4-5 years	0.02	0.84
Between 4-10 years	0.40	4.01
More than 10 years	10.89	13.02
Expected contribution to the fund in next year (Rs. in Lakhs)	11.40	22.50

## Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

## a. Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yields. If plan assets underperform the yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

## b. Changes in discount rate:

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plan assets holdings.

## c. Inflation risks

Gratuity payments are not linked to inflation, so this is a less material risk.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to ensure long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of unlinked group insurance plan which further invests in government and corporate bonds, equities, money market instruments & public deposits. The plan asset mix is in compliance with the requirements of the respective local regulators.



**KANARA UNIVERSE PRODUCTS AND SERVICES LIMITED**

Notes forming part of the financial statements for the year ended March 31, 2024

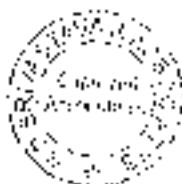
**NOTE 23: RELATED PARTY TRANSACTIONS**

(A) Names of related parties and nature of relationship are given below:

Relationship	Name of the party
A. Ultimate Holding Company	KANARA CONSUMER PRODUCTS LIMITED (Kurlon Limited) upto 20 October 2023 Sheela Food Ltd (Till 17 October 2023)
B. Holding Company	KURLON ENTERPRISE LIMITED, #10021006, THE AVANUE, INTERNATIONAL, A OPP. HOTEL, UEELA, ANDHERI (EAST), MUMBAI, Maharashtra, India. 400058. (Ownership Change: 100% (31 March 2023) & 100%)
C. Entities in which Key Management Personnel or their Relatives have significance influence	
D. Key management personnel	Mr. T. Suresh Kumar Pal, Director (Upto December 05, 2023) Ms. Jaya S Pal, Director (Upto December 05, 2023) Ms. Jaya Suresh Kumar Pal, Director (Upto December 05, 2023)  Mr. Anil Kumar Gupta (With Effect From December 04, 2023) Mr. Ashish Padmanabh Kulkarni (With Effect From December 04, 2023) Mr. Narendra Kulkarni (With Effect From December 04, 2023)
E. Fellow Subsidiaries	Kurlon Hotel Limited Starship Value Chain & Manufacturing Pvt Ltd Karnat Concepts Pvt Ltd Srivastava International Limited Servalat Solar Private Limited (Upto October 13, 2023) Saur Solar Energy Private Limited (Upto October 13, 2023) Saur Debraj Solar Private Limited (Upto October 13, 2023)

(B) Disclosure of transactions between the Company and related parties during the year

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) (a) Purchase of material / capital goods		
Ultimate Holding Company		
Kanara Consumer Products Limited (Previously Known As Kurlon Limited Up To 2023)	202.70	106.78
Holding Company	-	-
Kurlon Enterprise Limited	<u>283.09</u>	<u>74.56</u>
	<u>485.79</u>	<u>181.34</u>
(b) Expenses		
Holding Company		
Kurlon Enterprise Limited	-	-
Insurance	3.49	-
Fellow Subsidiary		
Starship Value Chain & Manufacturing Pvt Ltd		1.34
Traveling Expenses		
Administrative Services	80.57	46.87
	<u>84.06</u>	<u>48.21</u>
(ii) Sale of material/capital goods		
Ultimate Holding Company		
Kanara Consumer Products Limited (Previously Known As Kurlon Limited Up to Kanara Consumer Products Ltd)	-	10.26
Holding Company	-	-
Kurlon Enterprise Limited	<u>-</u>	<u>47.86</u>
	<u>-</u>	<u>48.12</u>
(iii) Reimbursement of Expenses		
Holding Company		
Kurlon Enterprise Limited	-	599.79
	<u>-</u>	<u>599.79</u>



## KOMPORI UNIVERSE PRODUCTS AND SERVICES LIMITED

Note forming part of the financial statements for the year ended March 31, 2024

## Disclosure of transactions between the Company and related parties during the year (Contd.)

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(ii) Loan received		
Holding Company	-	-
Kurion Enterprise Limited.	141.03	-
	<u>141.03</u>	<u>-</u>

## (C) Disclosure of balances outstanding at the end of the reporting year

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Subordinate/step-down subsidiary		
Trade payable		
Ultimate Holding Company		
Kurion Limited (20 October 2023)		120.54
Holding Company		
Kurion Enterprise Limited	802.97	190.89
Follow Subsidiary		
Starasp Value Chain & Manufacturing Pvt Ltd	6.50	48.53
	<u>809.47</u>	<u>359.96</u>
Trade receivable		
	<u>-</u>	<u>-</u>

## NOTES:

- a. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end for trade payables/receivables are unsecured and interest free and loan balances carry interest. Further settlements occur in cash. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the manner in which the related party operates.





**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 24: FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The Company has disclosed financial instruments such as loans, investment in preference shares, trade receivables, cash and cash equivalents, other bank balances, trade payables, other financial assets and liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, a allowance are taken to the account for the expected losses of these receivables.

**NOTE 25: FMR VALUE HIERARCHY**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair values, the Company has classified its financial instruments into the three levels described under the accounting standard.

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

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

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in preference shares, other investments, bank receivables and lease receivables included in level 3.

**Valuation Processes:**

The finance department of the Company initiates a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The team reports directly to the Chief Financial Officer (CFO) including board of directors. Discussions of valuation processes and results are held between the CFO and the valuator team every month. The Company takes the help of independent valuers for valuation purposes.

**Fair Valuation Technique**

The carrying amounts of trade receivables, trade payables, creditors towards capital goods, cash and cash equivalents, investment in pref. share, other investments and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values financial assets and liabilities consisting of loans receivable, lease receivable, lease liabilities, security deposits receivable and security deposit payable were calculated based on cash flows discounted using estimated borrowing rates. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024:

Fair Value measurement hierarchy of Assets:					(Rs. in Lakhs)
Particulars	Date of valuation	Total	Fair value measurements using quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Assets measured at fair value through profit and loss</b>					
Other investments	March 31, 2024	-	-	-	-
<b>Financial Assets measured at fair value through other comprehensive income</b>					
Other investments	March 31, 2024	-	-	-	-
<b>Financial Assets measured at amortized cost</b>					
Investment in preference shares	March 31, 2024	-	-	-	-
Other investments	March 31, 2024	-	-	-	-
Loans	March 31, 2024	-	-	-	-
Trade receivables	March 31, 2024	-	-	-	-
Cash and cash equivalents	March 31, 2024	8.28	-	-	8.28
Bank balances other than cash and cash equivalents	March 31, 2024	-	-	-	-
Other financial assets	March 31, 2024	-	-	-	-
					(Rs. in Lakhs)
<b>Assets for which fair values are disclosed:</b>			<b>March 31, 2024</b>		<b>March 31, 2023</b>
<b>Investment Property</b>					
<b>Fair Value measurement hierarchy of Liabilities:</b>					
Particulars	Date of valuation	Total	Fair value measurements using quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial liabilities measured at amortized cost</b>					
Lease liabilities	March 31, 2024	-	-	-	-
Trade payables	March 31, 2024	932.24	-	-	932.24
Other financial liabilities	March 31, 2024	37.80	-	-	37.80



**QUANTORI ENERGY PRODUCTS AND SERVICES LIMITED**

Notes forming part of the financial statements for the year ended March 31, 2024

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023:

**Fair Value measurement hierarchy of Assets:**

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Assets measured at fair value without profit and loss</b>					
Other investments	March 31, 2023	-	-	-	-
<b>Financial Assets measured at fair value through other comprehensive income</b>					
Other investments	March 31, 2023	-	-	-	-
<b>Financial Assets measured at amortized cost</b>					
Investment in preference shares	March 31, 2023	-	-	-	-
Other investments	March 31, 2023	-	-	-	-
Loans	March 31, 2023	-	-	-	-
Trade receivables	March 31, 2023	65.02	-	-	65.02
Cash and cash equivalents	March 31, 2023	7.40	-	-	7.40
Bank balances other than cash and cash equivalents	March 31, 2023	-	-	-	-
Other financial assets	March 31, 2023	-	-	-	-

**Fair Value measurement hierarchy of Liabilities:**

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial Liabilities measured at amortized cost</b>					
Lease liabilities	March 31, 2023	-	-	-	-
Trade payables	March 31, 2023	372.11	-	-	372.11
Contractual liabilities	March 31, 2023	48.39	-	-	48.39

**NOTE 28: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Company's principal financial liabilities, comprised of deposits from dealers, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. Further, the Company has financial risk exposure of financial guarantees given to the banks towards security against the loans taken by its subsidiaries. However, considering that there is no expected credit losses, there is no financial liability as at the year end in this account. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents and other bank balances that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and evaluate its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The management reviews and agrees policies for managing each of these risks which are summarized as below:

**a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market price comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include deposits, trade payables, investments and foreign currency receivables and payables.

The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; derivatives, and the non-financial assets and liabilities.

The sensitivity of the relevant Profit and Loss items to the effect of the assumed changes in the respective market rates. This is table on the financial assets and financial liabilities held as of March 31, 2024 and March 31, 2023.



**KNOWFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**

Notes forming part of the financial statements for the year ended March 31, 2024

**iii) Trade receivables**

Customer credit risk is managed by the Company through its established policies and procedures, which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enforcement of limits and regular monitoring of important developments viz. payment history, change in credit limits regulatory changes, industry outlook etc. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. In accordance with Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or reversal thereof. Concentration of credit risk with respect to trade receivables are limited due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on monthly basis.

**iv) Financial Instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits, bonds, debentures and mutual funds. The limits are set to minimize the concentration of assets and monitor's regular investments through company's portfolio to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts which are given below. Trade Receivable and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

Particulars	(Rs. In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>Non-current assets</b>		
- Other Investments	-	-
- Loans	-	-
- Other non-current financial assets	-	-
<b>Current assets</b>		
- Other Investments	-	-
- Trade receivables	-	65.02
- Cash and cash equivalents	8.28	7.18
- Bank balances other than cash and cash equivalents	-	-
- Loans	-	-
- Other current financial assets	-	-
<b>Total</b>	<b>8.28</b>	<b>72.20</b>



## XOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

## (c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to in all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and employs a robust cash management system. It maintains adequate source of financing through the use of short-term bank deposits and short term investments. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through taking forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be very low.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Particulars	(Rs. in Lakhs)		
	Less than 1 Year	More than 1 Year	Total
<b>Year ended March 31, 2024</b>			
Trade payables	152.61	769.60	922.21
Other financial liabilities	37.60	-	37.60
Lease liabilities	-	-	-
	<u>190.21</u>	<u>769.60</u>	<u>959.81</u>
<b>Year ended March 31, 2023</b>			
Trade payables	239.32	122.79	362.11
Other financial liabilities	48.38	-	48.38
Lease liabilities	-	-	-
	<u>287.71</u>	<u>122.79</u>	<u>410.50</u>

## NOTE 37 CAPITAL MANAGEMENT

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimise returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital and 2) Other Reserves comprising of General Reserve & Retained Earnings. The Company's capital structure is based on the Management's assessment of the balances of key elements to ensure strategic decisions and day to day activities.

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Equity	5.00	5.00
Other Equity	(1,093.46)	(186.42)
Total equity	<u>(1,088.46)</u>	<u>(181.42)</u>
Borrowings (including lease liabilities)	141.03	-
Loose cash and cash equivalents	3.22	7.13
Total debt	<u>144.25</u>	<u>-</u>
Covered financing	(51 - 10) = 41	(181.42)
Gearing ratio (in %)	(42 %)	-

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The capital structure of the Company is managed with a view of the overall macro-economic conditions and the risk characteristics of the underlying assets. The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain consistent growth and development of the Company. The Company's focus is on keeping a strong net equity base to ensure independence, security as well as high financial flexibility without impacting the risk profile of the Company. In order to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.



**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
**Notes to the part of the financial statements for the year ended March 31, 2024**

**NOTE 24 - DISCLOSURE FOR SPECIFIC RATIOS**

Particulars	Formula	Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023	Variance	Reasons for variances
		Numerator	Denominator				
Current Ratio	Current Assets : Current Liabilities	Total Current Assets	Total Current Liabilities	0.07	0.23	24%	
Debt Equity Ratio	Debt / Equity	Borrowings (Current & Non-Current)	Total Equity	(9.83)	-	100%	
Debt Service coverage ratio	Earnings for debt Service/Debt Service	Earnings for debt Service: Net Profit after Goods Depreciation and Amortization expenses	Debt Service: Interest Cost + Current maturity of borrowing	NA	NA	NA	
Return on Equity Ratio	Profit after tax / Shareholder's Equity	Net profit after tax	Average total equity	0.98	-0.02	5198%	
Inventory Turnover Ratio	Cost of goods sold/Average inventory	Cost of goods sold	Average inventory	NA	10.25	100%	
Trade receivables turnover ratio	Revenue from Operations/Avg trade receivables	Revenue from Operations	Average trade receivables	45.64	7.94	465%	
Trade payables turnover ratio	Net Purchases/Average trade payables	Net Purchases	Average trade payables	0.73	0.61	13%	
Net capital turnover ratio	Revenue / Working Capital	Revenue - Revenue from operations	Working Capital: Current Assets - Current Liabilities	-0.51	-0.96	17%	
Net Profit Ratio	Net Profit / Net Sales	Net Profit - Profit for the year	Net Sales - Revenue from operations	1.34	0.00	4569%	
Return on capital employed	EBIT / Capital Employed	EBIT or Profit before tax - Finance costs	Capital Employed = Total assets - Current Liabilities	0.09	0.02	449%	
Return on investment	Interest Investment	Interest Finance income	Investment	NA	NA	NA	



**KANPUR UNIVERSE PRODUCTS AND SERVICES LIMITED**  
**Notes Formed part of the Financial statements for the year ended March 31, 2024**

- 29 The Company has accumulated total of Rs. 980.47 Lakhs as at March 31, 2024 and thereof Rs. 108.47 lakhs (negative) and as current liabilities in case of M/s. Karfa Enterprise Limited (Holding Company) which happen in the aggregate of the Company which is covered by the M/s. Karfa Enterprise Limited. It would provide the required requirements to ensure smooth conduct of business by the Company. Further the Company is in the process of merging with its holding company Karfa Enterprises Limited and the application in this regard regarding with NCLT - Mumbai Branch. Accordingly, the Financial statements have been prepared as a going concern basis.
- 30 **Other Material Information**
  - i The Company do not have any commitments or where any proceeding has been initiated or pending against the Company for holding any term deposits.
  - ii The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) by end of the statutory period.
  - iii The Company has not been declared as NRI defaulter by any bank or financial institution or other lenders.
  - iv The Company does not own any immovable property and at each date there is no circumstances, where the title deeds of immovable properties of the Company are held in the name of a partner, agent or trustee of the Company.
  - v The Company has not issued or invested in Depository company or Mutual Fund during the financial year.
  - vi The Company does not own or hold or control or have any interest in any other company or entities, including foreign entities (as defined under the understanding of the Income Tax Act 1961) directly or indirectly, lead or own in other persons or entities, and then in any manner whatsoever as to remain at the Company, (As per Section 2(47) of the Companies Act, 2013) or (b) provide any guarantee security of the title to or on behalf of the Ultimate Beneficiaries.
  - vii The Company does not own or hold or control or have any interest in any other company or entities (including foreign entities) (As per the understanding of the Income Tax Act 1961) directly or indirectly, for the Company (a) (i) equity of holding and or invest in other persons or entities, identified in any manner whatsoever by or on behalf of its Holding Party (Ultimate Beneficiary) or (b) provide any guarantee security of the title on behalf of the Ultimate Beneficiary.
  - viii The Company does not have any such transactions which are not recorded in the books of accounts and has been reported in the financial statements during the period in the manner specified under the Income Tax Act, 1961 (such as, Section 41 or any other relevant provisions of the Income Tax Act) 1961.
  - ix The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
  - x The Company is in compliance with the number of layers prescribed under Clause (b) of Section 2 of the Companies Act, 2013 with the Companies Act (Section in number of layers) Rules, 2011.
  - xi The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 388 of Companies Act, 1956.
  - xii The Code on Social Security, 2020 (CSSA) relating to employee benefits, social security and work employment and work employment benefits covered the MSMEs (Micro and Small Enterprises) sector in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will assess any impact in the period the Code becomes effective.
- 31 The company has maintained separate provision for general insurance, where wherever necessary to continue its current year's declaration.

For B P SRIVASTAVA & ASSOCIATES  
 Chartered Accountants  
 Firm Registration No. 0256636

For and on behalf of the Board of Directors of  
 Kanpur Universe Products And Services Limited  
 CIN: U55206UP2007PLC143264

**B.P. Srivastava**  
 Partner  
 Membership No. 205137

**Amit Kumar Gupta**  
 Managing Director  
 DIN: 0483747

**Amit Kumar Gupta**  
 Director  
 DIN: 01430743

**Place: Kanpur**  
 Date: 14-05-2024

**Place: Kanpur**  
 Date: 14-05-2024

Place: Kanpur  
 Date: 14-05-2024

Place: Kanpur  
 Date: 14-05-2024

Place: Kanpur  
 Date: 14-05-2024

**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
Balance Sheet as at September 30, 2024

(₹ in Lakhs)

Particulars	Note no.	As at September 30, 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
<b>Current assets</b>		
<b>Financial assets</b>		
Cash and cash equivalents	1	13.00
Other current assets	2	74.92
<b>Total current assets</b>		<b>87.92</b>
<b>Total assets</b>		<b>87.92</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	3	5.00
Other equity	4	(1,982.02)
<b>Total equity</b>		<b>(1,977.02)</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions	5	38.94
<b>Total non current liabilities</b>		<b>38.94</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	6	741.03
(ii) Trade payables		
Total outstanding dues of creditor other than micro-enterprises and small enterprises	7	1,251.67
(iii) Other financial liabilities	8	4.50
Provisions	5	2.76
Other current liabilities	9	6.02
<b>Total current liabilities</b>		<b>1,006.00</b>
<b>Total liabilities</b>		<b>1,044.94</b>
<b>Total equity and liabilities</b>		<b>87.92</b>

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

For and on behalf of the Board of Directors of  
Komfort Universe Products And Services Limited  
CIN: U52500KA2021PLC143244

  
Amit Kumar Gupta  
Director  
DIN: 01436743



Place: Noida  
Date: 02-12-2024

**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
**Statement of Profit and Loss for the period ended September 30, 2024**

Particulars	Note no.	(₹ in Lakhs)
		For the period ended September 30, 2024
<b>Income</b>		
Revenue from operations	10	0.11
Other income	11	3.96
<b>Total Income</b>		<b>4.07</b>
<b>Expenses</b>		
Purchase of stock-in-trade	12	0.09
Employee benefits expense	13	200.02
Other expenses	14	80.94
<b>Total Expenses</b>		<b>281.05</b>
<b>Profit/(Loss) before tax</b>		<b>(276.98)</b>
<b>Exceptional items</b>		
Profit/(Loss) before tax from continuing operations		(276.98)
<b>Income Tax expense</b>		
Current tax		-
Tax expenses related to earlier years		-
Deferred tax (net)		-
<b>Total income tax expense</b>		<b>-</b>
<b>Profit/(Loss) for the period</b>		<b>(276.98)</b>
<b>Other comprehensive income (net of tax)</b>		
Items that will not be reclassified to profit or loss		
Remeasurements gain / (loss) of the net defined benefit plans		0.42
Income tax on above item		-
<b>Total Other comprehensive income/(loss) (net of tax)</b>		<b>0.42</b>
<b>Total comprehensive income for the period</b>		<b>(268.56)</b>
<b>Earnings per equity share (face value of Rs. 10/- each):</b>		
Basic and diluted (Rs.)		(637.12)

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

For and on behalf of the Board of Directors of  
 Komfort Universe Products And Services Limited  
 CIN: U52520KA2012PLC143244

*Amit Kumar Gupta*

Amit Kumar Gupta  
 Director  
 DIN: 01436743



Place: Noida  
 Date: 02-12-2024



## KONFORT UNIVERSE PRODUCTS AND SERVICES LIMITED

Notes forming part of the financial statements for the period ended September 30, 2024

## NOTE 1 : CASH AND CASH EQUIVALENTS

(₹ in Lakhs)	
Particulars	As at September 30, 2024
Balance with banks:	
Current accounts	13.00
<b>Total</b>	<b>13.00</b>

## NOTE 2 : OTHER CURRENT ASSETS

(₹ in Lakhs)	
Particulars	As at September 30, 2024
Balances with Statutory/Government authorities:	74.92
<b>Total</b>	<b>74.92</b>

**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 3 : EQUITY SHARE CAPITAL**

	(₹ in Lakhs)
Particulars	As at September 30, 2024
(a) Authorized share capital: 50,000 fully paid equity shares of Rs. 10/- each (March 31, 2024 : 50,000 fully paid equity shares of Rs. 10/- each)	5.00
	5.00
Issued, subscribed & paid up share capital: 50,000 fully paid equity shares of Rs. 10/- each (March 31, 2024 : 50,000 equity shares of Rs. 10/- each)	5.00
	5.00
<b>Total</b>	<b>5.00</b>

**NOTE 4 : OTHER EQUITY**

	(₹ in Lakhs)
Particulars	As at September 30, 2024
Retained earnings	(1,362.02)
<b>Total</b>	<b>(1,362.02)</b>
Retained earnings	
Opening balance	(1,093.46)
Net profit/(loss) for the period	(276.98)
Remeasurements of the net defined benefit plans (net of tax)	8.42
<b>Closing balance</b>	<b>(1,362.02)</b>

**NOTE 5 : PROVISIONS**

	(₹ in Lakhs)
Particulars	As at September 30, 2024
Long-term provisions:	
Provision for employee benefits:	
- Provision for gratuity	10.89
- Compensated absences	28.05
<b>Total</b>	<b>38.94</b>
Short-term provisions:	
Provision for employee benefits:	
Bonus Payable	2.78
<b>Total</b>	<b>2.78</b>

**NOTE 6 : BORROWINGS**

	(₹ in Lakhs)
Particulars	As at September 30, 2024
Unsecured borrowings	
Loans from related parties	141.03
<b>Total</b>	<b>141.03</b>

**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**

Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 7 : TRADE PAYABLES**

	(₹ in Lakhs)
Particulars	As at September 30, 2024
Trade payables other than acceptances (Total outstanding dues of creditors other than micro enterprises and small enterprises)	1,251.57
<b>Total</b>	<b>1,251.57</b>

**NOTE 8 : OTHER FINANCIAL LIABILITIES (CURRENT)**

	(₹ in Lakhs)
Particulars	As at September 30, 2024
Deposits from dealers and others	1.80
Payable to Employees	2.80
<b>Total</b>	<b>4.60</b>

**NOTE 9 : OTHER CURRENT LIABILITIES**

	(₹ in Lakhs)
Particulars	As at September 30, 2024
Advance from customer	2.18
Statutory dues payable-PF	0.19
Statutory dues payable-GST	0.02
Statutory dues payable-TDS	1.06
Statutory dues payable-PF	1.67
<b>Total</b>	<b>6.02</b>

**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**  
 Notes forming part of the financial statements for the period ended September 30, 2024

**NOTE 10 : REVENUE FROM OPERATIONS**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
<b>Revenue from contracts with customers</b>	
Sale of products	
Traded goods	0.11
<b>Total</b>	<b>0.11</b>

**NOTE 11 : OTHER INCOME**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Other non operating income	
Unbilled/provisions no longer required written back	3.83
Other miscellaneous income	0.13
<b>Total</b>	<b>3.96</b>

**NOTE 12 : PURCHASE OF STOCK-IN-TRADE**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Traded Goods	0.00
<b>Total</b>	<b>0.00</b>


**NOTE 13 : EMPLOYEE BENEFITS EXPENSE**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Salaries, wages, allowance, and other benefits	168.38
Contribution to gratuity	6.42
Contribution to provident fund and other funds	5.22
<b>Total</b>	<b>180.02</b>

**NOTE 14 : OTHER EXPENSES**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Insurance	4.58
Rates and taxes	0.20
Legal and professional	14.27
Traveling and conveyance	67.82
Advertisement & Selling Expenses	4.24
Bank Charges	0.01
Miscellaneous	0.01
<b>Total</b>	<b>80.84</b>

For and on behalf of the Board of Directors of  
 Komfort Universe Products And Services Limited  
 CIN: U62820KA2021PLC143244

  
 Anil Kumar Gupta  
 Director  
 DIN: 01436743



Place: Noida  
 Date: 02-12-2024

Starship Value Chain & Manufacturing Private Limited  
Balance Sheet as at September 30, 2024

Particulars	Note No.	(₹ in Lakhs)
		As at September 30, 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1	49.85
Other financial assets	2	5.74
Non-current tax assets (net)	3	49.85
<b>Total non-current assets</b>		<b>105.44</b>
<b>Current assets</b>		
(i) Trade receivables	4	642.94
(ii) Cash and cash equivalents	5	58.40
(iii) Other financial assets	6	135.69
Other current assets	7	566.75
<b>Total current assets</b>		<b>1,373.84</b>
<b>Total assets</b>		<b>1,479.28</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	8	0.50
Other equity	9	1,199.31
<b>Total equity</b>		<b>1,199.81</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Provisions	10	72.39
<b>Total non-current liabilities</b>		<b>72.39</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Trade payables		
Total outstanding dues of creditors other than micro enterprises and small enterprises	11	29.72
Provisions	10	130.79
Other current liabilities	12	45.27
<b>Total current liabilities</b>		<b>205.78</b>
<b>Total liabilities</b>		<b>278.17</b>
<b>Total equity and liabilities</b>		<b>1,477.98</b>

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

For and on behalf of the Board of Directors of  
Starship Value Chain & Manufacturing Private Limited  
CIN:U36500KA2020PTC198536

  
Anil Kumar Gupta  
Director  
DIN:01438743



Place: Noida  
Date: 02-12-2024

**Starship Value Chain & Manufacturing Private Limited**  
**Statement of Profit and Loss for the period ended September 30, 2024**

Particulars	Note no.	(₹ in Lakhs)
		For the period ended September 30, 2024
<b>Income</b>		
Revenue from operations	13	1,768.71
Other income	14	155.91
<b>Total Income</b>		<u>1,924.62</u>
<b>Expenses</b>		
Freight & Warehousing Expenses	15	893.59
Employee benefits expense	16	288.98
Finance costs	17	17.32
Depreciation and amortization expense	18	72.26
Other expenses	19	200.43
<b>Total Expenses</b>		<u>1,533.58</u>
<b>Profit/(Loss) before tax</b>		<u>391.04</u>
<b>Exceptional Items</b>		
<b>Profit/(Loss) before tax from continuing operations</b>		<u>391.04</u>
<b>Income Tax expense</b>		
Current tax		66.78
Tax expenses related to earlier years		-
Deferred tax (net)		-
<b>Total income tax expense</b>		<u>66.78</u>
<b>Profit/(Loss) for the period</b>		<u>324.26</u>
<b>Other comprehensive income (net of tax)</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurement gain / (loss) of the net defined benefit plans		(2.25)
Income tax on above item		-
<b>Total Other comprehensive income / (loss) (net of tax)</b>		<u>(2.25)</u>
<b>Total comprehensive income for the period</b>		<u>322.01</u>
<b>Earnings per equity share (face value of Rs. 1/- each):</b>		
Basic and diluted (₹)		6.487.00

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

For and on behalf of the Board of Directors of  
 Starship Value Chain & Manufacturing Private Limited  
 CIN:U36900KA2020PTC139535



Amit Kumar Gupta  
 Director  
 DIN: 01436743



Place: Haldia  
 Date: 02-12-2024

Starship Value Chain & Manufacturing Private Limited  
Balance Sheet as at September 30, 2024

**NOTE 8 : EQUITY SHARE CAPITAL**

Particulars	(₹ in Lakhs)	
	As at September 30, 2024	
(a) Authorized share capital: 5,000 fully paid equity shares of Rs. 10/- each (March 31, 2024 : 5,000 fully paid equity shares of Rs. 10/- each)		0.50
		<u>0.50</u>
Issued, subscribed & paid up share capital: 5000 fully paid equity shares of Rs. 10/- each		0.50
		<u>0.50</u>

**NOTE 9 : OTHER EQUITY**

Particulars	(₹ in Lakhs)	
	As at September 30, 2024	
Retained earnings		1,199.31
Total		<u>1,199.31</u>

Particulars	As at September 30, 2024	
	Retained earnings	
Opening balance		895.01
Net profit for the period		322.10
Others		(8.60)
Closing balance		<u>1,199.31</u>

**NOTE 10 : PROVISIONS**

Particulars	(₹ in Lakhs)	
	As at September 30, 2024	
Long-term provisions:		
Provision for employee benefits:		
-Provision for gratuity		51.39
-Compensated absences		20.71
Total		<u>72.90</u>
Short-term provisions:		
Provision for employee benefits:		
-Provision for Income Tax		130.79
Total		<u>130.79</u>

**NOTE 11 : TRADE PAYABLES**

Particulars	(₹ in Lakhs)	
	As at September 30, 2024	
Trade payables other than acceptances: Total outstanding dues of creditors other than micro enterprises and small enterprises		29.72
Total		<u>29.72</u>

**NOTE 12 : OTHER CURRENT LIABILITIES**

Particulars	(₹ in Lakhs)	
	As at September 30, 2024	
Refund liabilities		10.25
Statutory dues payable		0.02
Employee & other Liabilities		29.00
Total		<u>45.27</u>

Starship Value Chain & Manufacturing Private Limited  
Balance Sheet as at September 30, 2024

**NOTE 13 : REVENUE FROM OPERATIONS**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
<b>Revenue from contracts with customers</b>	
Sale of products	
Sale of services	1,758.42
	<u>1,758.42</u>
Other operating revenue	
Income from sale of processed scrap	0.28
<b>Total</b>	<u><u>1,758.71</u></u>

**NOTE 14 : OTHER INCOME**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
<b>Interest income from:</b>	
Financial assets at amortised cost	
Bank deposits	0.10
Unwinding of discount of deposits & lease receivable	1.83
Other non-operating income	
Gain on early termination of lease	152.89
<b>Total</b>	<u><u>153.72</u></u>

**NOTE 15 : FREIGHT & WAREHOUSING EXPENSES**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Freight Primary Transportation	7.11
Freight Secondary Transportation	674.48
Fuel, Toll & Fueling Charges	32.88
Real Estate Rent & Brokerage	39.10
<b>Total</b>	<u><u>753.57</u></u>

**NOTE 16 : EMPLOYEE BENEFITS EXPENSE**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Salaries, wages, allowances, and other benefits	269.48
Contribution to gratuity	(2.28)
Contribution to provident and other funds	13.33
Workmen and self-welfare	0.41
<b>Total</b>	<u><u>280.94</u></u>



Shreshth Value Chain & Manufacturing Private Limited  
Balance Sheet as at September 30, 2024

**NOTE 17 : FINANCE COSTS**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Interest expense: (on financial liabilities measured at amortised cost)	
- On lease liabilities	17.32
<b>Total</b>	<b>17.32</b>

**NOTE 18 : DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Depreciation of property, plant and equipment	2.44
Depreciation on right-of-use assets	69.85
<b>Total</b>	<b>72.29</b>

**NOTE 19 : OTHER EXPENSES**

Particulars	(₹ in Lakhs)
	For the period ended September 30, 2024
Power and fuel	19.80
Manpower Charges	30.48
Insurance	6.68
Rates and taxes	4.01
Legal and professional	11.49
Repair and maintenance - Building	10.35
Other Repairs and maintenance	17.71
Traveling and conveyance	20.41
Bank Charges	0.02
Security expenses	18.79
Postage and telephone expenses	17.72
Miscellaneous	49.00
<b>Total</b>	<b>200.43</b>

For and on behalf of the Board of Directors of  
Shreshth Value Chain & Manufacturing Private Limited  
CIN:U58900KA2020PTC139535



Anil Kumar Gupta  
Director  
DIN:01436743



Place: Noida  
Date: 02-12-2024

## INDEPENDENT AUDITOR'S REPORT

To The Members of Starship Value Chain & Manufacturing Private Limited

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Financial Statements of **Starship Value Chain & Manufacturing Private Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, 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 of the Financial Statements in accordance with the Standards on Auditing ("SA's") 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 Act and the Rules made 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the Financial Statements, and our Auditor's report thereon.
- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained 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.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are



also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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.

### **Other Matter**

The financial statements of the Company for the year ended March 31, 2023 were audited by another auditor whose report dated July 28, 2023 expressed an unmodified opinion on those statements. Our opinion is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
- d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to the directors.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 35 (xi) of the Financial Statements, 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 35 (xii) of the Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding,



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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Account) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified paragraphs 3 and 4 of the Order.

**For S P SRIVASTAVA & Associates**  
Chartered Accountants  
Firm's Registration No. 025663S



**S K Subramanian**  
Partner  
Membership No. 205737  
UDIN: 24205737BKBINN5850



Place: Bengaluru  
Date: 14/05/2024

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Starship Value Chain & Manufacturing Private Limited of even date)

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

We have audited the Internal Financial Controls with reference to Financial Statements of **Starship Value Chain & Manufacturing Private Limited** (the "Company") as of March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). 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 Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls 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 was established and maintained and if such controls operated effectively in all material respects.

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

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 with reference to Financial Statements.



### Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements 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 ICAI.

**For S P SRIVASTAVA & Associates**

Chartered Accountants

Firm's Registration No. 025663S



**S K Subramanian**

Partner

Membership No. 205737

UDIN 24205737BK BINN5850

Place: Bengaluru

Date: 14/05/2024



## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Starship Value Chain & Manufacturing Private Limited 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.
  - (a) (A) The Company is in the process of updating its records with full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company is in the process of updating its records with full particulars of intangible assets.
  - (b) The Property, Plant and Equipment were not physically verified by the management during the year. Hence, we are unable to report on the discrepancies, if any.
  - (c) The Company does not have immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
  - (d) The Company has not revalued any Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The company does not hold any physical inventories during the year. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the order is not applicable.
- iii. The Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable.
- iv. The Company has neither made any investments nor has given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Accordingly, reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits.



Hence, reporting under clause 3(v) of the Order is not applicable.

- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) There are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs, duty of excise as on March 31, 2024, on account of disputes.
- viii. 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.
- ix.
- (a) The company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) to (d) of the Order is not applicable.
- (e) 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. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.
- x.
- (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on clause 3(x)(a) of the order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on clause 3(x)(b) of the order is not applicable.
- xi.
- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) 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) Based on the information and explanation provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per Companies Act, 2013.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. The transactions entered with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and details have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. The company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013, hence reporting under clause 3(xiv)(a) and (b) of the Order is not applicable to the Company.
- 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 to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) 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. On an overall examination of the Financial Statements of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation 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. The provisions of the Companies Act 2013 with respect to CSR are not applicable to the Company, hence reporting under clause 3(xx)(a) and (b) of the order is not applicable.

**For S P SRIVASTAVA & Associates**  
Chartered Accountants  
Firm's Registration No. 025663S



**S K Subramanian**  
Partner  
Membership No. 205737  
UDIN: 24205737BKBINNS850

Place: Bengaluru  
Date: 14/05/2024

Starship Value Chain & Manufacturing Private Limited  
Balance Sheet as of March 31, 2024

(Rs. In Lakhs)

Particulars	Note no	As at	
		March 31, 2024	March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	51.29	39.35
Right of use assets	4	1,359.72	2,524.07
Deferred Tax Assets	5	49.46	27.55
<b>Financial assets</b>			
(i) Other financial assets	6	260.84	247.74
Non-current tax assets (net)	7	-	588.11
<b>Total non-current assets</b>		<b>1,721.31</b>	<b>3,486.82</b>
<b>Current assets</b>			
<b>Financial assets</b>			
(i) Trade receivables	8	484.31	856.22
(ii) Cash and cash equivalents	9	81.38	48.10
Other current assets	10	522.85	71.57
<b>Total current assets</b>		<b>1,088.54</b>	<b>975.89</b>
<b>Total assets</b>		<b>2,810.45</b>	<b>4,462.71</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	0.50	0.50
Other equity	12	877.20	707.58
<b>Total equity</b>		<b>877.70</b>	<b>708.08</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Lease liabilities	13	1,013.78	2,610.96
Provisions	14	113.67	70.43
<b>Total non-current liabilities</b>		<b>1,127.45</b>	<b>2,681.39</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	15	-	2.16
(ii) Lease liabilities	13	493.41	644.58
(iii) Trade payables		-	-
- Total outstanding dues of Micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	16	472.97	537.28
(iv) Other financial liabilities	17	-	12.73
Provisions	14	53.05	181.53
Other current liabilities	18	55.07	508.26
<b>Total current liabilities</b>		<b>899.50</b>	<b>1,888.32</b>
<b>Total liabilities</b>		<b>1,927.75</b>	<b>3,692.72</b>
<b>Total equity and liabilities</b>		<b>2,810.45</b>	<b>4,462.71</b>

The accompanying notes are an integral part of these financial statements.  
As per our report of even date

For S P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No.: 4256638

For and on behalf of the Board of Directors of  
Starship Value Chain & Manufacturing Private Limited

S K Sreeramani  
Partner  
Membership No: 205737

Ashish Vikas Pradhan  
Director  
Dir: 08650024

Jayshankar Minoo Pawar  
Director  
Dir: 00232768

Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024



Starship Value Chain & Manufacturing Private Limited  
Statement of Profit and Loss for the year ended March 31, 2024

(Rs. In Lakhs)

Particulars	Note no	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	19	7,749.94	10,530.88
Other income	20	110.23	14.47
<b>Total Income</b>		<b>7,860.17</b>	<b>10,545.35</b>
<b>Expenses</b>			
Freight & Warehousing Expenses	21	4,366.86	6,841.89
Employee benefits expense	22	1,360.03	1,382.19
Finance costs	23	197.48	189.91
Depreciation and amortisation expense	24	725.08	609.26
Other expenses	25	987.22	1,055.87
<b>Total Expenses</b>		<b>7,636.67</b>	<b>10,089.12</b>
<b>Profit before tax</b>		<b>223.50</b>	<b>456.23</b>
<b>Exceptional items</b>			
Profit/(Loss) before tax from nonrecurring operations		223.50	456.23
<b>Income Tax expense</b>			
Current tax		75.00	170.38
Tax expenses related to earlier years		82.57	-
Deferred tax (net)	5	(21.95)	40.43
<b>Total Income tax expense</b>		<b>135.62</b>	<b>210.81</b>
<b>Profit for the year</b>		<b>97.88</b>	<b>245.42</b>
<b>Other comprehensive income (net of tax)</b>			
Items that will not be reclassified to profit or loss			
Remeasurements gain/(loss) of the net defined benefit plans		14.51	0.82
Income tax on above item		-	(0.23)
<b>Total Other comprehensive income/(loss) (net of tax)</b>		<b>14.51</b>	<b>0.59</b>
<b>Total comprehensive income for the year</b>		<b>112.39</b>	<b>246.01</b>
<b>Earnings per equity share (face value of Rs.10/- each):</b>			
Basic and diluted (Rs.)	26	1,880.33	4,859.01

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

As per our report of even date

For B P SRIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No.: 0256605

For and on behalf of the Board of Directors of  
Starship Value Chain & Manufacturing Private Limited

S K Subramanian  
Partner  
Membership No: 205737

*Ashish Vilas Pradhan*

Ashish Vilas Pradhan  
Director  
DIN: 08630624

Jayashree Nandoo Pardey  
Director  
DIN: 00702768



Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024

Starship Value Chain & Manufacturing Private Limited  
Statement of Cash Flows for the year ended March 31, 2024

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	235.68	498.09
Adjustments for:		
Depreciation and amortisation expense	725.08	600.26
Finance costs	192.43	-
Bad debts written off	5.01	-
Interest income	-	0.59
Operating profit before working capital changes	1,158.20	1,109.94
Changes in working capital:		
Increase/(decrease) in Trade Receivables	366.27	412.41
Decrease/(increase) in other current assets	(451.09)	50.74
Decrease/(increase) in other non-current assets and others	(13.40)	(313.47)
Increase/(decrease) in Trade Payables	(384.31)	(734.74)
Increase/(decrease) in other current liabilities	(445.83)	(48.82)
Increase/(decrease) in provisions	(56.93)	19.56
Increase/(decrease) in other financial liabilities	(14.73)	3.23
Cash generated from operations	176.48	428.27
Taxme tax paid (net of refunds)	704.54	178.38
Net cash flow from operating activities (A)	680.94	251.89
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and change in capital work in progress	627.93	(3,223.53)
Interest income received	-	0.59
Net cash (used in) investing activities (B)	627.93	(3,224.42)
<b>C. Cash flow from financing activities</b>		
Payment of lease liabilities (principal and interest)	(1,370.83)	7,685.56
Proceeds/(Repayment) of Short Term Borrowings	(2.46)	(1.67)
Finance costs	-	-
Net Cash (used in) Financing Activities (C)	(1,373.29)	2,683.89
Net (decrease)/increase in cash and cash equivalents (A+B+C)	79.72	(288.75)
Cash and cash equivalents at the beginning of the year	46.10	334.45
Cash and cash equivalents at the end of the year	125.82	46.70

## Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7, "Statement of Cash Flows".

2. Figures in bracket represent Cash outflow.

3. Components of cash and cash equivalents:

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Cash on hand	0.20	-
Deposits having original maturity of less than 3 months	-	46.10
Balance with banks in current accounts	51.15	46.70
Balance as per Statement of Cash Flows	51.35	46.70

## 4. Changes in liabilities arising from financing activities

Particular	For the year ended March 31, 2024	For the year ended March 31, 2023
Lease liabilities		
Lease liabilities at the beginning of the year	2,885.54	1,002.66
Addition during the year	-	879.49
Finance charges	102.48	189.94
Payment of lease liabilities	(1,370.83)	2,365.95
Cancellation / adjustments	-	-
Lease liabilities at year end	1,507.19	4,867.61

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

As per our report of even date.

For S.P. SHIVASTAVA & Associates  
Chartered Accountants  
Firm Registration No. 0256535

S.K. Subramanian  
Partner  
Membership No: 205787

Place: Bangalore  
Date: 14-05-2024

For and on behalf of the Board of Directors of  
Starship Value Chain & Manufacturing Private Limited

Ashish Venkatesh Infuruday

Ashish Venkatesh  
Director  
DIN: 08830024

Place: Bangalore  
Date: 14-05-2024

Jayshree Minoor Pawley  
Director  
DIN: 0022766

Place: Bangalore  
Date: 14-05-2024



Starbho Value Chain & Manufacturing Private Limited  
 Statement of Changes in Equity for the year ended March 31, 2024

**A. EQUITY SHARE CAPITAL**

Particulars	Rs. Lakhs
Balance as at April 01, 2023	0.01
Add: Issued during the year	-
Balance as at March 31, 2023	0.58
Add: Issued during the year	-
Balance as at March 31, 2024	0.58

**B. OTHER EQUITY**

Particulars	Reserves and surplus				Items of Other Comprehensive Income		Total
	Retained earnings	Securities premium	Capital reserve	General reserve	Debt Instruments through OCI	Cash flow Hedge reserve through OCI	
Balance as at April 01, 2023	543.74	-	-	-	-	-	543.74
Profit for the year	252.36	-	-	-	-	-	252.36
Other Comprehensive Income/(Loss) for the year (net of tax):	0.50	-	-	-	-	-	0.50
Dividend paid	-	-	-	-	-	-	-
Total comprehensive income for the year	252.86	-	-	-	-	-	252.86
Balance as at March 31, 2023	797.61	-	-	-	-	-	797.61
Profit for the year	94.02	-	-	-	-	-	94.02
Other comprehensive income/(loss) for the year (net of tax):	(4.51)	-	-	-	-	-	(4.51)
Dividend paid	-	-	-	-	-	-	-
Loss on cash flow hedge reserve (net of tax)	-	-	-	-	-	-	-
Excesses over the limits in authorized capital	-	-	-	-	-	-	-
Realized gains from debt instruments transferred to profit reserves (Net of Tax)	-	-	-	-	-	-	-
Addition to Capital reserve	-	-	-	-	-	-	-
Total comprehensive income for the year	89.51	-	-	-	-	-	89.51
Balance as at March 31, 2024	887.12	-	-	-	-	-	887.12

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

As per our report of 14-05-2024

For S P SHrivastava & Associates  
 Chartered Accountants  
 Firm Registration No: 725663B

S P Shrivastava  
 Partner  
 Membership No: 206737

Place: Bangalore  
 Date: 14-05-2024

For and on behalf of the Board of Directors of  
 Starbho Value Chain & Manufacturing Private Limited

*Aruna M. Prasad*

Aruna M. Prasad  
 Director  
 DIN: 08630024

Place: Bangalore  
 Date: 14-05-2024

*Jayashree M. Poojary*

Jayashree M. Poojary  
 Director  
 DIN: 0801786

Place: Bangalore  
 Date: 14-05-2024





Seaship Value Chain Manufacturing Private Limited (Formerly known as Seaship Manufacturing and Services Private Limited)  
Notes to the financial statements as of and for the year ended March 31, 2024

## 1. CORPORATE INFORMATION

Seaship Value Chain Manufacturing Private Limited was incorporated in Karnataka on 09.10.2020. The Company is a wholly owned subsidiary company of Kurian Enterprises Limited and is engaged in the business as a manufacturer, designer, buyer, seller, exporter, importer, wholesaler, transporter, supplier of all types of home comfort products, home decor items including furniture, mattresses, pillows, cushions, perfumes on retail and to manufacture of all types of furniture equipment appliances for domestic, office, industrial as well as on wholesale basis in India as well as outside India.

The company is in the process of merging with Kurian Enterprises Limited and the application regarding this is pending before the NCLT, Mumbai Bench.

## 2. MATERIAL ACCOUNTING POLICY

### Application of Indian Accounting

#### A. Standards

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) all the financial statements are audited have been considered in preparing these Financial Statements. There is no other Indian Accounting Standard that has been issued as of the date, but not mandatorily effective.

#### B. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the provisions of Companies Act 2013 (the Act) and the AS notified under the Companies (Indian Accounting Standards) Rules, 2015, issued by the Ministry of Corporate Affairs in exercise of powers conferred by section 133 of the Act.

#### C. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared on an accrual basis and under the historical cost convention basis. The accounting of the company have been prepared on a going concern basis.

Ministry of Corporate Affairs (MCA) through a notification dated March 24, 2021, amended Division II of Schedule III of the Companies Act, 2013 and applicable for the reporting period beginning on or after April 1, 2021. The amendment encompasses certain additional disclosure requirements. The Company has applied and incorporated the requirements of amended Division II of Schedule III of the Companies Act, 2013, to the extent applicable on it while preparing these financial statements.

The operating cycle in the normal course has been deemed to have a duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS - 1 "Presentation of Financial Statements" and Schedule - III to the Companies Act, 2013.

The Balance sheet, the Statement of Profit and Loss and the statements of Changes in Equity are prepared in the format prescribed in Schedule II to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS - 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are satisfied by way of notes forming part of accounts along with the disclosures required to be disclosed under the Ind AS.

The Financial Statements are presented in Indian Rupees and all values are rounded off to two decimal places except as otherwise stated.

#### D. USE OF ESTIMATES

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### Useful life of property, plant and equipment

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



Starship Value Chain & Manufacturing Private Limited (Formerly known as Starship Manufacturing and Services Private Limited)  
Notes to the financial statements as of and for the year ended March 31, 2024

#### E. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation (other than leasehold land) and impairment loss, if any.

The cost includes purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Lease rentals and premiums for lease hold are amortized over the primary lease period.

Depreciation is provided for property, plant and equipment on the straight-line method over the estimated useful life term the date the assets are ready for intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

##### Capital work-in-progress

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are recorded under capital work-in-progress.

The capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

ii. Assets which are depreciated over useful lives/residual value indicated by Schedule II are as follows:

Asset Class	Useful Life
Office Equipments	20 years
Furniture & Fixtures	15 years
Computers & Peripherals units	6 years

##### Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

#### F. INTANGIBLE ASSETS

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any.

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

The estimated useful lives of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gain or loss arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is categorised as disposed.

#### G. Investments & Financial Assets

##### ii. Classification

The Company classifies its financial assets in the following measurement categories -

a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) those measured at amortised cost.

The classification is done depending upon the Company's business model for managing the financial assets and the contractual terms of the cash flows.

##### iii. Measurement

At initial recognition, the Company measures a financial asset at its fair value in the case of 'financial asset not at fair value through profit or loss', transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### Financial assets carried at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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Starship Value Chain & Manufacturing Private Limited (Formerly known as Starship Manufacturing and Services Private Limited)  
Notes to the financial statements as of and for the year ended March 31, 2024

**Financial assets at fair value through other comprehensive income:**

A financial asset is subsequently measured at fair value through other comprehensive income (FVOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Fair value through profit or loss**

Assets that do not meet the criteria for amortized cost, are measured at fair value through profit or loss (e.g. investments in mutual funds). A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the Statement of Profit and Loss, within other gains/losses, in the period in which it arises.

**De-recognition of financial assets**

A financial asset is derecognised only when Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

## 8. REVENUE RECOGNITION

The Company recognises revenue from contracts with customers based on a five step model as set out in INDAS 113

**Step 1. Identify the contract(s) with a customer.** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the terms for every contract that must be met.

**Step 2. Identify the performance obligations in the contract.** A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer that is distinct.

**Step 3. Determine the transaction price.** The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

**Step 4. Allocate the transaction price to the performance obligations in the contract.** For a contract that has more than one performance obligation, the company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.**

Company recognises revenue at a point in time when it satisfies a performance obligation by transferring promised goods to a customer. An asset is transferred when the customer obtains control of the asset.

When the company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration earned by the performance. In cases where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Company undertakes production and sale of processed egg products and by products. The produced goods are sold in domestic and export customers.

**Other Income**

Other Income shall be required when company satisfies the respective performance obligation.

**Interest Income**

Interest income from financial assets (Bank deposits) is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial asset but does not consider the expected credit losses.

## 9. TAXATION

Current tax is determined based on the amount of tax payable in respect of taxable income for the year.

Deferred tax is recognised on timing differences, being the difference between the taxable incomes and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities are recognised at the rate that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising on account of unutilised depreciation or carry forward of tax losses are recognised only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## J. PROVISIONS AND CONTINGENT LIABILITIES

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

## K. EARNINGS PER SHARE (EPS)

Basic earnings per share amounts are computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year is attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### Retirement Benefits- Defined Benefit

#### L. Plan

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

The entity determines the defined benefit liability/net asset by applying the entity's best estimate for valuation by a qualified actuary. The qualified actuary values the defined benefit obligation by using the projected unit credit method. The amounts recognized in the financial statements are based on such actuarial valuation. Such determination of defined benefit obligations takes into account any benefits of constructive obligations. The obligations (in respect of each material plan) are recognized in the financial statements:

In Statement of Profit & Loss

- (i) Current service cost
- (ii) Any past service cost and gain or loss on settlement

(iii) Net interest on net defined benefit liability

In Other comprehensive income

- (i) Actuarial gains and losses
- (ii) Return on plan assets, excluding amounts included in net interest on the net defined benefit liability
- (iii) Any change in the effect of asset ceiling

In the Balance sheet, the net defined benefit liability is separately recognized and in respect of surplus in a defined plan, the net defined asset is measured at lower of

(i) Surplus in the defined benefit plan and

(ii) The asset ceiling

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Corporation recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### Long-term employee benefits

The Other long-term benefits that arise consequent to employment contracts are recognized in Statement of Profit & Loss as

- (i) Service cost
- (ii) Net interest on net defined benefit liability

(iii) Fairness adjustments of the net defined benefit liability

Long term paid absences and other long-term employee benefits are provided for on the basis of an actuarial valuation, using projected unit credit method as at each balance sheet date.

## M. CASH AND CASH EQUIVALENTS

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## N. CASH FLOW STATEMENT

The entity reports the cash flow from

- (i) operating activities using indirect method, by adjusting the profit or loss for the effects of transactions of non-cash nature, net change in accounts of past or future cash receipts or payments and item of income or expense recognized with investing or financing cash flows.
- (ii) from investing and financing activities by reporting separately the major cash receipts and cash payments that arise from investing and financing activities except in the event permitted to be reported on net basis by IAS-7.

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**D. Leases**

The lease capital leases primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, or inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- (1) the contract involves the use of an identified asset;
- (2) the company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (3) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

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

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the lease lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate in the country of domicile of the lessee. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Ind AS 116 requires lessees to determine the lease term as the noncancellable period of a lease, adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby determines whether it is reasonably certain that any option to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

**Impact Assessment on Ind AS amendments applicable for FY 2023-**

- P. 20: Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules, 2015 from time to time. On 31 March 2023, MCA passed the Companies (Ind on Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023. As below:

**Ind AS 1 – Presentation of Financial Statements**

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

**Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exception in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Unless a new accounting estimate or accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect the amendment to have any significant impact in its financial statements.



Starship Value Chain & Manufacturing Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 3 : PROPERTY, PLANT AND EQUIPMENT**

Particulars	(Rs. In Lakhs)					Total property, plant and equipment
	Land - freehold	Buildings	Furniture and fixtures	Office equipment	Computers	
<b>At cost or deemed cost</b>						
As at April 1, 2022	-	-	6.06	26.07	5.94	38.07
Additions	-	-	-	3.16	12.60	15.76
Disposals/transfer	-	-	-	-	-	-
As at March 31, 2023	-	-	6.06	29.23	18.54	53.83
Additions	-	-	4.73	11.59	-	16.32
Disposals/transfer	-	-	-	-	-	-
As at March 31, 2024	-	-	10.79	40.82	18.54	70.15
<b>Accumulated depreciation</b>						
As at April 1, 2022	-	-	0.36	2.63	2.84	5.83
Depreciation charge for the year	-	-	0.57	5.47	2.61	8.65
Disposals/adjustments	-	-	-	-	-	-
As at March 31, 2023	-	-	0.93	8.10	5.25	14.28
Depreciation charge for the year	-	-	0.57	1.23	2.59	4.39
Disposals/adjustments	-	-	-	-	-	-
As at March 31, 2024	-	-	1.50	9.53	7.83	18.86
<b>Net carrying amount</b>						
As at March 31, 2023	-	-	5.13	20.93	13.29	39.35
As at March 31, 2024	-	-	9.29	31.29	10.71	51.29

Asset block	Gross block	Accumulated depreciation	Net block
Buildings	0	0	-
Plant & Equipment	0	0	-
Furniture & Fixtures	10.79	1.50	9.29
Office Equipment	40.82	9.53	31.29
Computers	18.54	7.83	10.71
Total	70.15	18.86	51.29



Starship Value Chain & Manufacturing Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 4: RIGHT-OF-USE ASSETS**

Particulars	(Rs. in Lakhs)	
	Buildings	Total
<b>Cost</b>		
At April 1, 2022	3,224.68	3,224.68
Additions	-	-
Disposal/transfer	-	-
Adjustments *	-	-
<b>As at March 31, 2023</b>	<b>3,224.68</b>	<b>3,224.68</b>
Additions	308.47	308.47
Disposal/transfer	781.70	781.70
<b>As at March 31, 2024</b>	<b>2,751.45</b>	<b>2,751.45</b>
<b>Accumulated Depreciation</b>		
At April 1, 2022	600.61	600.61
Charge for the year	-	-
Disposal/transfer	-	-
<b>As at March 31, 2023</b>	<b>600.61</b>	<b>600.61</b>
Charge for the year	720.69	720.69
Disposal/transfer	-	-
Adjustments *	70.43	70.43
<b>As at March 31, 2024</b>	<b>1,391.73</b>	<b>1,391.73</b>
<b>Net book value as at March 31, 2023</b>	<b>2,624.07</b>	<b>2,624.07</b>
<b>Net book value as at March 31, 2024</b>	<b>1,359.72</b>	<b>1,359.72</b>

\* Represents rectification adjustments between gross block and accumulated depreciation.

(i) Refer note no. 33 for detailed disclosures as per IND AS 116 "Leases".



## Starship Value Chain &amp; Manufacturing Private Limited

Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 5 : DEFERRED TAX ASSET

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2024	March 31, 2023
Deferred tax asset		
Fixed assets - Impact of difference between tax depreciation and depreciation charged for the financial	-3.91	-10.95
Provision for gratuity	3.46	9.27
Provision for leave encashment	11.02	11.75
Lease Liability	37.42	17.10
Disallowance under Sec 40a(i)	1.27	0.38
<b>Net deferred tax (asset)/liability</b>	<b>49.46</b>	<b>27.55</b>
Deferred tax charge/(credit) for the year	21.91	40.66

## NOTE 6 : OTHER FINANCIAL ASSETS (NON CURRENT)

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2024	March 31, 2023
(Unsecured, considered good)		
Security deposits	255.29	236.17
Deposits with banks	5.55	11.57
<b>Total</b>	<b>260.84</b>	<b>247.74</b>

## NOTE 7 : NON CURRENT TAX ASSETS (NET)

Particulars	(Rs. in Lakhs)	
	As at	As at
	March 31, 2024	March 31, 2023
Advance income tax including tax deducted at source	-	1,094.52
Provision for current tax	-	(226.41)
<b>Total</b>	<b>-</b>	<b>868.11</b>





ShareUp Value Chain & Manufacturing Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
<b>NOTE 8 : TRADE RECEIVABLES</b>		
(All amortised cost)		
Unsecured		
Trade receivables - considered good (refer note below)	484.91	856.22
Trade receivables (gross)	484.91	856.22
Less: Impairment allowance for trade receivables considered doubtful	-	-
<b>Total</b>	<b>484.91</b>	<b>856.22</b>
Further classified as		
Receivable from others	484.91	856.22
	484.91	856.22

**Note :**

- Trade receivables are non-interest bearing and are generally on terms of 7 to 90 days.
- Trade receivables are usually non-interest bearing and are on trade terms of 0 - 60 days
- Trade Receivables aging schedule:

Particulars	(Rs. in Lakhs)				
	Outstanding for following periods from due date of payment				
	Not due	Less than 6 months	6 months - 1 year	1-2 years	Total
(i) Undisputed trade receivables - considered good	475.02	-	1.01	8.88	484.91
<b>Total</b>	<b>475.02</b>	<b>-</b>	<b>1.01</b>	<b>8.88</b>	<b>484.91</b>

Particulars	(Rs. in Lakhs)				
	Outstanding for following periods from due date of payment				
	Not due	Less than 6 months	6 months - 1 year	1-2 years	Total
(i) Undisputed trade receivables - considered good	796.60	39.58	1.05	-	830.23
- credit impaired - billed dues	25.99	-	-	-	25.99
<b>Total</b>	<b>824.89</b>	<b>39.58</b>	<b>1.05</b>	<b>-</b>	<b>856.22</b>



**Starship Value Chain & Manufacturing Private Limited**

Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 9 : CASH AND CASH EQUIVALENTS**

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Balance Sheet as follows:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Balance with banks :		
Current accounts	81.15	46.10
Cash on hand	0.23	-
<b>Total</b>	<b>81.38</b>	<b>46.10</b>

**NOTE 10 : OTHER CURRENT ASSETS**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Advance to contractors/suppliers	-	47.92
- Others	1.45	4.43
Advance to employees	6.17	-
Balances with Statutory/Government authorities:	42.90	14.16
Prepaid expenses	-	5.26
Other Receivables	453.84	-
Income tax refund	504.38	71.77
<b>Total</b>	<b>504.38</b>	<b>71.77</b>
(Unsecured, credit impaired)		
- Others	18.49	-
	18.49	-
	<b>522.85</b>	<b>71.77</b>

Strategic Value Chain & Manufacturing Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 11 - EQUITY SHARE CAPITAL

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Authorised share capital: 5,000 fully paid equity shares of Rs. 10/- each (March 31, 2023 - 5,000 fully paid equity shares of Rs. 10/- each)	0.50	0.50
	<u>0.50</u>	<u>0.50</u>
Issued, subscribed & paid up share capital: 5,000 fully paid equity shares of Rs. 10/- each	0.50	0.50
	<u>0.50</u>	<u>0.50</u>
Total	<u>0.50</u>	<u>0.50</u>

## (b) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
At the beginning of the year	5,000	0.50	5,000	0.50
Bonus shares issued during the year				
Outstanding at the end of the year	<u>5,000</u>	<u>0.50</u>	<u>5,000</u>	<u>0.50</u>

## (c) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining asset 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.

## (d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding	Number of shares	% of holding
Kurion Enterprise Ltd	4,900	98.00%	4,900	98.00%

## (e) Shareholding of promoters &amp; promoter group

Shares held by promoters at the end of the year	As at March 31, 2024			As at March 31, 2023		
	Number of Shares	% of holding	% Change during the year	Number of Shares	% of holding	% Change during the year
Promoter name						
Kurion Enterprise Ltd	4,900	98.00%	0%	4,900	98.00%	
Total		<u>98.00%</u>			<u>98.00%</u>	4.56%

Shreeji Value Chain & Manufacturing Private Limited  
 Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 12 : OTHER EQUITY

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Retained earnings	877.70	787.89
Total	<u>877.70</u>	<u>787.89</u>
(Rs. in Lakhs)		
Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	787.89	500.74
Opening balance	0.42	24.26
Net profit for the year	44.51	0.58
Reversals/adjustments of the net defined benefit plans (net of a/v)	<u>877.70</u>	<u>787.89</u>

## NOTE 13 : LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade liabilities (refer note no. 10)	1,507.73	2,685.54
Total	<u>1,507.73</u>	<u>2,685.54</u>
Current	493.48	641.58
Non-current	1,013.25	2,043.96

## NOTE 14 : PROVISIONS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Long-term provisions		
Provision for employee benefits:		
- Provision for gratuity	51.54	32.27
- Compensated absences	62.16	37.18
Total	<u>113.70</u>	<u>69.45</u>
Short-term provisions:		
Provision for employee benefits:		
- Compensated absences	8.77	2.07
- Gratuity	0.18	0.07
- Provision for income tax	25.60	176.38
Total	<u>34.55</u>	<u>178.52</u>

(Rs. in Lakhs)

## NOTE 15 : BORROWINGS

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Secured borrowings from banks	-	7.16
Total	<u>-</u>	<u>7.16</u>

Erastip Value Chain E Manufacturing Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024  
NOTE 16: TRADE PAYABLES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Trade payables comprising receivances in Total outstanding dues of micro enterprises and small enterprises	172.97	57.28
Additional outstanding dues of creditors other than micro enterprises and small enterprises	172.97	57.28
<b>Total</b>	<b>172.97</b>	<b>57.28</b>

Note:

a. Trade payables due to related parties are disclosed

b. Trade payables for micro and small enterprises are non interest bearing and are normally settled on 7 days to 30 days credit terms

c. Trade payables other than micro and small enterprises are non interest bearing and are normally settled on 60 days to 90 days credit terms

d. Aging Analysis for Trade payables

Particulars	(Rs. in Lakhs)						Total
	As at March 31, 2024	Outstanding for following periods from due date of payments					
	Unpaid Dues	Payable up to 1 year	1-2 years	2-3 years	more than 3 years		
i) MSME	-	-	-	-	-	-	-
ii) Others	-	141.10	6.58	25.29	-	-	172.97
iii) Disputed dues - MSME	-	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	<b>141.10</b>	<b>6.58</b>	<b>25.29</b>	-	-	<b>172.97</b>

Particulars	(Rs. in Lakhs)						Total
	As at March 31, 2023	Outstanding for following periods from due date of payments					
	Unpaid Dues	Payable up to 1 year	1-2 years	2-3 years	more than 3 years		
i) MSME	-	-	-	-	-	-	-
ii) Others	-	50.72	43.46	-	-	-	94.18
iii) Disputed dues - MSME	-	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	<b>50.72</b>	<b>43.46</b>	-	-	-	<b>94.18</b>

NOTE 17 - OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Employee related liabilities	-	16.73
<b>Total</b>	-	<b>16.73</b>

NOTE 18 - OTHER CURRENT LIABILITIES

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Refund liabilities	27.25	37.23
Current liabilities	-	288.00
Statutory dues payable	17.23	182.83
Purchase Consideration Payable	-	0.05
Employee A other liabilities	10.49	-
<b>Total</b>	<b>54.97</b>	<b>408.11</b>

Notes:



Blended Value Chain & Manufacturing Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

## NOTE 19 : REVENUE FROM OPERATIONS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Sale of products		
Sale of services	1,746.63	13,527.90
	7,746.63	18,527.90
Other operating revenues		
- Income from sale of processed cocon	3.31	2.95
<b>Total</b>	<b>7,749.94</b>	<b>18,530.85</b>

## NOTE 20 : OTHER INCOME

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income from:</b>		
Financial assets at amortised cost		
Bank deposits	0.30	0.89
Unwinding of discount of deposits & lease receivables	16.74	17.73
Income investment	20.65	
Other non-vested income		
Gain on early termination of lease	80.52	1.16
Other non-business income		
<b>Total</b>	<b>117.21</b>	<b>19.78</b>

## NOTE 21 : FREIGHT &amp; WAREHOUSING EXPENSES

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Freight Primary Transportation	1,357.96	1,886.99
Freight Secondary Transportation	2,329.43	3,501.24
Fuel, Toll & Factor Charges	39.76	54.20
Real Estate Rent & Brokerage	102.91	323.46
<b>Total</b>	<b>4,829.06</b>	<b>6,765.89</b>

## NOTE 22 : EMPLOYEE BENEFIT EXPENSE

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, allowance, and other benefits	1,294.65	1,264.73
Contribution to provident fund (note no. 23)	13.75	13.08
Contribution to provident and other funds	30.53	74.84
Workmen and staff welfare	39.80	41.49
<b>Total</b>	<b>1,388.73</b>	<b>1,394.14</b>

## NOTE 23 : FINANCE COSTS

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on financial liabilities measured at amortised cost		
On lease liabilities	192.48	189.91
<b>Total</b>	<b>192.48</b>	<b>189.91</b>

Etihad Airways PJSC & Manufacturing Private Limited  
Notes forming part of the financial statements for the year ended March 31, 2024

**NOTE 24 : DEPRECIATION AND AMORTISATION EXPENSE**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (note no. 3)	4.30	0.06
Depreciation on software assets (note no. 4)	721.68	600.81
<b>Total</b>	<b>725.98</b>	<b>600.87</b>

**NOTE 25 : OTHER EXPENSES**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	33.73	38.33
Manpower Charges	283.36	574.89
INSURANCE	22.58	39.21
Rents and fees	15.18	5.57
Legal and professional	52.80	52.65
Repairs and maintenance - Building	21.10	48.51
Other Repairs and maintenance	56.01	55.84
Traveling and conveyance	124.25	87.19
Freight & Forwarding	1.25	-
Bank Charges	3.04	3.06
Advertisement & selling Expenses	74.57	1.55
Provision for Bad debts	3.04	-
Security auditors	81.61	-
Postage and telephone expenses	85.67	61.53
Miscellaneous	139.68	62.68
<b>Total</b>	<b>1007.22</b>	<b>1,095.98</b>

Note 25.1 - Auditor's remuneration included in legal and professional (excluding GST)

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Director/ Audit (including audit review) Certificates	4.00	3.50
Out of pocket expenses	-	1.80
<b>Total</b>	<b>4.00</b>	<b>5.30</b>

**NOTE 26 : EARNINGS PER SHARE**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to Equity shareholders	94.02	242.95
Earnings used in the calculation of basic earnings per share	94.02	242.95
Earnings used in the calculation of diluted earnings per share	94.02	242.95

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	4,05	0,05

Particulars	(Rs. per share)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and diluted earnings per share	1,88.33	4,85.01







2019-2020 Financial Statements of the Corporation of the City of Vancouver  
 PART 1: Financial Statements of the Corporation for the year ended March 31, 2020

**B. The Corporation's performance and its operating results for the year ended March 31, 2020**

Particulars	As at	
	21 March 2020	21 March 2019
Operating loss	1,574	1,725
Non-operating	102	102
Change in reserves - net	1,472	1,623
Balance at start	52	52

The Corporation's operating results for the year ended March 31, 2020 are presented in the following table, which is presented in the same format as the financial statements of the Corporation.

Particulars	As at March 31, 2020		As at	
	21 March 2020	21 March 2019	21 March 2020	21 March 2019
Operating loss	1,574	1,725	1,574	1,725
Non-operating	102	102	102	102
Change in reserves - net	1,472	1,623	1,472	1,623
Balance at start	52	52	52	52

**C. Operating results for the year ended March 31, 2020**

**A. Operating results for the year ended March 31, 2020**

Particulars	As at March 31, 2020	As at March 31, 2019
Operating loss	1,574	1,725
Non-operating	102	102
Change in reserves - net	1,472	1,623
Balance at start	52	52

**D. Operating results for the year ended March 31, 2020**

Particulars	Details of Operating Results	As at	
		21 March 2020	21 March 2019
Operating loss	Operating loss	1,574	1,725
Non-operating	Non-operating	102	102
Change in reserves - net	Change in reserves - net	1,472	1,623
Balance at start	Balance at start	52	52

**E. Operating results for the year ended March 31, 2020**

Particulars	Details of Operating Results	As at	
		21 March 2020	21 March 2019
Operating loss	Operating loss	1,574	1,725
Non-operating	Non-operating	102	102
Change in reserves - net	Change in reserves - net	1,472	1,623
Balance at start	Balance at start	52	52

to the extent of the amount of the liability. The liability shall be limited to the amount of the liability. The liability shall be limited to the amount of the liability.

#### 11. Financial Statements

##### A. Capital Management

The Company's capital management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations. The Company's capital management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

The Company's capital management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations. The Company's capital management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

Particulars	As at 31 March 2024	As at 31 March 2023
Total Equity, divided into equity attributable to the Company and a percentage of Total Equity	177.78	168.75
Total Liabilities	182.00	177.50
Total Assets	359.78	346.25
Total Equity as a percentage of Total Assets	49.42%	48.73%
Total Equity as a percentage of Total Liabilities	97.89%	95.07%

The Company's capital management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

##### B. Liquidity and Financial Resources

The Company's liquidity and financial resources are sufficient to meet its obligations.

Particulars	As at 31 March 2024	As at 31 March 2023
Financial Assets		
Shareholdings in the Company	177.78	168.75
Trade Receivables	10.00	10.00
Trade Payables	(10.00)	(10.00)
Other Financial Assets	10.00	10.00
Financial Liabilities		
Shareholdings in the Company	177.78	168.75
Trade Payables	10.00	10.00
Trade Receivables	(10.00)	(10.00)
Other Financial Liabilities	10.00	10.00
Financial Assets as a percentage of Total Assets	49.42%	48.73%
Financial Liabilities as a percentage of Total Liabilities	97.89%	95.07%

The Company's liquidity and financial resources are sufficient to meet its obligations. The Company's liquidity and financial resources are sufficient to meet its obligations.

The Company's liquidity and financial resources are sufficient to meet its obligations. The Company's liquidity and financial resources are sufficient to meet its obligations.

The Company's liquidity and financial resources are sufficient to meet its obligations. The Company's liquidity and financial resources are sufficient to meet its obligations.

##### C. Financial Risk Management

The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations. The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

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The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

##### D. Other Information

The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations. The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations. The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

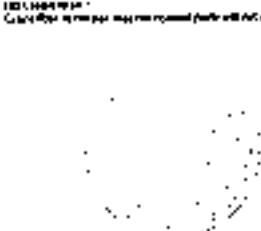
The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations. The Company's financial risk management strategy is to maintain a strong balance sheet and to ensure that it has sufficient liquidity to meet its obligations.

##### E. Financial Instruments

The Company's financial instruments are sufficient to meet its obligations.

##### F. Other Information

The Company's financial instruments are sufficient to meet its obligations. The Company's financial instruments are sufficient to meet its obligations.



**Supplementary Financial Statements of American International Group, Inc. (AIG) for the Year Ended December 31, 2002**

**Supplementary Information on Cash Flows Statement**

AIG has had a significant cash flow activity, and expects any future activity to be primarily from operations. The cash flow statement is prepared on a cash basis and does not include any non-cash items. The cash flow statement is prepared on a cash basis and does not include any non-cash items.

	Year ended December 31, 2002	Year ended December 31, 2001
Operating Activities		
Net Income	11,300	18,110
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,220	1,110
Provision for doubtful accounts	1,220	1,110
Gain on sale of property, plant and equipment	(1,220)	(1,110)
Change in deferred tax assets	(1,220)	(1,110)
Change in other assets and liabilities	1,220	1,110
Net cash provided by operating activities	11,300	18,110

The cash flow statement is prepared on a cash basis and does not include any non-cash items. The cash flow statement is prepared on a cash basis and does not include any non-cash items.

**Supplementary Information on Cash Flows Statement**

The following table provides information regarding the cash flow statement of American International Group, Inc. for the year ended December 31, 2002.

Period	Operating Activities	Investing Activities	Financing Activities
Year ended December 31, 2002	11,300	(1,220)	1,220
Year ended December 31, 2001	18,110	(1,110)	1,110

The following table provides information regarding the cash flow statement of American International Group, Inc. for the year ended December 31, 2002.

Category	Level 1 (Quoted Market Prices)	Level 2 (Observable Inputs)	Level 3 (Unobservable Inputs)
Assets			
Fixed Income Securities	11,300	1,220	1,220
Equity Securities	1,220	1,110	1,110
Real Estate	1,220	1,110	1,110
Other Assets	1,220	1,110	1,110
Liabilities			
Accounts Payable	1,220	1,110	1,110
Other Liabilities	1,220	1,110	1,110

Category	2002	2001
Operating Activities	11,300	18,110
Investing Activities	(1,220)	(1,110)
Financing Activities	1,220	1,110



Source: Value Chain & Manufacturing Policy Studies (Fidelity Growth & 2021) Ltd. Manufactures and Service Private Limited  
 and the financial statements for the year ended March 31, 2021

34. 3-year liquidity ratios summary

Ratio	Numerator	Denominator	At 31 March 2021	At 31 March 2020	% of change	Remarks: The variance between the change in the ratio is more than 20% accompanied by
Current Ratio	Current Assets	Current Liabilities	1.20	0.50	144.00%	Firm has paid 2020-21. Trade payable & Trade Receivable is decreased, which led to higher current ratio.
Debt to Equity Ratio	Total Debt	Shareholders' Equity	1.00	1.00	0.00%	EQ has not changed in the current year.
Debt Coverage Ratio	Operating Income before Interest & Depreciation + Depreciation + Amortization	Total Liabilities = Current Liabilities + Financial Requirements	1.00	1.00	0.00%	Company does not have any debt.
Return on Equity Ratio	Net Profit after Interest & Depreciation	Shareholders' Equity	0.11	0.34	67.65%	EQ has decreased in the current year. The period 2020-21. Hence the net profit during 2020-21 is compared to the net profit during the same in the current year.
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	1.00	1.00	0.00%	
Trade Receivable Turnover Ratio	Net Credit Sales + Cash Sales	Average Trade Receivable	1.12	1.00	12.00%	EQ has decreased in the current year. The period 2020-21. Hence the net profit during 2020-21 is compared to the net profit during the same in the current year.
Bank Borrowal Ratio	Net Credit Sales + Cash Sales	Average Trade Payable	1.00	1.00	0.00%	EQ has decreased in the current year. The period 2020-21. Hence the net profit during 2020-21 is compared to the net profit during the same in the current year.
Days Capital Turnover Ratio	Net Sales + Cash Sales	Working Capital + Current Assets - Current Liabilities	1.00	1.00	0.00%	
Debt to Equity Ratio	Total Debt	Shareholders' Equity	1.00	1.00	0.00%	
Return on Capital Employed	Operating Income before Interest & Depreciation	Capital Employed = Total Assets - Total Debt + Minority Interest	1.00	1.00	0.00%	
Equation Imbalance	Assets	Liabilities	1.00	1.00	0.00%	



Sankalp Value Chain & Manufacturing Private Limited (Formerly known as Sankalp Manufacturing and Services Private Limited)  
Notes forming part of the financial statements for the year ended March 31, 2024

35 Other statutory information

- a. The Company doesn't have immovable properties as at 31st March 2024.
- b. During the year, the Company has not received its Property, Plant and Equipments and Intangible Assets.
- c. The Company has not granted any Loans or Advances to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- d. The Company do not have any litigious property, where any proceeding has been initiated or pending against the Company for taking any litigious property.
- e. The Company has not borrowed from banks or financial institutions. Hence, the company has not filed any statements with the Banks or financial institutions.
- f. The Company has not been declared as unfit debtor by any bank or financial institutions or other lenders.
- g. The Company do not have any transactions with companies struck off under section 243 of the Companies Act, 2013 or section 560 of Companies Act 1956.
- h. The Company does not have any charges or satisfaction which if yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- i. The Company has not entered into any transactions which are prescribed under clause (87) of Section 2 of the Act read with Companies (Resolution on number of Layers) Rules, 2017.
- j. The Company has not entered into any Scheme of Arrangement which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act 2013.
- k. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the funds may be used:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- l. The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding that either recorded in writing or otherwise that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- m. The Company has not approved any funds from Banks or Financial Institution. Hence, reporting of receipt of borrowings from banks and financial statements for the specific purpose for which it has taken is not applicable.
- n. The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

36 Corporate Social Responsibility

The Company is not required to contribute towards Corporate Social Responsibility ("CSR"), as required by Schedule VII of the Act, as the Company does not meet criteria specified in the applicable rules and regulations relevant for contributions towards CSR.

37 The Code on Social Security, 2020 (Code) relating to employees benefits during a resignation and post-employment benefits received

38 Prior Period Comparatives

Previous year figures were reclassified and grouped to conform the year's classification

In terms of our report of even date  
For S P SANKHASTANA & Associates  
Chartered Accountants  
Firm Registration No., 0256E35

S. K. Subramanian  
Partner  
Membership No. 205737

Place: Bangalore  
Date: 14-05-2024

For and on behalf of the Board of Directors of  
Sankalp Value Chain & Manufacturing Private Limited

*Ashish Mittal Pradhan* *Jayshree Minoo Pradhan*

Ashish Mittal Pradhan  
Director  
DIN: 06630024

Jayshree Minoo Pradhan  
Director  
DIN: 00222768

Place: Bangalore  
Date: 14-05-2024

Place: Bangalore  
Date: 14-05-2024



Kurlon Enterprise Limited  
Consolidated Balance Sheet as at September 30, 2024

Particulars	Para No.	₹ in Cr.
		As at September 30, 2024
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	1	282.00
Right-of-use assets	2	30.00
Capital work-in-progress	3	4.58
Intangible assets	3	1.01
Financial assets		
Other Financial Assets	4	10.09
Deferred tax assets	5	0.60
Non-current tax assets (net)	6	13.91
Other non-current assets	7	3.84
<b>Total non-current assets</b>		<b>285.43</b>
Current assets		
Intangibles	8	72.76
Financial assets		
(i) Trade Receivables	9	20.35
(ii) Cash and cash equivalents	10	2.88
(iii) Bank balances other than cash and cash equivalents	11	2.28
(iv) Loans	12	0.64
(v) Other financial assets	13	1.09
Other current assets	14	41.76
<b>Total current assets</b>		<b>146.85</b>
Asset held for Sale/Assets included in Disposal group(s) held for sale		38.97
<b>Total assets</b>		<b>442.85</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Equity share capital	15	18.28
Other equity	16	252.74
<b>Total equity</b>		<b>271.02</b>
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Lease liabilities	17	16.09
(ii) Other non-current financial liabilities	18	47.32
Provisions	19	11.92
Deferred tax liabilities	20	6.64
<b>Total non-current liabilities</b>		<b>77.97</b>
Current liabilities		
Financial liabilities		
(i) Borrowings	21	10.61
(ii) Lease liabilities	17	6.03
(iii) Trade payables		
• Total debt-financing dues of micro-enterprises and small enterprises	22	4.50
• Total debt-financing dues of creditors other than micro-enterprises and small enterprises	22	44.72
(iv) Other financial liabilities	23	4.75
Provisions	19	8.28
Current tax liabilities (net)	24	1.07
Other current liabilities	25	12.89
<b>Total current liabilities</b>		<b>83.08</b>
<b>Total liabilities</b>		<b>179.43</b>
<b>Total equity and liabilities</b>		<b>442.85</b>

The accompanying notes are an integral part of these consolidated financial statements.

For and on behalf of the Board of Directors

Rohit Gauram  
CIN: U36102MH-Q011PLC22097

Rohit Gauram  
Director  
DIN: 00152999

Place: India  
Date: 30-12-2024



**Kurlon Enterprise Limited**  
**Consolidated Statement of Profit and Loss for the period ended September 30, 2024**

Particulars	Note no.	(₹ in Cr)
		For the Period ended September 30, 2024
<b>Income</b>		
Revenue from operations	26	229.40
Other income	27	3.78
<b>Total Income</b>		<b>331.38</b>
<b>Expenses</b>		
Cost of materials consumed	28	175.04
Purchase of stock-in-trade	29	28.00
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	(1.08)
Cost of manufacturing expenses	31	23.77
Employee benefits expenses	32	33.36
Finance costs	33	1.81
Depreciation and amortisation expense	34	17.12
Other expenses	35	94.74
<b>Total Expenses</b>		<b>361.06</b>
Profit / (loss) before tax and exceptional items		(32.20)
Exceptional items		38.71
<b>Profit (loss) before tax</b>		<b>(32.67)</b>
Income Tax expense		
Current tax		0.52
Tax expenses related to earlier period		-
Deferred tax (net)		40.93
<b>Total Income tax expense</b>		<b>(40.37)</b>
<b>Profit / (loss) for the period</b>		<b>(33.30)</b>
<b>Other comprehensive income / (net of tax)</b>		
Items that will not be reclassified to profit or loss		
Remeasurements gain / (loss) on net defined benefit plans		0.20
Income tax on above items		(0.04)
<b>Total Other comprehensive income / (loss) (net of tax)</b>		<b>0.22</b>
<b>Total comprehensive income for the period</b>		<b>(33.08)</b>
<b>Less for the period attributable to:</b>		
Shareholders of the Holding Company		(33.30)
Non-controlling interest		-
		<b>(33.30)</b>
<b>Other Comprehensive income for the period attributable to:</b>		
Shareholders of the Holding Company		0.22
Non-controlling interest		-
		<b>0.22</b>
<b>Total Comprehensive income for the period attributable to:</b>		
Shareholders of the Holding Company		(33.08)
Non-controlling interest		-
		<b>(33.08)</b>
<b>Earnings per equity share (face value of ₹.5/- each) (Net amount used):</b>		
Basic and diluted (₹)		(0.37)

The accompanying notes are an integral part of these consolidated financial statements.

For and on behalf of the Board of Directors  
 Kurlon Enterprise Limited  
 CIN: U36101HR2011PL C702687

Rohit Gautam  
 Director  
 DIN: 00192999



Place: Hovda  
 Date: 02-12-2024





## Kuriox Enterprise Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## Note 2: Right-of-use assets

Particulars	(€ in Cr)		
	Leasehold land	Buildings	Total
<b>Gross Carrying Amount</b>			
As at April 1, 2024	11.45	70.12	81.57
Additions	-	-	-
Disposals	-	(12.87)	(12.87)
<b>As at September 30, 2024</b>	<b>11.45</b>	<b>57.25</b>	<b>68.70</b>
<b>Accumulated Depreciation</b>			
As at April 1, 2024	0.87	33.4	34.27
Depreciation expense for the period	0.09	4.14	4.23
Disposals	-	-	-
<b>As at September 30, 2024</b>	<b>1.06</b>	<b>37.54</b>	<b>38.60</b>
<b>Net book value as at September 30, 2024</b>	<b>10.39</b>	<b>19.71</b>	<b>30.10</b>

## Note 3: Other intangible assets

Particulars	(€ in Cr)	
	Computer software	Total
<b>Gross Carrying Amount</b>		
As at April 1, 2024	11.07	11.07
Additions	0.08	0.08
Disposals	-	-
<b>As at September 30, 2024</b>	<b>11.15</b>	<b>11.15</b>
<b>Accumulated Amortisation</b>		
As at April 1, 2024	9.83	9.83
Amortisation expense for the period	0.26	0.26
Disposals	0.05	0.05
<b>As at September 30, 2024</b>	<b>10.14</b>	<b>10.14</b>
<b>Net book value as at September 30, 2024</b>	<b>1.01</b>	<b>1.01</b>

## Karlson Enterprise Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 4 : OTHER FINANCIAL ASSETS (NON CURRENT)

Particulars	(₹ in Cr)
	As at September 30, 2024
Security deposits	10.09
<b>Total</b>	<b>10.09</b>

## NOTE 5 : DEFERRED TAX ASSETS

Particulars	(₹ in Cr)
	As at September 30, 2024
Deferred tax assets	0.50
<b>Total</b>	<b>0.50</b>

## NOTE 6 : NON CURRENT TAX ASSETS (NET)

Particulars	(₹ in Cr)
	As at September 30, 2024
Advance income tax (net of provision for income tax)	13.91
<b>Total</b>	<b>13.91</b>

## NOTE 7 : OTHER NON CURRENT ASSETS

Particulars	(₹ in Cr)
	As at September 30, 2024
Capital advances	3.84
<b>Total</b>	<b>3.84</b>

## NOTE 8 : INVENTORIES

Particulars	(₹ in Cr)
	As at September 30, 2024
Raw materials	16.88
Raw materials (in transit)	0.03
Work-in-progress	7.23
Finished goods	36.60
Stock-in-trade	5.38
Packing materials	4.44
Stores and spares	7.20
Stores & spares (in transit)	0.02
<b>Total</b>	<b>77.78</b>

## NOTE 9 : TRADE RECEIVABLES

Particulars	(₹ in Cr)
	As at September 30, 2024
<b>Unsecured</b>	
Trade receivables - considered good	20.35
Trade receivables - considered doubtful	11.25
Trade receivables (gross)	31.60
Less : Provision for Expected Credit Loss	(13.25)
<b>Total</b>	<b>18.35</b>

## Kailash Enterprises Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 10 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Cr)
	As at September 30, 2024
Balance with banks :	
-Current accounts	2.85
-Cash on hand	0.03
<b>Total</b>	<b>2.88</b>

## NOTE 11 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Cr)
	As at September 30, 2024
Deposits having original maturity more than 3 months but less than 12 months	2.28
<b>Total</b>	<b>2.28</b>

## NOTE 12: LOANS

Particulars	(₹ in Cr)
	As at September 30, 2024
Loans to employees	0.64
<b>Total</b>	<b>0.64</b>

## NOTE 13 : OTHER FINANCIAL ASSETS (CURRENT)

Particulars	(₹ in Cr)
	As at September 30, 2024
Interest accrued on fixed deposits	0.14
Gratuity Recoverable	0.39
Security deposits	1.36
<b>Total</b>	<b>1.89</b>

## NOTE 14 : OTHER CURRENT ASSETS

Particulars	(₹ in Cr)
	As at September 30, 2024
Advance to suppliers	9.97
Balances with Statutory/Government authorities	
- Excise & Custom	1.23
- GST	10.14
- Income tax refund receivable	5.52
Prepaid expenses	3.80
Other receivables	10.89
<b>Total</b>	<b>41.06</b>

## Kurlon Enterprise Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 26 : EQUITY SHARE CAPITAL

Particulars	(₹ in Cr)
	As at September 30, 2024
<b>Authorized share capital:</b>	
15,06,00,000 fully paid equity shares of Rs. 5/- each	75.30
(March 31, 2024: 15,06,00,000 fully paid equity shares of Rs. 5/- each)	<u>75.30</u>
<b>Issued, subscribed &amp; paid up share capital:</b>	
3,65,52,261 fully paid equity shares of Rs. 5/- each	18.28
(March 31, 2024: 3,65,52,261 fully paid equity shares of Rs. 5/- each)	<u>18.28</u>
<b>Total</b>	<u>18.28</u>

## Kunjon Enterprise Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 26 : OTHER EQUITY

Particulars	(₹ in Cr)
	As at September 30, 2024
Capital reserve	15.06
General reserve	12.86
Retained earnings	78.22
Security premium	148.60
<b>Total</b>	<b>252.74</b>

Particulars	(₹ in Cr)
	As at September 30, 2024
<b>Capital reserve</b>	
Opening balance	15.06
Addition during the period	-
<b>Closing balance</b>	<b>15.06</b>
<b>General Reserve</b>	
Opening balance	12.86
Addition during the period	-
<b>Closing balance</b>	<b>12.86</b>
<b>Retained earnings</b>	
Opening balance	89.93
Net profit/(loss) for the period	(13.90)
Remeasurements of the net defined benefit plans (net of tax)	0.22
Other adjustments	0.37
<b>Closing balance</b>	<b>76.22</b>
<b>Securities premium account</b>	
Opening balance	148.60
Addition during the period	-
<b>Closing balance</b>	<b>148.60</b>

## NOTE 17 : LEASE LIABILITIES

Particulars	(₹ in Cr)
	As at September 30, 2024
Lease liabilities	24.12
<b>Total</b>	<b>24.12</b>
Non current	18.09
Current	6.03
<b>Total</b>	<b>24.12</b>

## NOTE 18 : OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	(₹ in Cr)
	As at September 30, 2024
Deposits from dealers and others	47.32
<b>Total</b>	<b>47.32</b>

## Kunton Enterprise Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

**NOTE 19 : PROVISIONS**

	(₹ in Cr)
Particulars	As at September 30, 2024
<b>Long term provisions:</b>	
Provision for employee benefits:	
-Compensated absences	3.22
-Gratuity	5.10
Other provisions:	
-Provision for warranty	3.60
<b>Total (A)</b>	<b>11.92</b>
<b>Short term provisions:</b>	
Provision for employee benefits:	
-Compensated absences	0.35
-Gratuity	0.60
Other provisions:	
-Provision for warranty	5.24
-Others	0.10
<b>Total (B)</b>	<b>6.29</b>
<b>Grand total (A+B)</b>	<b>18.21</b>

**NOTE 20 : DEFERRED TAX LIABILITIES**

	(₹ in Cr)
Particulars	As at September 30, 2024
Deferred tax liabilities	0.64
<b>Total</b>	<b>0.64</b>

**NOTE 21 : BORROWINGS (CURRENT)**

	(₹ in Cr)
Particulars	As at September 30, 2024
Working Capital Loans from Banks	13.61
<b>Total</b>	<b>13.61</b>

**NOTE 22 : TRADE PAYABLES**

	(₹ in Cr)
Particulars	As at September 30, 2024
Trade payables	
(a) Total outstanding dues of micro enterprises and small enterprises	4.50
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	44.72
<b>Total</b>	<b>49.22</b>

## Karton Enterprise Limited

Notes forming part of the Consolidated Financial statements for the period ended September 30, 2024

**NOTE 23 : OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	(₹ In Cr)
	As at September 30, 2024
Deposits from dealers and others	0.16
Unpaid Dividend	0.58
Employee related liabilities	4.02
<b>Total</b>	<b>4.76</b>

**NOTE 24 : CURRENT TAX LIABILITIES (NET)**

Particulars	(₹ In Cr)
	As at September 30, 2024
Provision for income tax	1.07
<b>Total</b>	<b>1.07</b>

**NOTE 25 : OTHER CURRENT LIABILITIES**

Particulars	(₹ In Cr)
	As at September 30, 2024
Contract liabilities	8.34
Statutory dues payable	4.11
Other liabilities	0.44
<b>Total</b>	<b>12.89</b>

## Kurlon Enterprise Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 26 : REVENUE FROM OPERATIONS

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Sale of products	
Sale of products	302.48
Traded goods	20.47
Sale of Services	0.04
	<u>322.99</u>
Other operating revenue	
Income from sale of scrap	4.44
<b>Total</b>	<u><b>327.43</b></u>

## NOTE 27 : OTHER INCOME

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Interest Income from	
Others	0.07
Financial assets at fair value	
Unwinding of interest on security deposits	0.09
Other non-operating income	
Liabilities/provisions no longer required written back	0.15
Income from sale of investments	0.12
Sale of non-processed scrap	1.63
Gain on early termination of lease	1.53
Other miscellaneous income	18.90
<b>Total</b>	<u><b>23.48</b></u>
Less: Transferred to Exceptional Items	18.71
	<u><b>3.77</b></u>

## NOTE 28 : COST OF MATERIALS CONSUMED

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Raw material	
Opening inventory	31.46
Add: Purchases	165.78
Less: Sales/adjustments	(11.50)
Less: Closing inventory	(10.91)
<b>Raw materials consumed</b>	<u><b>164.71</b></u>
Packing Material	
Opening inventory	5.38
Add: Purchases	7.65
Less: Sales/adjustments	(1.35)
Less: Closing inventory	(4.44)
<b>Packing materials consumed</b>	<u><b>7.24</b></u>
<b>Total</b>	<u><b>171.95</b></u>

## NOTE 29 : PURCHASE OF STOCK-IN-TRADE

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Purchase of traded goods	28.40
<b>Total</b>	<u><b>28.40</b></u>



## Kurlon Enterprise Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 29 : CHANGE IN INVENTORIES OF FINISHED GOODS , STOCK IN TRADE AND WORK IN PROGRESS

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Closing stock:	
Finished goods	36.80
Stock in trade	5.39
Work-in-progress	7.21
	<u>49.40</u>
Opening stock:	
Finished goods	26.49
Stock in trade	8.65
Work-in-progress	12.56
	<u>47.70</u>
<b>Total</b>	<b>(1.48)</b>

## NOTE 31 : OTHER MANUFACTURING EXPENSES

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Power and fuel	2.19
Repair and maintenance	
- Buildings	0.43
- Plant and equipment	1.96
Processing and other charges	19.19
<b>Total</b>	<b>23.77</b>

## NOTE 32 : EMPLOYEE BENEFITS EXPENSE

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Salaries, wages, allowances, and other benefits	29.63
Gratuity expenses	0.64
Contribution to provident and other funds	1.29
Workmen and staff welfare expenses	1.90
<b>Total</b>	<b>33.46</b>

## NOTE 33 : FINANCE COSTS

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Interest expense:	
-On borrowings from banks	0.28
-On lease liabilities	1.19
Bank Charges	0.14
<b>Total</b>	<b>1.61</b>

## NOTE 34 : DEPRECIATION AND AMORTISATION EXPENSE

	(₹ in Cr)
Particulars	For the Period ended September 30, 2024
Depreciation of property, plant and equipment	12.83
Amortisation of intangible assets	0.26
Depreciation on right-of-use assets	4.23
<b>Total</b>	<b>17.32</b>

## Kurlon Enterprise Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 35: OTHER EXPENSES

Particulars	₹ In Crd
	For the Period ended September 30, 2024
Freight and forwarding	15.77
Rent and hire	1.10
Insurance	3.45
Rates and taxes	1.69
Legal and professional	2.24
Other Maintenance	1.91
Advertisement, promotion and selling expenses	28.50
Selling & Promotion expenses	13.86
Travelling and conveyance	3.93
Provision for Warranty	3.53
IT Support services	3.12
Loss on sale/disposal of fixed assets	1.15
Miscellaneous expenses	4.49
<b>Total</b>	<b>84.74</b>

For and on behalf of the Board of Directors

Kurlon Enterprise Limited

CIN:U36101MH2011PLC222657



Rohit Gaurani  
Director  
DIN: 00192959



Place: Mumbai  
Date: 02-12-2024

Kurlon Enterprise Limited  
 Standalone Balance Sheet as at September 30, 2024

Particulars	Note no	₹ in Cr
		As at September 30, 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1	196.65
Right-of-use assets	2	28.76
Capital work-in-progress	3	4.58
Other intangible assets	3	0.96
Investments in Subsidiaries	4	17.72
Financial assets		
(i) Loans	5	0.00
(ii) Other financial assets	6	7.42
Non-current tax assets (net)	7	13.62
Other non-current assets	8	3.84
<b>Total non-current assets</b>		<b>274.91</b>
<b>Current assets</b>		
Inventories	9	72.58
Financial assets		
(i) Trade receivables	10	37.70
(ii) Cash and cash equivalents	11	1.23
(iii) Bank balances other than cash and cash equivalents	12	2.24
(iv) Other financial assets	13	0.54
Current tax assets (net)		
Other current assets	14	32.50
<b>Total current assets</b>		<b>146.67</b>
<b>Asset held for sale/assets included in disposal groups held for sale</b>		<b>30.07</b>
<b>Total assets</b>		<b>451.65</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	15	96.28
Other equity	16	286.51
<b>Total equity</b>		<b>382.79</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
(i) Loans	17	15.47
(ii) Other non-current financial liabilities	18	46.76
Provisions	19	10.66
Deferred tax liabilities (net)	20	0.64
<b>Total non-current liabilities</b>		<b>73.53</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	21	13.60
(ii) Lease liabilities	17	3.75
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	22	4.50
- Total outstanding dues of creditors other than micro enterprises and small enterprises	22	49.27
(iv) Other financial liabilities	23	4.50
Provisions	19	6.15
Other current liabilities	24	14.80
<b>Total current liabilities</b>		<b>93.28</b>
<b>Total Liabilities</b>		<b>166.78</b>
<b>Total equity and liabilities</b>		<b>451.65</b>

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

For and on behalf of the Board of Directors of  
 Kurlon Enterprise Limited  
 CIN U36101MH2011PLC222657

*[Signature]*

Rajesh Gopinath  
 Director  
 DIN 00192969

Place: Mumbai  
 Date: 02-10-2024



Kurlon Enterprise Limited  
 Standalone Statement of Profit and Loss for the period ended September 30, 2024

Particulars	Note No	₹ in Cr
		For the period ended September 30, 2024
<b>Income</b>		
Revenue from operations	25	370.34
Other income	26	2.12
<b>Total Income</b>		<b>372.46</b>
<b>Expenses</b>		
Cost of materials consumed	27	177.11
Purchase of stock-in-trade	28	25.67
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	(1.10)
Other manufacturing expenses	30	23.23
Employee benefits expense	31	20.55
Finance costs	32	1.12
Depreciation and amortisation expense	33	15.46
Other expenses	34	64.19
<b>Total Expenses</b>		<b>352.21</b>
Profit/(loss) before tax and Exceptional items		(20.66)
Exceptional items		10.71
<b>Profit/(loss) before tax</b>		<b>(9.95)</b>
<b>Income Tax expense</b>		
Current tax		-
Deferred tax (net)		(0.83)
<b>Total income tax expense</b>		<b>(0.83)</b>
<b>Profit/(loss) for the period</b>		<b>(10.78)</b>
<b>Other comprehensive income (net of tax)</b>		
Items that will not be reclassified to profit or loss		
Remeasurements - gain / (loss) of the net defined benefit plans		0.16
Income tax on above items		(0.04)
<b>Total Other comprehensive income/ (loss) (net of tax)</b>		<b>0.12</b>
<b>Total comprehensive income for the period</b>		<b>(10.66)</b>
<b>Earnings per equity share (Face value of Rs.5/- each): (Net annualized)</b>		
Basic and diluted (₹.)		(2.74)

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

For and on behalf of the Board of Directors of  
 Kurlon Enterprise Limited  
 CSE: US9101MKT2011PLC222657

Rahul Gautam  
 Director  
 Del: 00192996



Place: Noida  
 Date: 02-12-2024



## Kerton Enterprise Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## Note 2: Right-of-use assets

(\$ in Cr)

Particulars	Leasehold land	Buildings	Total
<b>Gross Carrying Amount</b>			
As at April 1, 2024	11.45	29.73	49.78
Additions	-	-	-
Disposal/transfers	-	(0.09)	(0.09)
As at September 30, 2024	11.45	29.24	49.69
<b>Accumulated Depreciation</b>			
As at April 1, 2024	0.97	10.35	11.32
Depreciation expense for the period	0.08	2.58	2.67
Disposal/transfers	-	-	-
As at September 30, 2024	1.05	12.93	13.98
<b>Net book value as at September 30, 2024</b>	<b>10.39</b>	<b>16.31</b>	<b>26.70</b>

## Note 3: Other Intangible assets

(\$ in Cr)

Particulars	Goodwill	Computer software	Total
<b>Gross Carrying Amount</b>			
As at April 1, 2024	-	11.04	11.04
Additions	-	0.08	0.08
Disposal/transfers	-	-	-
As at September 30, 2024	-	11.12	11.12
<b>Accumulated Amortisation</b>			
As at April 1, 2024	-	9.83	9.83
Amortisation expense for the period	-	0.28	0.28
Disposal/transfers	-	0.05	0.05
As at September 30, 2024	-	10.14	10.14
<b>Net book value as at September 30, 2024</b>	<b>-</b>	<b>0.98</b>	<b>0.98</b>

## Kurlon Enterprises Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 4 : INVESTMENTS IN SUBSIDIARIES

Particulars	As at September 30, 2024	
	Number	(₹ in Cr)
Investment in equity shares (Unquoted, at cost) (Fully paid up)		
Subsidiary Companies		
Kurlon Retail Limited (Formerly known as Kurlon Retail Private Limited) (Shares of Rs. 5/- each fully paid up)	1,52,99,898	17.60
Bethodre International Limited (Shares of Rs. 10/- each fully paid)	50,000	0.05
Komori Universe Products and Services Limited (Shares of Rs. 10/- each fully paid)	50,000	0.05
Starship Value Chain and Manufacturing Private Limited (Formerly known as Starship Manufacturing & Services Private Limited) (Shares of Rs. 10/- each fully paid)	5,000	0.01
Kurvasa Concepts Private Limited (Shares of Rs. 10/- each fully paid)	10,000	0.01
<b>Total</b>	<b>1,53,61,898</b>	<b>17.72</b>
Aggregate amount of Unquoted investments	1,53,61,898	17.72

## NOTE 5 : LOANS

Particulars	(₹ in Cr)	
	As at September 30, 2024	
(Unsecured, considered good)		
At amortised cost		
Loan to Subsidiaries		30.67
Less : Loss Allowance		(30.67)
<b>Total</b>		<b>5.00</b>

## NOTE 6 : OTHER FINANCIAL ASSETS (NON CURRENT)

Particulars	(₹ in Cr)	
	As at September 30, 2024	
(Unsecured, considered good)		
Security deposits		7.42
<b>Total</b>		<b>7.42</b>

## NOTE 7 : NON CURRENT TAX ASSETS (NMT)

Particulars	(₹ in Cr)	
	As at September 30, 2024	
Advance Income tax		13.82
<b>Total</b>		<b>13.82</b>

## Kerton Energy Ltd

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 9 : OTHER NON CURRENT ASSETS

	R in Cr
Particulars	As at September 30, 2024
(Unsecured, considered good)	
Capital advances	3.84
<b>Total</b>	<b>3.84</b>

## NOTE 9 : INVENTORIES

	R in Cr
Particulars	As at September 30, 2024
(Valued at lower of cost and net realizable value unless otherwise stated)	
Raw materials	10.66
Raw materials (in transit)	0.03
Work-in-progress	1.21
Finished goods	36.60
Stock-in-trade	0.00
Packing materials	4.44
Stores and spares	7.20
<b>Total</b>	<b>72.34</b>

## NOTE 10 : TRADE RECEIVABLES

	R in Cr
Particulars	As at September 30, 2024
(At amortised cost)	
Unsecured	
Trade receivables - considered good	37.70
Trade receivables - considered doubtful	11.25
Trade receivables (gross)	48.95
Less: Impairment allowance for trade receivables considered doubtful	(11.25)
<b>Total</b>	<b>37.70</b>

## NOTE 11 : CASH AND CASH EQUIVALENTS

	R in Cr
Particulars	As at September 30, 2024
Balance with banks:	
Current accounts	1.20
Cash on hand	0.03
<b>Total</b>	<b>1.23</b>



## Kerlon Enterprise Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 12 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(\$ in Cr)

Particulars	As at September 30, 2024
Deposits having original maturity more than 3 months but less than 12 months	2.24
<b>Total</b>	<b>2.24</b>

## NOTE 13 : OTHER FINANCIAL ASSETS (CURRENT)

(\$ in Cr)

Particulars	As at September 30, 2024
Unsecured, considered good	
Interest accrued but not due on fixed deposits	0.14
Insurance claim receivable	0.01
Other Receivables	0.38
<b>Total</b>	<b>0.54</b>

## NOTE 14 : OTHER CURRENT ASSETS

(\$ in Cr)

Particulars	As at September 30, 2024
Unsecured, considered good	
Advance to contractors/suppliers	9.37
Advance to employees	0.62
Balances with Statutory/Government authorities:	
- Excise & Customs	1.23
- GST	7.13
Prepaid expenses	3.28
Other receivables	10.87
<b>Total</b>	<b>32.50</b>

## Kurlon Enterprise Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 15 : EQUITY SHARE CAPITAL

Particulars	(₹ In Cr)
	As at September 30, 2024
(a) Authorized share capital:	75.30
15,06,00,000 fully paid equity shares of ₹ 5/- each (March 31, 2024 : 15,06,00,000 fully paid equity shares of ₹ 5/- each)	<u>75.30</u>
Issued, subscribed & paid up share capital:	
3,65,52,281 fully paid equity shares of ₹ 5/- each (March 31, 2024 : 3,65,52,281 equity shares of ₹ 5/- each)	18.28
Total	<u>18.28</u>

## Kurlon Enterprise Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 16 : OTHER EQUITY

Particulars	(₹ In Cr)
	As at September 30, 2024
Capital reserve	15.06
General reserve	12.66
Securities Premium	146.60
Retained earnings	89.99
<b>Total</b>	<b>266.61</b>

Particulars	(₹ In Cr)
	As at September 30, 2024
<b>a) Capital Reserve</b>	
Opening balance	15.06
Addition during the period	-
Closing balance	<b>15.06</b>
<b>b) General reserves</b>	
Opening balance	12.66
Addition during the period	-
Closing balance	<b>12.66</b>
<b>c) Securities Premium</b>	
Opening balance	146.60
Addition during the period	-
Closing balance	<b>146.60</b>
<b>d) Retained earnings</b>	
Opening balance	99.99
Net profit/(loss) for the period	(10.01)
Remeasurements of the net defined benefit plans (net of tax)	0.12
Closing balance	<b>89.99</b>

## NOTE 17 : LEASE LIABILITIES

Particulars	(₹ In Cr)
	As at September 30, 2024
Lease liabilities	18.17
<b>Total</b>	<b>18.17</b>
Current	3.75
Non-current	15.42

## NOTE 18 : OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	(₹ In Cr)
	As at September 30, 2024
Deposits from dealers and others	46.78
<b>Total</b>	<b>46.78</b>

Kurion Enterprise Limited  
Notes forming part of the standalone financial statements for the period ended September 30, 2024

**NOTE 19 : PROVISIONS**

Particulars	(₹ in Cr)
	As at September 30, 2024
<b>Long-term provisions:</b>	
Provision for employee benefits	
-Compensated absences	2.62
-Gratuity	4.44
Other provisions	
-Provision for warranty	3.60
<b>Total</b>	<b>10.66</b>
<b>Short-term provisions:</b>	
Provision for employee benefits	
-Compensated absences	0.32
-Gratuity	0.60
Other provisions:	
-Provision for warranty	6.24
<b>Total</b>	<b>8.16</b>

**NOTE 20 : DEFERRED TAX LIABILITIES (NET)**

Particulars	(₹ in Cr)
	As at September 30, 2024
Deferred tax liabilities (net)	0.64
<b>Total</b>	<b>0.64</b>

**NOTE 21 : BORROWINGS (CURRENT)**

Particulars	(₹ in Cr)
	As at September 30, 2024
<b>Secured</b>	
Working Capital Loan from banks	13.60
<b>Total</b>	<b>13.60</b>

**NOTE 22 : TRADE PAYABLES**

Particulars	(₹ in Cr)
	As at September 30, 2024
Trade payables other than acceptances	
(i) Total outstanding dues of micro enterprises and small enterprises	4.50
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	49.27
<b>Total</b>	<b>53.77</b>

**NOTE 23 : OTHER FINANCIAL LIABILITIES (CURRENT)**

Particulars	(₹ in Cr)
	As at September 30, 2024
Employee related liabilities	3.92
Other financial liabilities	0.58
<b>Total</b>	<b>4.50</b>

**NOTE 24 : OTHER CURRENT LIABILITIES**

Particulars	(₹ in Cr)
	As at September 30, 2024
Contract liabilities	7.88
Statutory dues payable	3.84
<b>Total</b>	<b>11.72</b>

## Kurlon Enterprise Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 25 : REVENUE FROM OPERATIONS

Particulars	(₹ in Cr)
	For the period ended September 30, 2024
Sale of products (refer note below)	316.09
	<u>316.09</u>
Other operating revenue	
- Income from sale of processed scrap	4.44
- Other Operating Revenue	0.01
<b>Total</b>	<u><b>320.54</b></u>

## Note:

Includes sale of finished goods and semi-finished goods and services to related parties.

## NOTE 26 : OTHER INCOME

Particulars	(₹ in Cr)
	For the period ended September 30, 2024
Interest Income from:	
Financial assets at amortized cost	
Prov for bad & doubtful debts	0.11
Others	0.07
Unwinding of discount of deposits & lease receivables	0.07
Other non operating income	
Income from sale of Investment/Mutual Funds	0.12
Sale of non-processed scrap	1.53
Other miscellaneous income	10.63
<b>Total</b>	<u><b>20.63</b></u>
Less: Transfer to Exceptional items	18.71
<b>Total</b>	<u><b>2.12</b></u>

## NOTE 27 - COST OF MATERIALS CONSUMED

Particulars	(₹ in Cr)
	For the period ended September 30, 2024
<b>Raw material</b>	
Opening inventory	31.48
Add: Purchases	166.01
Less: Sales/adjustments/inflow	(11.50)
Less: Closing inventory	(16.91)
<b>Raw materials consumed</b>	<u><b>168.87</b></u>
<b>Packing material</b>	
Opening inventory	5.28
Add: Purchases	7.63
Less: Sales/adjustments/inflow	(1.35)
Less: Closing inventory	(4.44)
<b>Packing materials consumed</b>	<u><b>7.24</b></u>
<b>Cost of materials consumed</b>	<u><b>177.11</b></u>

## NOTE 28 : PURCHASE OF STOCK-IN-TRADE

Particulars	(₹ in Cr)
	For the period ended September 30, 2024
Traded Goods - Bed sheets/cumblers/PU foam/spring/colr mattresses	25.67
<b>Total</b>	<u><b>25.67</b></u>

Kurion Enterprise Limited  
Notes forming part of the standalone financial statements for the period ended September 30, 2024

**NOTE 29 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS**

Particulars	(₹ in Cr)
	For the period ended September 30, 2024
<b>Closing stock:</b>	
Finished goods	36.60
Stock in trade	-
Work-in-progress	7.21
	<u>43.81</u>
<b>Opening stock:</b>	
Finished goods	28.49
Stock in trade	3.66
Work-in-progress	12.56
	<u>44.71</u>
Changes in inventories of finished goods, Stock in Trade and work in progress	<u>(1.90)</u>

**NOTE 30 : OTHER MANUFACTURING EXPENSES**

Particulars	(₹ in Cr)
	For the period ended September 30, 2024
Power and fuel	1.96
Repair and maintenance:	
- Buildings	0.43
- Plant and equipment	1.96
Processing and other charges	16.88
Total	<u>23.23</u>

**NOTE 31 : EMPLOYEE BENEFITS EXPENSE**

Particulars	(₹ in Cr)
	For the period ended September 30, 2024
Salaries, wages, allowances, and other benefits	23.19
Contribution to gratuity	0.64
Contribution to provident and other funds	1.08
Workmen and staff welfare	1.77
Total	<u>26.68</u>

**NOTE 32 : FINANCE COSTS**

Particulars	(₹ in Cr)
	For the period ended September 30, 2024
Interest expense, (on financial liabilities measured at amortized cost)	
- On borrowings from banks	0.28
- On lease liabilities	0.80
Bank Charges	0.04
Total	<u>1.12</u>

## Kurlon Enterprise Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 33- DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	(₹ In Cr)
	For the period ended September 30, 2024
Depreciation of property, plant and equipment	12.53
Depreciation on right-of-use assets	2.67
Amortisation of Intangible Assets	0.26
<b>Total</b>	<b>15.46</b>

## NOTE 34 : OTHER EXPENSES

Particulars	(₹ In Cr)
	For the period ended September 30, 2024
IT Support services	3.12
Freight and forwarding	18.14
Rent and hire	0.15
Insurance	3.30
Rates and taxes	1.52
Legal and professional	8.39
Other Maintenance	1.45
Selling exp promotion	10.44
Travelling and conveyance	2.97
Loss on sale/disposal of fixed assets	1.15
Warranty	3.63
Advertisement	28.44
Miscellaneous	3.49
<b>Total</b>	<b>84.12</b>

For and on behalf of the Board of Directors of  
Kurlon Enterprise Limited  
CIN: U38401KA02014PLC222057

Rahul Gacham  
Director  
DIN: 00162999



Place: Noida  
Date : 07-12-2024

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Kurlon Enterprise Limited

**Report on the Audit of the Standalone Financial Statements**
**Opinion**

We have audited the accompanying standalone financial statements of Kurlon Enterprise Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors are responsible for the other information. The other information comprises the Board Report but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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





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## Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's Responsibilities for Audit of the Standalone Financial Statements.

## Other Matter

The standalone financial statements of the Company for the year ended March 31, 2023, were audited by another auditor whose report dated August 29, 2023 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of the above matter.

## 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 sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



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- (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 excepts for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).
- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 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 paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 50 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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- c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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 (1) and (2) above, contain any material mis-statement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- vi. Based on our examination, the Company has used an accounting software for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording the audit trail (edit log) facility, however, the audit trail feature was not enabled throughout the year for all the relevant transactions at the application level, whereas it was fully enabled at the database level within the accounting software to log any direct data changes.

The audit trail facility, to the extent it was enabled, as reported above, has been operated throughout the year for relevant transactions in the accounting software. Further, during the course of our examination, we did not come across any instance of the audit trail being tampered with, in respect of the accounting software for the period and the relevant transactions for which the audit trail feature was enabled and operating.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Harsh Jain*

Harsh Jain  
Partner  
Membership No: 305641  
UDIN: 24305641BKFTXR7243



Place: Bengaluru  
Date: May 15, 2024

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KURLON ENTERPRISE LIMITED**
**Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director'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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates  
 Chartered Accountants  
 ICAI Firm Registration No. 105047W



Harsh Jain  
 Partner  
 Membership No.: 305641  
 UDIN: 24305641BKFTXR7243



Place: Bengaluru  
 Date: May 15, 2024

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KURLON ENTERPRISE LIMITED FOR THE YEAR ENDED MARCH 31, 2024

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a)A The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Investment Property and relevant details of Right-Of-Use Assets.
- i. (a)B The Company has maintained proper records showing full particulars of intangible assets.
- i. (b) Property, Plant and Equipment and Right Of Use Assets were physically verified by the management according to a phased programme designed to cover all items over a period of 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 programme, a portion of property, plant and equipment and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.
- i. (c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in the standalone financial statements, are held in the name of the Company, except for the immovable property acquired as part of the terms of share purchase agreement by and amongst Kurlon Enterprise Limited, Sheela Foam Limited, Kanara Consumer Products Limited and Kurlon Trade and Invest Management Private Limited in the current year. As explained to us, registration of title deed(s) is in progress in respect of immovable property acquired during the year.

Sr. No.	Description of Property	Gross carrying value <sup>5</sup>	Held in the name of	Whether promoter, director or their relative or employee	Period held - Indicate range, where appropriate	Reason for not being held in name of Company
1	Leasehold Land - Bhubaneswar	1,143 Lakhs	Kanara Consumer Products Limited	No	N.A	The lease is in the name of the erstwhile holding company, Kanara Consumer Products Limited. Post-change in ownership during the year (on October 20, 2023), the company is in the process of transferring the lease to its name.



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- f. (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment including Right Of Use Assets and Intangible Assets during the year. Accordingly, the provisions stated under clause 3(l)(d) of the Order are not applicable to the Company.
- i. (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(l)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the Management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- ii. (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly returns are filed with such Banks are not in agreement with the books of accounts of the Company. Details of the same are as below.

Quarter Ended	Amount as per books of accounts (Rs. in Lakhs)	Amount as per quarterly return (Rs. in Lakhs)	Discrepancy (give details)
June 2023	15,778.13	16,199.20	The book debts submitted to the bank are on gross basis and advances against book debts is considered as liability. However, the amount recorded in the books of account is net of advances.
September 2023	15,155.60	15,190.13	The book debts submitted to the bank are on gross basis and advances against book debts is considered as liability. However, the amount recorded in the books of account is net of advances.
December 2023	16,884.39	17,800.58	The book debts submitted to the bank are on gross basis and advances against book debts is considered as liability. However, the amount recorded in the books of account is net of advances.
March 2024	17,420.84	18,568.57	The book debts submitted to the bank are on gross basis and advances against book debts is considered as liability. However, the amount recorded in the books of account is net of advances. Additionally, provisional entries passed in books at year end not considered in return submitted to bank.



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- iii. (a) According to the information explanation provided to us, the Company has provided loans, advances in the nature of loans, stood guarantee, and/or provided security(ies) to other entities.

(A) The details of such loans, advances, guarantee or security(ies) to subsidiaries, Joint Ventures and Associates are as follows:

	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount provided during the year	-	-	465.60	-
- Subsidiaries	-	-	465.60	-
Balance Outstanding as at balance sheet date in respect of above cases	-	-		-
- Subsidiaries			3,066.53	

During the year the Company has not stood guarantee and provided security to any other entity.

- iii. (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made and terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided and securities given are not prejudicial to the interest of the Company.
- iii. (c) The loans and advances in the nature of loan are repayable on demand. During the year, the Company has not demanded such loans or interest. Accordingly, in our opinion the repayments of principal amounts and receipts of interest are regular (Refer reporting under clause 3(iii)(f) below).
- iii. (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the loans and advances in the nature of loans are repayable on demand and the Company has not demanded such loans and advances in nature of loan (including receivable in nature of loan)
- iii. (e) According to the information and explanation provided to us, the loans or advances in the nature of loan granted has not been demanded by the Company during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.



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- iii. (f) According to the information and explanation provided to us, the Company has granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

Particulars	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	3,066.53	-	3,066.53
Total	3,066.53	-	3,066.53
Percentage of loans/ advances in nature of loans to the total loans	100%	-	3,066.53

- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and security made.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of 'the Act' and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the same, and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and 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 explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2024, outstanding for a period of more than six months from the date they became payable.





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- vii. (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded Rs.	Amount Paid Rs.	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act 1961	Income Tax	1072.45	-	2017-18	Commissioner of Income Tax (Appeals)
Value Added Tax, Sales Tax and Entry Tax	Value Added Tax, Sales Tax and Entry Tax	229.55	60.03	2014-15	The Joint Commissioner Commercial Taxes
		78.35	15.98	2015-16	
		34.72	8.70	2016-17	
Goods and Services Tax Act 2018	Goods and Services Tax	724.12	142.93	2017-18	Office of Deputy Commissioners of State Tax Jurisdiction
		79.84	7.92	2017-18, 2018-19	
		149.35	8.56	2017-18, 2018-19, 2019-20	
		624.79	0.26	2018-19	
		6.94	6.94	2020-21	
		26.92	26.92	2022-23	

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- ix. (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- ix. (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 3(ix)(c) of the Order is not applicable to the Company.
- ix. (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.



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- ix. (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, reporting under Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.
- x. (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.
- xi. (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- xi. (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- xiv. (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is 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 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.
- xvi. (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.



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- xvi. (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.
- xvi. (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group). Accordingly, the provisions stated under clause 3(xvi)(d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been resignation of the statutory auditor during the year, there were no issues, objections or concerns raised by the outgoing auditor.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 55 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act, are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Act or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to 'the Act'. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For MSKA & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Harsh Jain*

Harsh Jain  
Partner

Membership No.: 305641  
UDIN: 24305641BKFTXR7243



Place: Bengaluru  
Date: May 15, 2024

# MSKA & Associates

Chartered Accountants

## ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF KURLON ENTERPRISE LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Kurlon Enterprise Limited on the Financial Statements for the year ended March 31, 2024]

Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Kurlon Enterprise Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to standalone 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 (ICAI) (the "Guidance Note").

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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



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We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

## Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

## Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements

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

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Harsh Jain*

Harsh Jain  
Partner  
Membership No.: 305641  
UDIN: 243056410KFTXR7243



Place: Bengaluru  
Date: May 15, 2024



**Kurleon Enterprise Limited**  
**Statement of Financial Position as at March 31, 2024**  
**(All amounts in MYR, unless otherwise stated)**

Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
Non-current assets			
Property, plant and equipment	4	24,849.26	18,585.09
Right-of-use assets	5	7,944.95	2,162.69
Capital work-in-progress	4	95.15	95.26
Goodwill	8	-	1,149.19
Other intangible assets	8	130.49	122.77
Investments in subsidiaries	7	1,279.50	1,283.97
Financial assets			
(i) Loans	8	-	215.09
(ii) Other financial assets	9	747.99	3,580.01
Non-current tax assets (net)	10	1,144.95	1,406.95
Other non-current assets	11	27.16	1,532.85
<b>Total non-current assets</b>		<b>28,469.89</b>	<b>29,977.79</b>
Current assets			
Investments	12	8,539.07	2,690.46
Financial assets			
(i) Investments	13	1,827.42	1,497.19
(ii) Trade receivables	14	1,745.68	5,863.21
(iii) Cash and cash equivalents	15	194.08	214.01
(iv) Bank balances other than cash and cash equivalents	16	222.75	149.31
(v) Loans	17	-	10.09
(vi) Other financial assets	18	47.43	15,562.74
Other current assets	19	7,321.79	10,180.12
<b>Total current assets</b>		<b>19,959.27</b>	<b>41,483.66</b>
<b>Total assets</b>		<b>48,429.16</b>	<b>71,461.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	1,467.46	1,827.42
Other equity	21	17,660.13	4,982.34
<b>Total equity</b>		<b>19,127.59</b>	<b>6,809.76</b>
<b>Liabilities</b>			
Non-current liabilities			
Provision for defined pension			
(i) Lease liabilities	22	1,750.19	92.71
(ii) Other financial liabilities	23	5,423.99	5,781.00
Reserves	24	965.18	277.02
Deferred tax liabilities (net)	25	142.22	638.84
<b>Total non-current liabilities</b>		<b>7,879.70</b>	<b>6,789.57</b>
Current liabilities			
Financial liabilities			
(i) Borrowings	26	81.95	1,860.91
(ii) Trade payables	27	189.48	413.24
(iii) Trade receivables	28	-	210.09
- Total outstanding dues of trade payables and trade receivables		189.48	623.33
- Total outstanding dues of creditors other than trade payables and trade receivables		91.47	210.09
(iv) Other financial liabilities	29	11,364.70	1,714.21
Provision for			
Contract liabilities (net)	30	543.99	902.24
Other current liabilities	31	847.14	622.48
Other current liabilities	32	9.49	512.26
<b>Total current liabilities</b>		<b>14,466.27</b>	<b>15,833.58</b>
<b>Total liabilities</b>		<b>22,345.97</b>	<b>22,623.15</b>
<b>Total equity and liabilities</b>		<b>48,429.16</b>	<b>71,461.45</b>

Summary of essential accounting policies: 3  
 The accompanying notes are an integral part of the Statement of Financial Position.  
 After our report of even date

For M.S.K & Associates  
 Chartered Accountants  
 Firm Registration No. 0050797  
  
 Harsh Jain  
 Partner  
 Membership No. 36541  
 Place: Singapore  
 Date: May 15, 2024



For and on behalf of the Board of Directors of  
 Kurleon Enterprise Limited  
 C/O: 11A Wall Street Hill (P) 11407  
  
 Rishabh Gaurav  
 Managing Director  
 NRIC: 86427  
 Place: Kuala Lumpur  
 Date: May 15, 2024  
  
 Rishabh Gaurav  
 Director  
 NRIC: 86427  
 Place: Kuala Lumpur  
 Date: May 15, 2024

  
 Rishabh Gaurav  
 Chief Executive Officer  
 Place: Kuala Lumpur  
 Date: May 15, 2024  
  
 Rishabh Gaurav  
 Director  
 Membership No. 438653  
 Place: Kuala Lumpur  
 Date: May 15, 2024



**Kurum Enterprise Limited**  
**Statement of Profit and Loss for the year ended March 31, 2024**  
**(All amounts in BRL million, unless otherwise stated)**

Particulars	Code No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	21	86,031.89	84,287.27
Other income	22	736.63	665.67
<b>Total Income</b>		<b>86,768.52</b>	<b>84,952.94</b>
<b>Expenses</b>			
Cost of materials consumed	23	29,226.87	22,938.92
Purchase of stock-in-trade		7,156.38	9,099.51
Change in inventories of finished goods, work-in-trade and work-in-progress	24	867.96	8,211.94
Other manufacturing expenses	25	5,428.84	4,958.84
Employee benefits expense	26	5,766.82	5,260.55
Finance costs	27	216.47	190.80
Depreciation and amortisation expense	28	1,564.78	1,582.92
Other expenses	29	23,436.52	23,995.88
<b>Total Expenses</b>		<b>83,634.86</b>	<b>84,172.88</b>
Profit/(Loss) before tax		(3,856.34)	780.74
Exceptional items	39(1)	(2,204.24)	(2,938.67)
<b>Profit/(Loss) before tax from continuing operations</b>		<b>(6,060.58)</b>	<b>(1,774.94)</b>
<b>Income Tax expense</b>			
Current tax	51	-	647.68
Tax expenses relating to earlier years	51	-	185.49
Deferred tax asset	51	(495.62)	(858.70)
<b>Total Income Tax expense</b>		<b>(495.62)</b>	<b>(487.53)</b>
<b>Profit/(Loss) for the year</b>		<b>(6,556.20)</b>	<b>(2,262.47)</b>
<b>Other comprehensive income (net of tax)</b>			
Items that will be reclassified to profit or loss			
Pension/(superannuation) gain / (loss) of the net defined benefit plan		(273.61)	(42.84)
Income tax on above item		(9.99)	18.58
<b>Total Other comprehensive income/(loss) (net of tax)</b>		<b>(283.60)</b>	<b>(24.26)</b>
<b>Total comprehensive income for the year</b>		<b>(6,839.80)</b>	<b>(2,286.73)</b>
<b>Earnings per equity share (face value of Rs. 5/- each):</b>			
Basic and diluted (Rs.)	40	(12.49)	(3.60)

Summary of significant accounting policies  
 The accompanying notes are an integral part of the standalone financial statements.  
 As per our report, of even date

For M S K & Associates,  
 Chartered Accountants  
 Firm Registration No.: 425047M

*Harsh Jain*

Harsh Jain  
 Partner  
 Membership No. 305641  
 Place: Bengaluru  
 Date: May 15, 2024



For and on behalf of the Board of Directors of  
 Kurum Enterprise Limited  
 CIN: U36011WDL01PLC222657

*Abhishek Radhakrishnan*  
 Abhishek Radhakrishnan  
 Chief Financial Officer  
 Place: Hoide  
 Date: May 15, 2024

Abhishek Radhakrishnan  
 Chief Financial Officer  
 Place: Hoide  
 Date: May 15, 2024

*Abhishek Radhakrishnan*  
 Abhishek Radhakrishnan  
 Director  
 CIN:U36011WDL01PLC222657  
 Place: Hoide  
 Date: May 15, 2024

*Abhishek Radhakrishnan*  
 Abhishek Radhakrishnan  
 Company Secretary  
 Membership No.: A33953  
 Place: Hoide  
 Date: May 15, 2024



Kurlon Enterprise Limited  
 Standalone Statement of Cash Flows for the year ended March 31, 2024  
 (All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax	15,040.56	780.71
Adjustments for:		
Depreciation and amortisation expenses	1,594.78	2,331.52
Finance cost	216.43	190.00
Advance to suppliers/written off	-	0.10
Liabilities/provisions no longer required written back	(55.12)	814.42
Provision for expected credit loss	-	72.52
Provision for warranty	212.82	363.07
Advances/Balances written off	1,070.88	-
Bad debts written off	5.22	423.08
Fair value gain/ Loss on investments (net)	(15.29)	581.28
Profit/ Loss on sale of investments (net)	(26.10)	(491.84)
Profit/ Loss on sale of property, plant and equipment (net)	1,496.10	291.72
Gain or early termination of lease	(13.68)	(141.8)
Goodwill written off	2,183.16	-
Rental Income	(7.82)	-
Interest Income	439.38	105.18
Operating profit after working capital changes	1,748.61	4,244.87
Changes in working capital:		
Increase/Decrease in inventories	(648.42)	3,649.42
Decrease/ Increase in loans and trade receivables	15,472.98	(629.58)
Decrease/ Increase in other financial and non-financial assets	3,619.50	(20,819.58)
Decrease/ Increase in trade payables	31.56	373.88
Decrease/ Increase in other financial liabilities, non-financial liabilities and provisions	(407.68)	121.28
Cash generated from operations	4,900.64	(13,171.72)
Income taxes paid (net of refunds)	(674.25)	(139.27)
Net cash flow from operating activities (A)	4,226.39	(13,311.04)
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and change in capital work in progress	(4,796.95)	(1,513.02)
Proceeds from Sale of property, plant and equipment	434.22	1,488.82
Capital Advances (paid)/received	1,482.49	638.19
Investment in shares of subsidiary companies (net)	4.07	-
Investment in mutual funds (net)	615.92	9,088.37
Repayment of loans by subsidiary Company	215.85	-
Bank deposits (divestment)/re-accumulation	(71.94)	4,058.19
Interest received	39.36	409.40
Rental income received (short term lease)	7.82	-
Net cash (used in) investing activities (B)	(1,499.87)	13,654.34
<b>C. Cash flow from financing activities</b>		
Net (payment of)/receipts from short-term borrowings	(1,649.36)	571.25
Payment of lease liabilities (principal and interest)	(442.23)	(527.43)
Finance costs	(16.62)	(190.00)
Dividend paid	(658.05)	(881.28)
Net Cash (used in) Financing Activities (C)	(2,826.26)	72.54
Net (decrease)/ Increase in cash and cash equivalents (A+B+C)	(199.41)	64.84
Cash and cash equivalents at the beginning of the year	214.01	149.28
Cash and cash equivalents at the end of the year	14.60	214.12

Notes:

- The above cash flow statement has been prepared under the "Direct Method" as set out in Indian Accounting Standard 7, "Statement of Cash Flows".
- Figures in bracket represents cash outflow



*[Handwritten signature]*





Kurkon Enterprise Limited  
 Consolidated Statement of Cash Flows for the year ended March 31, 2024  
 (All amounts in INR lakhs, unless otherwise stated)

3. Components of cash and cash equivalents:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Cash on hand	2.55	4.53
Balance with banks in current accounts	112.05	209.48
Balance as per Statement of Cash Flows	114.60	214.01

Schedule of related accounting policies  
 The accompanying notes are an integral part of the standalone financial statements.  
 As per our report of even date

For M.S.K.A. & Associates  
 Chartered Accountants  
 Firm Registration No.: 18564PW

*Harsh Jain*  
 Harsh Jain  
 Partner  
 Membership No: 205648  
 Place: Bangalore  
 Date: May 15, 2024



For and on behalf of the Board of Directors of  
 Kurkon Enterprise Limited  
 CIN: L26201MH2004PLC222657

*Abhinav*  
 Abhinav  
 Managing Director  
 DIN: 0044897  
 Place: Hoda  
 Date: May 15, 2024

*Abhinav*  
 Abhinav Padmanabh Kamal  
 Chief Financial Officer  
 Place: Hoda  
 Date: May 15, 2024

*Rahul Gauram*  
 Rahul Gauram  
 Director  
 DIN: 00455999  
 Place: Bhubli  
 Date: May 15, 2024

*Manu Kulkarni*  
 Manu Kulkarni  
 Company Secretary  
 Membership No.: A38257  
 Place: Hoda  
 Date: May 15, 2024



**Kurton Enterprise Limited**  
**Statement of Changes in equity for the year ended March 31, 2024**  
 (All amounts in INR lakhs, unless otherwise stated)

**A. EQUITY SHARE CAPITAL**

Particulars	Notes	Amount
Balance as at April 01, 2022	20	1,827.62
Add: issued during the year		-
Balance as at March 31, 2023	20	1,827.62
Add: issued during the year		-
Balance as at March 31, 2024	20	1,827.62

**B. Other Equity**

Particulars	Reserves and surplus				Total
	Retained earnings	Securities premium	Capital reserve	Deferral reserve	
Balance as at April 01, 2022	31,347.87	14,840.49	-	1,266.41	47,454.77
Profit for the year	(1,317.48)	-	-	-	(1,317.48)
Other Comprehensive Income/(Loss) for the year (net of tax)	(21.47)	-	-	-	(21.47)
Dividend paid	(182.21)	-	-	-	(182.21)
Total comprehensive income for the year	(1,521.16)	-	-	-	(1,521.16)
Balance as at March 31, 2023	29,826.71	14,840.49	-	1,266.41	45,933.61
Profit for the year	14,564.96	-	-	-	14,564.96
Other comprehensive income/(loss) for the year (net of tax)	(773.46)	-	-	-	(773.46)
Dividend paid	(658.85)	-	-	-	(658.85)
Less: Other payments (Refer Note 66)	(14,204.12)	-	-	-	(14,204.12)
Addition to Capital reserve (Refer Note 64)	-	-	1,505.93	-	1,505.93
Total comprehensive income for the year	(19,071.47)	-	1,505.93	-	(17,565.54)
Balance as at March 31, 2024	10,755.24	14,840.49	1,505.93	1,266.41	28,368.07

The accompanying notes are an integral part of these standalone financial statements.  
 As per the report of even date

For M S K & Associates  
 Chartered Accountants  
 Firm Registration No: 105047W

*Harsh Jain*  
 Harsh Jain  
 Partner  
 Membership No: 113946  
 Place: Mangaluru  
 Date: May 15, 2024



For and on behalf of the Board of Directors of  
 Kurton Enterprise Limited  
 CIN: U26101MH-001191C333657

*Ankur*  
 Ankur Datta  
 Managing Director  
 Dir: 0065487  
 Place: Haldia  
 Date: May 15, 2024

*Rahul Ghosh*  
 Rahul Ghosh  
 Director  
 Dir: 00192955  
 Place: Durgam  
 Date: May 15, 2024

*Abhinav*  
 Abhinav Pradumanabh Kursh  
 Chief Finance Officer  
 Place: Haldia  
 Date: May 15, 2024

*Harsh Jain*  
 Harsh Jain  
 Company Secretary  
 Membership No: A310911  
 Place: Haldia  
 Date: May 15, 2024



**Kurlon Enterprise Limited**

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

**1 Corporate Information**

Kurlon Enterprise Limited (the Company) was incorporated in Mumbai, India on October 03, 2011 as a public limited company under the Companies Act. The Company is a subsidiary of Sheila Foam Limited (SFL), a public limited company listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). The Company is in the business of manufacturing/trading in diverse items such as upholstered seats, latex foams, polyurethane foam, bonded foams, pillows, spring mattresses, furniture, furnishings, sofas etc.

The Board of Directors approved the financial statements for the period ended March 31, 2024 and authorised for issue on May 15, 2024.

**2 Material accounting policies**

Material accounting policies adopted by the company are as under:

**2.1 Basis of Preparation of Financial statement****(a) Statement of Compliance with Ind AS**

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

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

**(b) Basis of measurement**

The financial statement have been prepared on a historical cost convention on accrual basis, except for the following items; refer to individual accounting policies for detail:

Financial instruments - Fair value through profit or loss.

Financial instruments - Fair value through OCI

Contingent consideration

Net defined benefit(puzzles): Liability - Fair value of plan assets less present value of defined benefits obligation

**(c) Presentation currency And Rounding off**

The financial statements are presented in INR and all values are rounded to nearest lakhs (INR 00,000), except where otherwise indicated.

**(d) Going Concern**

The company has prepared the financial statements on the basis that it will continue to operate as a going concern.

**2.2 Summary of material accounting policies****(a) Property, plant and equipment**

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is

Property, plant and equipment	Useful Life
Buildings	20 years
Plant & Machinery	10 years
Leads	10 years
Lab Equipments	10 years
Solar Equipments	15 years
Electrical Fittings	10 years
Furniture and Fixtures	15 years
Office Equipments	20 years
Computers	5 years
Vehicles	10 years

Based on the technical experts assessment of useful life, certain items of property plant and equipment, are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. The Management believes that such extended useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

**(b) Leases****Identifying leases**

The company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

(i) There is an identified asset;

(ii) The company obtains substantially all the economic benefits from use of the asset; and

(iii) The company has the right to direct use of the asset.

The company considers whether the supplier has substantive substitution rights. If the supplier does have these rights, the contract is not identified as giving rise to a lease.

In determining whether the company obtains substantially all the economic benefits from use of the asset, the company considers only the economic benefits that arise use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the company has the right to direct use of the asset, the company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the company considers whether it was involved in the design of the asset in a way that pre-determines how and for what purpose the asset will be used throughout the period of use. If the contract, or portion of a contract does not satisfy these criteria, the company applies other applicable Ind ASs rather than Ind AS 116.



Kurlon Enterprise Limited

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in INR Lakh, unless otherwise stated)

**(C) Intangible assets****Externally acquired intangible assets**

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives.

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Development cost that are directly attributable to the design and testing of identifiable and unique software products are recognised as intangible assets when required criteria is met. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recognised as intangible assets and amortised from the point at which the asset is available for use.

The significant intangibles recognised by the company, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are as follows:

Intangible assets	Useful Life
Computer Software	5 YEAR

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit and loss when the asset is derecognised.

**(D) Goodwill**

Goodwill represents the excess of the cost of a business combination over the company's interest in the fair value of identifiable assets, liabilities and contingent liabilities acquired.

Cost comprises the fair value of assets given, liabilities assumed and equity interests issued, plus the amount of any non-controlling interests in the transferee plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, rereasured subsequently through profit or loss.

Goodwill is capitalised in an intangible asset with any impairment in carrying value being charged to the profit and loss. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the other comprehensive income and accumulated in equity as capital reserve on the acquisition date.

**(E) Impairment of non-financial assets (excluding inventories, investment properties and deferred tax assets)**

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs for which there are separately identifiable cash flows or cash generating units (CGUs). Goodwill is allocated on a pro-rata basis to each of the company's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

**(F) Inventories****Basic of Valuation**

Inventories are valued at lower of cost and net realisable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realisable value is made on an item-by-item basis.

**Method of Valuation:**

Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads and lease (if applicable).

Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis. Cost of

finished goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Provision of obsolescence on inventory is considered on the basis of management's estimate based on demand and market of the inventories.

**(G) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise balances with banks, cash on hand, cheques' draft on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**(H) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(I) Financial assets****(1) Initial recognition and measurement**

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



**Kurkom Enterprise Limited**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

**(ii) Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

**Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Dividends in the case of equity instruments are taken through OCI, except for the recognition of impairment gains or losses. Interest revenue and foreign exchange gains and losses which are recognized in consolidated statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to consolidated statement of Profit and Loss and recognized in other gains/ losses. Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

**Equity instruments:** All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which the AS 103 applies are classified as at FVTPL. For all other equity investments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes in the instrument, excluding dividends, are recognized 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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**(iii) Impairment of financial assets**

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

**Life time ECL:** are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL, is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

**ECL** is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all defaults), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is assumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the consolidated statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset is written off entirely, the company does not reduce impairment allowance from the gross carrying amount.

**(iv) Derecognition of financial assets**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

**(B) Financial Liabilities****(i) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

**(ii) Subsequent measurement**

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

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separately embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gain or losses on liabilities held for trading are recognized in the consolidated statement of Profit and Loss.



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

**Borrowings****Manufactured, considered good:**

**Borrowing Cost:** 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 cost.

**(iii) 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 consolidated statement of Profit and Loss as finance cost.

**(iv) Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(v) Share capital**

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

**(vi) Dividends**

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

**(vii) Provisions**

The company has recognised provisions for liabilities of uncertain timing or amount including those for onerous leases, warranty claims, dealer loyalty programmes, other expenses and legal disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risk specific to the liability.

**(viii) Revenue from contract with customer**

**Performance obligations and timing of revenue recognition**

The majority of the company's revenue is derived from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customer. However, for export sales, control might also be transferred when delivered either to the port of departure or port of arrival, depending on the specific terms of the contract with a customer. There is limited judgement needed in identifying the point control passes: once physical delivery of the products to the agreed location has occurred, the company no longer has physical possession, custody and have a present right to payment (as a single payment on delivery) and retains none of the significant risks and rewards of the goods as it qualifies.

Some goods sold by the company include warranties which require the company to either replace or mend a defective product during the warranty period if the goods fail to comply with agreed-upon specifications. In accordance with Ind AS 115, such warranties are not accounted for as separate performance obligations and hence no revenue is allocated to them. Instead, a provision is made for the costs of satisfying the warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

The company considers, whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing component, non-cash consideration, and consideration payable to the customer (if any).

**Schemes**

The company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programmes such as credit notes, reimbursements, incentives etc. Revenue from contract with customer is presented deducting cost of all these schemes.

**(ix) Other Operating Revenues****Rental Income**

Rental income arising from operating lease is accounted for on a straight-line basis over the lease term and is included in other income in the consolidated statement of Profit and Loss due to its non-operating nature.

**Interest Income**

Interest on the deployment of surplus funds is recognised using the time proportion method based on the underlying annual rates.

**Dividend Income**

Dividend income is recorded when the right to receive payment is established.

**(x) Foreign currencies****Functional and presentation currency**

Items included in the financial statement are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Company's functional and company's presentation currency.

**(xi) Borrowing costs**

Borrowing costs are capitalised, net of interest received on cash drawn down up to be expended when they are directly attributable to the contribution or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.



**Kurlon Enterprise Limited**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

**(p) Employee Benefits****Defined contribution schemes**

Contributions to defined contribution pension schemes are charged to the profit and loss in the year to which they relate.

**Defined benefit schemes**

Defined benefit scheme surplus and deficits are measured at:

(i) The fair value of plan assets at the reporting date, less

(ii) Plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on government bonds that have maturity dates approximating to the terms of the liabilities and are denominated in the same currency as the post-employment benefit obligations.

Remeasurements of the net defined obligation are recognised directly within equity. The remeasurements include:

(i) Actuarial gains and losses

(ii) Return on plan assets (interest exclusion)

(iii) Any asset ceiling effects (interest exclusion).

Service costs are recognised in profit or loss, and include current and past service costs as well as gains and losses on curtailments.

Net interest expense (income) is recognised in profit or loss, and is calculated by applying the discount rate used to measure the defined benefit obligation (asset) at the beginning of the annual period to the balance of the net defined benefit obligation (asset), considering the effects of contributions and benefit payments during the period.

Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in profit or loss.

Settlements of defined benefit schemes are recognised in the period in which the settlement occurs.

**Other long-term service benefits**

Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are presented as current liabilities.

Other employee benefits that are not expected to be settled wholly within 12 months after the end of the reporting period are presented as non-current liabilities and calculated using the projected unit credit method and then discounted using yields available on government bonds that have maturity dates approximating to the expected remaining period to settlement and are denominated in the same currency as the post-employment benefit obligations.

**(q) Taxes**

Tax expenses for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

**(A) Current income tax**

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year-end and date. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**(B) Deferred tax**

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated balance sheet differs from its tax base, except for differences arising in:

(i) The initial recognition of goodwill

(ii) The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and

(iii) Investments in subsidiaries and joint arrangements where the company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/assets are settled/recovered.

Where there is uncertainty concerning the company's filing position regarding the tax bases of assets or liabilities, the taxability of certain transactions or other tax-related assumptions, then the company:

(i) Considers whether uncertain tax treatments should be considered separately, or together as a company, based on which approach provides better predictions of the resolution.

a) Determines if it is probable that the tax authorities will accept the uncertain tax treatment, and

b) If it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. This measurement is required to be based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

(i) The same taxable company/comps, or

(ii) Different company entities which intend either to settle current tax assets and liabilities on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

## 2.3 Changes in accounting policies and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The company has adopted these amendments for the first-time in scope financial

(a) Amendments to Ind AS 8 - Definition of accounting estimates

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on these financial statements.

(b) Amendments to Ind AS 1 - Disclosure of accounting policies

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the disclosure of accounting policies, but not on the measurement, recognition or presentation of any item in the financial statements.

(c) Amendments to Ind AS 12 - Deferred tax related to assets and liabilities arising from a single transaction

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The company previously recognized for deferred tax on leases on a net basis. As a result of these amendments, the company has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet.

(d) New standards and amendments issued but not effective

There are no such standards which are notified but not yet effective.

## 3 Critical accounting estimates and judgements

Estimates and assumptions:

(a) Leases - estimating the incremental borrowing rate

The company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the company 'would have to pay', which requires estimation when no observable rates are available. The company estimates the IBR using observable inputs such as market interest rates when available and is required to make certain entity-specific estimates such as the subsidiary's stand-alone credit ratings.

(b) Provision for expected credit losses of trade receivables and contract assets

The company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of similar customer segments that have a similar risk pattern (i.e., by geography, product type, customer type and rating), and coverage by factors of credit and other forms of credit insurance.

The provision matrix is initially based on the company's historical observed default rates. The company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The estimation of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

(c) Defined benefit plans (post-employment gratuity)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. 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.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds whose maturity maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. These mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(d) Legal proceedings - estimates of claims and legal processes

The company is currently involved in a number of legal disputes. The company reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessments, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the company's management as to how it will respond to the litigation, claim or assessment.

(e) Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them.

(f) Going concern

The assessment of going concern assumption involves significant judgement over availability of sufficient resources, future business plan, availability of funding/ financial resources.





Kurton Enterprise Limited  
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs, unless otherwise stated)

Note 4 : Property, plant and equipment

Particulars	Leasehold land/ Freehold Land	Buildings	Plant & Equipments	Furniture and Fixtures	Vehicles	Office equipment	Components	Total Property, plant and equipment	Capital work-in- progress
<b>Gross Carrying Amount</b>									
As at April 1, 2023	991.42	9,461.93	20,685.34	3,031.51	440.90	799.15	679.24	34,089.58	394.26
Additions	-	389.16	588.07	265.86	48.57	66.43	43.04	1,330.93	342.28
Disposals*	-	(281.99)	(1,036.78)	(390.18)	(66.14)	(9.33)	(4.36)	(2,385.56)	(442.28)
As at March 31, 2023	991.42	8,669.19	20,236.63	2,907.29	483.33	856.25	717.92	35,031.95	98.26
Additions	4,431.45	1,591.76	2,572.91	295.10	36.40	43.12	53.80	9,278.57	799.60
Disposals/adjustments	-	-	(4,199.86)	(490.10)	(748.33)	(201.78)	(177.75)	(5,287.92)	(752.71)
As at March 31, 2024	5,422.87	10,460.95	18,610.68	2,713.29	281.43	698.39	593.77	39,090.60	53.15
<b>Accumulated depreciation</b>									
As at April 1, 2023	-	1,275.63	11,716.51	1,264.85	169.23	228.71	327.71	15,382.64	-
Depreciation expense for the year	-	242.87	1,283.05	211.03	46.54	74.50	63.80	1,962.44	-
Disposals*	-	(730.60)	(479.78)	(169.20)	(16.72)	(48.30)	(4.30)	(908.82)	-
As at March 31, 2023	-	1,227.90	12,519.78	1,306.68	199.05	254.91	287.21	16,431.26	-
Depreciation expense for the year	-	145.95	543.23	96.10	24.89	12.08	22.86	1,075.90	-
Disposals/adjustments	-	-	(2,467.98)	(370.49)	(111.46)	(173.26)	(165.75)	(3,299.92)	-
As at March 31, 2024	-	1,443.45	10,605.03	1,332.29	112.48	471.73	444.32	14,341.34	-
<b>Net carrying amount</b>									
As at March 31, 2023	991.42	7,393.56	8,516.85	1,636.54	284.27	581.34	390.73	32,608.33	98.26
As at March 31, 2024	5,422.87	9,017.50	8,374.50	1,447.70	169.23	267.61	156.25	34,749.30	53.15

\*includes, depletion of assets on account of fire accident occurred at one of the Company's factory, located in Paggada which were damaged/ruined in such fire accident, as below:

Asset Head	Gross Book	Accumulated depreciation	Net Book
Buildings	691.95	230.80	461.15
Plant & Equipments	1,018.10	490.87	527.23
Furniture & Fixtures	73.13	64.05	9.08
Office Equipment	4.68	4.22	0.46
Computers	4.43	4.23	0.20
Total	2,022.29	773.95	1,248.34



Kurton Enterprise Limited  
 notes forming part of the financial statements for the year ended March 31, 2024  
 (All amounts in INR lakhs, unless otherwise stated)

Notes:

- a. Leasehold land includes Rs. 1,193 Lakhs in respect of cost of land at Shubamshree Facility wherein the title deeds are held in the name of Kurton Consumer Products Limited (KCPL), the erstwhile holding company. The process of transfer of title to company and its currently awaiting the approval of Odisha Industrial Infrastructure Development Corporation (OIDCO).
- b. Refer note 49 for disclosure of commitment for expenditure on account of acquisition of property, plant and equipment
- c. During the period ended March 31, 2024, the Company has revised the useful life of property, plant and equipment with effect from April 1, 2023. Set out below is the impact of such change on current period depreciation

Particulars	For the year ended March 31, 2024
Decrease in depreciation	497.43

d. Capital work-in-progress represents assets under construction & installation at various sites and capital projects as below:

Capital work-in-progress	March 31, 2024			
	Amount in Capital work-in-progress for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	54.55	0.60	-	55.15

Capital work-in-progress	March 31, 2023			
	Amount in Capital work-in-progress for a period of			
	Less than 1 year	1-2 years	2-3 years	more than 3 years
Projects in progress	20.88	19.25	37.31	83.24
				94.26

The Company does not have any projects under Capital work-in-progress whose completion is overdue or has exceeded its last compared to its original plan as of March 31, 2024 and March 31, 2023.



## Kurleon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

## Note 5 : Right-of-use assets

Particulars	Leasehold land	Buildings	Total
<b>Gross Carrying Amount</b>			
As at April 1, 2022	1,145.27	1,450.90	2,596.17
Additions	-	1,022.99	1,022.99
Disposal	-	(391.56)	(391.56)
As at March 31, 2023	1,145.27	2,082.33	3,227.60
Additions	-	1,531.88	1,531.88
Termination/adjustments	-	(651.18)	(651.18)
As at March 31, 2024	1,145.27	2,963.03	4,078.30
<b>Accumulated Depreciation</b>			
As at April 1, 2022	36.35	486.68	543.03
Depreciation expense for the year	19.45	520.42	538.87
Disposal	-	(238.99)	(238.99)
As at March 31, 2023	77.60	787.11	864.71
Depreciation expense for the year	14.70	514.00	528.70
Termination/adjustments	-	(270.16)	(270.16)
As at March 31, 2024	96.60	1,031.95	1,121.45
Net book value as at March 31, 2023	1,067.47	1,295.22	2,362.69
Net book value as at March 31, 2024	1,048.77	1,898.08	2,946.85

Refer note 43 for detailed disclosures as per IND AS 116 "Leases".

## Note 6 : Other Intangible assets

Particulars	Goodwill*	Computer software	Total
<b>Gross Carrying Amount</b>			
As at April 1, 2022	2,103.16	1,077.60	3,180.76
Additions	-	-	-
Disposal/ Adjustments	-	-	-
As at March 31, 2023	2,103.16	1,077.60	3,180.76
Additions	-	33.58	33.58
Disposal/ Adjustments	(2,103.16)	(48.29)	(2,151.45)
As at March 31, 2024	-	1,062.89	1,062.89
<b>Accumulated Amortization</b>			
As at April 1, 2022	-	813.85	813.85
Amortization expense for the year	-	133.94	133.94
Disposal/ Adjustments	-	-	-
As at March 31, 2023	-	947.79	947.79
Amortization expense for the year	-	42.17	42.17
Disposal/ Adjustments	-	(47.80)	(47.80)
As at March 31, 2024	-	932.16	932.16
Net book value as at March 31, 2023	2,103.16	129.77	2,232.93
Net book value as at March 31, 2024	-	128.69	128.69

## Note:

Goodwill of Rs. 2,103.16 lakhs was recognised upon amalgamation of Spring Air Bedding Company India Limited ("SABCI") with the Company pursuant to the scheme of amalgamation approved by National Company Law Tribunal (NCLT), Mumbai and NCLT, Delhi vide their orders dated March 12, 2020 and May 05, 2020 respectively with an appointed date of April 01, 2018 (Effective Date). During the year, the company made assessment of goodwill and concluded that the asset does not have any recoverable value. Accordingly, the goodwill of Rs. 2103.16 lakhs is written off as per IND AS 36.



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs, unless otherwise stated)

## Note 7 : Investments in subsidiaries

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	Rs. in Lakhs	No.	Rs. in Lakhs
Recurrent in cost				
Investments in equity investments of subsidiary (All fully paid)				
Kurlon Retail Limited (Formerly known as Kurlon Retail Private Limited) (Shares of Rs. 5/- each fully paid up) (refer note 4) below)	1,52,05,466	1,70,000	1,52,05,466	1,70,000
Srini Solar Energy Private Limited (Shares of Rs. 100/- each fully paid up)	-	-	4,690	4.69
Sonal Solar Energy Private Limited (Shares of Rs. 100/- each fully paid up)	-	-	4,690	4.69
Solar One Solar Private Limited (Shares of Rs. 100/- each fully paid up)	-	-	4,690	4.69
Belvedere International Limited (Shares of Rs. 10/- each fully paid)	50,000	5.00	50,000	5.00
Hormon Universe Products and Services Private Limited (Shares of Rs. 10/- each fully paid)	50,000	5.00	50,000	5.00
Starship Value Chain and Manufacturing Private Limited (Formerly known as Starship)	5,000	0.50	5,000	0.50
Harmis Concepts Private Limited (Shares of Rs. 10/- each fully paid)	10,000	1.00	10,000	1.00
<b>Total</b>	<b>1,52,05,466</b>	<b>1,771.90</b>	<b>1,52,04,536</b>	<b>1,785.57</b>

## Note:

a) As at March 31, 2024, the carrying value of investment in 15,205,466 equity shares of Rs. 5 each of Kurlon Retail Limited amounting to Rs. 1,700.00 Lakhs is stated for decline other than temporary in view of negative networth. The management has assessed the value in use of the subsidiary and considering the expected volume of sales, margin earned and future profitability, the carrying value is considered appropriate. However, the loss recoverable of Rs. 1,700.00 Lakhs (March 31, 2023 : Rs. 1,700.00 Lakhs) has been provided for (refer note 6a)

## Note 8 : Loans (Non Current)

Particulars	As at	
	March 31, 2024	March 31, 2023
(Unsecured)		
An unsecured loan		
Loan to Subsidiaries (Refer note 4)	3,866.53	1,886.64
Loan- Loan allowance-provisioned (Refer note 4)	(3,866.53)	(1,973.75)
<b>Total</b>	<b>-</b>	<b>218.90</b>

a) The details of unsecured loans to subsidiaries given for the purpose of working capital requirements are as follows :

Name of the subsidiary	Rate of Interest	Due date of repayment (Note 6)	March 31, 2024		March 31, 2023	
			Gross	Allowance (Note 6)	Gross	Allowance (Note 6)
Kurlon Retail Limited	8.50%	On demand	2,790.50	(2,790.50)	2,398.69	(2,398.69)
Harmis Concepts Private Limited	8.50%	On demand	175.00	(175.00)	192.91	(192.91)
Hormon Universe Products and Services Private Limited	8.50%	On demand	141.80	(141.80)	192.15	(192.15)
Srini Solar Energy Private Limited (Refer note 4)	8.50%	On demand	-	-	98.79	-
Solar One Solar Private Limited (Refer note 4)	8.50%	On demand	-	-	81.71	-
Sonal Solar Private Limited (Refer note 4)	8.50%	On demand	-	-	27.80	-
Belvedere International Limited	8.50%	On demand	-	-	13.32	-
<b>Total</b>			<b>3,007.30</b>	<b>(3,007.30)</b>	<b>3,199.64</b>	<b>(3,193.75)</b>

b) The Company has granted various loans to its subsidiary companies to meet their working capital requirements which had been approved by the Board of Directors. The aforesaid loans are repayable on demand along with interest and management believes that these loans are not prejudicial to the Company's interests. The Company has not demanded the aforesaid loans along with interest during the year.

c) Considering the financial position of these subsidiaries, the Company has provided loan allowance on the aforesaid outstanding loan amounts and same has been disclosed as exceptional item (Refer note 6a).

d) Except as disclosed above, there are no loans to Directors or other officers of the Company or any of them either severally or jointly with any other person or loans to any firm in which director is a partner.

## Note 9 : Other financial assets (Non Current)

Particulars	As at	
	March 31, 2024	March 31, 2023
(Unsecured, considered good)		
Security deposits	747.79	567.74
Insurance Receivable	-	2,022.29
<b>Total</b>	<b>747.79</b>	<b>2,590.03</b>

\* During the previous year, a fire accident occurred at one of the Company's factories located in Nagpur. This incident resulted in damage to various assets, including inventories, property, plant, and equipment. The Company subsequently filed a claim with the insurer for these damages. As of March 31, 2023, the recoverable value for the damaged and burnt assets, including inventories, was Rs. 2,022.29 Lakhs, which the Company expected to recover from the insurer. However, only Rs. 151.15 Lakhs was received during the period. Due to the lack of any acknowledgment from the insurer regarding the possibility of further recovery, the remaining amount of Rs. 1,871.14 Lakhs has been written off during the year.

## Note 10 : Non-current tax assets (net)

Particulars	As at	
	March 31, 2024	March 31, 2023
Advance income tax credit of provision for income tax	1,344.75	1,496.05
<b>Total</b>	<b>1,344.75</b>	<b>1,496.05</b>



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in ₹ Lakhs, unless otherwise stated)

## Note 19 : Other non-current assets

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(Unsecured, non-current good)		
Capital advances	27.26	1,510.85
Total	27.26	1,510.85

Note: During the year the company has received back the advance paid to MHA Kadra Apex Corporation Limited (MHAL) (a related party) of Rs.122.75 lakhs for joint building with Kanara Consumer Products Limited (KCPL) concerning auction of property in An Bharath Industrial Area, Techworld/par, Bengaluru.

## Note 20 : Inventories

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(Valued at lower of cost and net realizable value unless otherwise stated)		
Raw materials	1,683.43	2,962.94
Work-in-progress	4,556.24	987.57
Finished goods	2,449.44	1,068.02
Stock-in-trade	366.00	384.13
Stores and spares	163.68	188.29
Total	9,218.79	7,590.94

## Notes:

(a) The carrying value of inventories as reflected above (Less of provision for aged/slow moving stock of Rs. 489.09 lakhs) as at March 31, 2023 is Rs. 419.64 lakhs.

(b) During the period ended March 31, 2023, the company has revised the LIFO provision for aged/slow moving stock which was from April 1, 2021. There is a decrease in provision of Rs. 67.52 lakhs for the year.

## Note 21 : Investments (Current)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Investment Funds - Fully paid up		
Carried at fair value through profit and loss - Quoted	1,627.82	1,682.30
Total Investments	1,627.82	1,682.30

## Note 22 : Trade receivables

Particulars	As at	As at
	March 31, 2024	March 31, 2023
(At amortised cost)		
Unsecured		
Trade receivables - considered good	7,745.88	5,868.23
Trade receivables - considered doubtful	1,195.99	1,466.42
Trade receivables (gross)	8,941.87	7,334.65
Less: Provision for expected credit loss	(1,155.89)	(1,466.42)
Total	7,785.98	5,868.23
Further classified as		
Receivable from related parties (Refer note 4)	408.80	-
Receivable from others	7,377.18	5,868.23
Total	7,785.98	5,868.23

## a. Movement in Provision for Expected Credit Loss

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Balance at the beginning of the year	1,466.42	1,557.39
Change / provision in allowance during the year (net)	(530.53)	108.47
Balance at the end of the year	8,941.87	1,666.42

## b. Trade Receivables ageing schedule:

As at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Due date	Less than 6 months	6 months - 1 year	1 - 2 years	2-3 years	More than 3 years	
(i) Un disputed trade receivables							
- considered good	2,437.98	4,488.38	433.94	387.43	-	-	7,735.95
- which have significant increase in credit risk	-	-	-	427.06	23.14	724.62	494.82
(ii) Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	3.22	7.52	17.94	26.24	166.81	221.80
Total	2,437.98	4,488.02	435.94	427.06	100.35	891.43	8,081.77



Kurlon Enterprise Limited  
 Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
 (All amounts in INR Lakh, unless otherwise stated)

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	
(i) Unsecured trade receivables						
- considered good	3,931.86	1,134.27	372.51	12.87	784.62	5,869.23
- credit impaired	-	-	181.29	206.73	314.78	499.40
(ii) Deposited trade receivables						
- considered good	-	0.87	7.04	17.70	16.80	243.51
- which have significant increase in credit risk	-	-	-	-	-	-
<b>Total</b>	<b>3,931.86</b>	<b>1,337.24</b>	<b>560.84</b>	<b>229.30</b>	<b>746.70</b>	<b>7,534.65</b>

Note 15 : Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks :		
- Current accounts	112.05	309.48
Cash on hand	2.55	4.53
<b>Total</b>	<b>114.60</b>	<b>314.01</b>

Note 16 : Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits having original maturity more than 3 months but less than 12 months	> 37	8.05
Overdraft balances with banks *	168.08	134.25
Undrawn dividend account	58.40	45.01
<b>Total</b>	<b>322.25</b>	<b>449.71</b>

\* Deposits accepted/guaranteed with banks for obtaining letter of credit & bank guarantee facilities.

Note 17 : Loans

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
At amortised cost		
Unsecured commercial good	-	10.00
<b>Total</b>	<b>-</b>	<b>10.00</b>

Note:

No loans or advances are granted to promoters, directors, Key Management Personnel (KMP) and related parties.

Note 18 : Other financial assets (current)

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Interest accrued but not due on deposits with banks, bonds and debentures	13.65	20.04
Security Deposits (Refer Note 14)	54.84	15,348.70
(Unsecured, credit impaired)		
Interest accrued on loans given to subsidiaries	104.13	42.13
Loss - Loss allowance (Refer note 12)	1194.13	442.32
<b>Total</b>	<b>67.69</b>	<b>15,569.74</b>

\* Pertained to interest on loan given to subsidiaries which are payable on demand along with respective principal amounts. Considering the financial position of these subsidiaries, the Company has provided for allowance on the interest accrued on loan given to subsidiaries on outstanding interest amount as of March 31, 2024. Refer note 12(a) for details.

Note 19 : Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Advances to related parties (Refer note 12)	-	3,313.24
Advances to suppliers	881.75	1,981.37
Advances to employees	42.21	70.20
Balances with Statutory/Government authorities	324.32	308.05
Prepaid expenses	504.39	504.77
Other receivables	564.39	-
<b>Total</b>	<b>3,321.96</b>	<b>49,468.13</b>
(Unsecured, credit impaired)		
Advance to suppliers	-	24.92
Loss - Provision for doubtful debts	-	(24.92)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3,321.96</b>	<b>49,468.13</b>



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs, unless otherwise stated)

## Note 20 : Equity share capital

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Authorised share capital:</b>		
₹5,00,00,000 Fully paid equity shares of Rs. 5/- each (March 31, 2023 : ₹5,00,00,000 Fully paid equity shares of Rs. 5/- each)	7,520.00	7,520.00
<b>Issued, subscribed &amp; paid up share capital:</b>		
3,45,52,261 Fully paid equity shares of Rs. 5/- each (March 31, 2023 : 3,45,52,261 equity shares of Rs. 5/- each)	1,827.62	1,827.62
<b>Total</b>	<b>1,827.62</b>	<b>1,827.62</b>

## (b) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Rs. in Lakhs	Number of shares	Rs. in Lakhs
At the beginning of the year	3,45,52,261	1,827.62	3,45,52,261	1,827.62
Bonus shares issued during the year	-	-	-	-
Outstanding at the end of the year	<b>3,45,52,261</b>	<b>1,827.62</b>	<b>3,45,52,261</b>	<b>1,827.62</b>

## (c) Terms and rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 5 per share. Each holder of equity share is entitled to one vote per share and carry a right to dividend. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of 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.

## (d) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding	Number of shares	% of holding
Kanara Consumer Products Limited (formerly known as 'Kurlon Limited')	70,147	0.19%	3,23,38,830	88.47%
Kurlon Trading and Invest Management Private Limited	-	0.00%	21,63,545	6.19%
Sheela Foam Limited (the Holding Company)	3,55,45,951	97.25%	-	0.00%

\* Includes the beneficial interest in 100 shares, which are registered in the name of the Managing Director.

During the year Kanara Consumer Products Limited and Kurlon Trading and Invest Management Private Limited sold their shares to Sheela Foam Limited (SFL) vide Share Purchase Agreement (SPA) dated July 17, 2023 and the shares were transferred on October 20, 2023. Accordingly, SFL became the holding company with effect from October 20, 2023.

## (e) Shareholding of promoters &amp; promoter group

Promoter name	As at March 31, 2024			As at March 31, 2023		
	Number of Shares	% of holding	% Change during the year	Number of Shares	% of holding	% Change during the year
Kanara Consumer Products Limited (formerly known as 'Kurlon Limited')	70,147	0.19%	(99.78)%	3,23,38,830	88.47%	4.57%
Tarun Sudhakar Patil	-	-	(100)%	147	0.00%	-
Jaya Sumakar Patil	-	-	(100)%	2,647	0.01%	(62.82)%
Sheela Foam Limited, (the Holding Company)	3,55,45,951	97.25%	100%	-	-	-
<b>Total</b>		<b>97.44%</b>			<b>88.48%</b>	

## Notes:

1. The above shareholding information is based on the records of the company.

2. The company has neither allotted any equity shares as fully paid up without payment being received in cash nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date.



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

## Note 21 : Other equity

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Particulars:</b>		
Securities premium account	14,860.49	14,860.49
Capital reserve	1,505.93	-
General reserve	1,286.11	1,286.41
Retained earnings	29,835.00	29,835.74
<b>Total</b>	<b>37,467.53</b>	<b>45,982.64</b>

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Particulars:</b>		
Securities premium account		
Opening balance	14,860.49	14,860.49
Addition	-	-
Closing balance	<u>14,860.49</u>	<u>14,860.49</u>
Capital reserve		
Opening balance	-	-
Addition (Refer Note 40)	1,505.93	-
Closing balance	<u>1,505.93</u>	<u>-</u>
General reserve		
Opening balance	1,286.11	1,286.41
Addition	-	-
Closing balance	<u>1,286.11</u>	<u>1,286.41</u>
Retained earnings		
Opening balance	29,835.74	29,367.87
Net profit for the year	16,564.94	(1,317.45)
Re-measurements of the net defined benefit plans (net of tax)	(323.66)	(31.47)
Less : Dividend paid	(658.02)	(183.21)
Less : Other payment (Refer Note 46)	(14,309.13)	-
Closing balance	<u>29,835.00</u>	<u>29,835.74</u>

## Note 22 : Lease liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Particulars:</b>		
Lease liabilities (Refer note 43)	2,049.55	1,334.45
<b>Total</b>	<b>2,049.55</b>	<b>1,334.45</b>
Net current	1,758.10	921.21
Current	319.46	413.24

## Note 23 : Other non-current financial liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Particulars:</b>		
Deposits from dealers and others	5,423.59	5,701.90
<b>Total</b>	<b>5,423.59</b>	<b>5,701.90</b>

## Note 24 - Provisions

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<b>Particulars:</b>		
Long-term provisions:		
Provision for employee benefits:		
- Provision for gratuity (Refer note 41)	341.56	44.46
- Provision for warranty (Refer note 42a)	213.21	137.57
<b>Total</b>	<b>554.77</b>	<b>282.03</b>
Short-term provisions:		
Provision for employee benefits:		
- Compensated absences	314.03	71.96
- Gratuity (Refer note 41)	124.70	74.45
- Provision for warranty (Refer note 42a)	486.41	486.27
<b>Total</b>	<b>924.14</b>	<b>632.68</b>





## Kuron Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs, unless otherwise stated)

## Note:

## Provision for warranty:

The Company provides warranty on its products, entailing to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made at year end represent the amount of the expected cost based on past experience of meeting such obligations. The table below gives information about movement in warranty provisions.

During the period ended March 31, 2024, the company has revised the warranty policy effective from April 1, 2023 and accordingly, there is a decrease in provision of Rs. 83.00 lakhs for the year.

Particulars	As at	As at
	March 31, 2024	March 31, 2023
At the beginning of the year	818.64	844.80
Add - Created during the year	217.12	304.79
Less - Utilised during the year	(404.33)	(304.79)
At the end of the year	631.43	844.80

## Note 25 : Deferred tax liabilities (net)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Deferred tax liabilities (net) (Refer Note 5)	43.23	638.64
Total	43.23	638.64

## Note 26 : Borrowings

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Secured borrowings		
Bank overdraft	11.95	1,010.91
Unsecured borrowings		
Loans from related parties (Refer Note 4)	-	450.00
Total	11.95	1,460.91

## Note:

i) Rs. 1000 lakhs availed from banks of Rs. 11.95 lakhs (March 31, 2023 - Rs. 1010.91 lakhs)

a) The Company has obtained various facilities from Axis Bank, Kotak Bank and IDBI Bank. The loan is secured by first pari passu charge on entire current assets of the Company. The loan is repayable on demand and carries interest rate of 3 months MCLR + 0.2% p.a. (for Axis Bank), 3 months MCLR + 0.2% p.a. (for Kotak Bank) and 3 Year MCLR + 0.15% p.a. (for IDBI Bank) on the cash credit and working capital loan facilities respectively. The outstanding balance against the aforesaid facility as of March 31, 2023 is Rs. 1,010.91 lakhs.

b) The Company has obtained corporate credit cards from banks and the outstanding balance as of March 31, 2024 is Rs. 10.95 lakhs (March 31, 2023 - Rs. 9.20 lakhs).

ii) Loan from related parties is Nil (March 31, 2023 - Rs. 450 lakhs)

During the previous year, Company has obtained a loan from Mr. Jays S Pat, Director. The loan is unsecured and is repayable on demand and carries interest rate at 10% p.a. and the same has been repaid during the year.

## Note 27 : Trade payables

Particulars	As at	As at
	March 31, 2024	March 31, 2023
a) Total outstanding dues of micro enterprises and small enterprises	97.01	343.09
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	11,964.30	11,744.31
Total	12,061.31	12,087.40



Kurion Enterprise Limited  
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR lakhs, unless otherwise stated)

**A) Exposure Towards Micro, Small And Medium Enterprises**

Particulars	As at March 31, 2024	As at March 31, 2023
The details of amounts outstanding to Micro, Small and Medium Enterprises:		
a) The principal amount and the interest due thereon remaining unpaid to any supplier		
Principal amount:	82.42	279.47
Interest:	9.72	33.12
	<u>92.14</u>	<u>312.59</u>
The amount of interest paid by the buyer in terms of section 16 of the MSME Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the year of delay in making payments (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME Act 2006.	-	1.46
The amount of interest accrued and remaining unpaid at the end of each accounting year	9.72	33.12
The amount of further interest remaining due and payable over in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act 2006.	33.82	31.54

The information given above is to the extent such parties have been identified by the Company on the basis of information disclosed by the suppliers.

**b. Ageing Analysis for Trade payables:**

As at March 31, 2024

Particulars	Outstanding for following periods from due date of						Total
	Unbilled dues	Payables not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	73.06	16.35	-	-	-	91.89
(ii) Others	-	3,486.37	8,159.98	38.77	44.52	43.06	11,966.30
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	<b>3,559.43</b>	<b>8,377.93</b>	<b>38.77</b>	<b>44.52</b>	<b>43.06</b>	<b>12,056.49</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payments						Total
	Unbilled Dues	Payables not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	264.06	17.48	32.59	3.96	-	318.09
(ii) Others	-	10,843.35	1,335.47	35.27	7.70	4.42	11,714.21
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	<b>11,107.41</b>	<b>1,352.95</b>	<b>47.86</b>	<b>11.66</b>	<b>4.42</b>	<b>12,027.30</b>

**Note 28 : Other Financial Liabilities (Instrument)**

Particulars	As at March 31, 2024	As at March 31, 2023
Creditors for Capital goods	-	4.84
Employee related liabilities	568.99	897.40
<b>Total</b>	<b>568.99</b>	<b>902.24</b>

**Note 29 : Current tax liabilities (net)**

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax payable	9.99	513.98
<b>Total</b>	<b>9.99</b>	<b>513.98</b>

**Note 30 : Other current liabilities**

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers	376.95	393.40
Statutory dues payable	218.04	234.50
Unclaimed dividend account	98.40	45.84
<b>Total</b>	<b>693.39</b>	<b>673.74</b>



Kurlon Enterprise Limited  
 notes forming part of the Statutory Financial Statements for the year ended March 31, 2024  
 (All amounts in lakh rupees, unless otherwise stated)

Note 31 : Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Revenue from contracts with customers</b>		
Sale of products		
Finished goods	91,811.91	93,691.82
Traded goods	1,173.54	528.08
Less : Schemes & rebates	(15,609.50)	(10,402.42)
	<u>77,375.95</u>	<u>83,817.48</u>
Other operating revenue		
-income from sale of processed scrap	254.90	280.82
<b>Total</b>	<u><b>80,031.85</b></u>	<u><b>84,287.12</b></u>

Note:

Includes sale of finished goods and semi-finished goods to related parties (refer note 42).

a) Timing of revenue from operations

Particulars	As at March 31, 2024	As at March 31, 2023
Goods transferred at a point in time	80,031.85	84,287.12
<b>Total</b>	<u><b>80,031.85</b></u>	<u><b>84,287.12</b></u>

b) Reconciliation of amount of revenue recognised with contract price

Particulars	As at March 31, 2024	As at March 31, 2023
Revenue as per contract price	95,641.33	94,689.64
Less : Schemes & rebates	(15,609.50)	(10,402.42)
<b>Total</b>	<u><b>80,031.83</b></u>	<u><b>84,287.12</b></u>

c) Movement in contract liabilities during the year \*

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	393.60	436.82
Less : Revenue recognised during the year	(393.60)	(436.82)
Add : Amount of considerations received during the year	376.95	393.60
<b>Closing balance</b>	<u><b>376.95</b></u>	<u><b>393.60</b></u>

\* Contains liabilities (credits) of advances received from customers towards supply of products.

Note 32 : Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest income from:</b>		
Bank deposits	9.42	65.24
Others	29.98	15.02
<b>Financial assets at fair value</b>		
Unwinding of interest on security deposits	14.68	24.84
<b>Rent/Income</b>		
Liabilities/provisions no longer required written back	7.80	4.85
Income from sale of Mutual fund - designated at fair value through profit and loss	525.42	16.02
Fair valuation adjustments of investments through profit and loss (refer note 45)	24.10	401.04
Gain on early termination of lease	15.39	-
Other miscellaneous income	33.04	11.18
<b>Total</b>	<u><b>725.43</b></u>	<u><b>485.67</b></u>

Note:

a. Fair value through profit and loss of investments represent fair valuation changes in mutual funds which includes dividend declared and not distributed distributed based on record date/ as at reporting dates which have not been recognised in financial statements.



Kurlon Enterprise Limited  
Notes forming part of the Standalone Financial statements for the year ended March 31, 2024  
(All amounts in BIR lakhs, unless otherwise stated)

**Note 33 : Cost of materials consumed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Inventory	2,967.94	2,747.40
Add: Purchases	40,054.68	35,651.46
Less: Inventories at the end of the year	(3,683.63)	(2,962.94)
<b>Total</b>	<b>39,338.99</b>	<b>37,935.92</b>

**Note 34 : Changes in inventories of finished goods, Stock-in-Trade and work-in-progress**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Closing stock:</b>		
Finished goods	2,049.44	2,068.02
Stock-in-trade	366.03	384.13
Work-in-progress	4,256.29	987.57
	<b>4,271.76</b>	<b>4,439.72</b>
<b>Opening stock:</b>		
Finished goods	2,068.02	2,536.89
Stock-in-trade	384.13	278.43
Work-in-progress	987.57	1,836.54
	<b>4,439.72</b>	<b>5,751.86</b>
<b>Total</b>	<b>147.94</b>	<b>1,311.84</b>

**Note 35 : Other manufacturing expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	899.63	1,055.81
Repair and maintenance:		
- Buildings	182.09	162.24
- Plant and equipment	195.14	112.03
Processing and other charges	4,151.98	3,622.26
<b>Total</b>	<b>5,428.84</b>	<b>4,952.34</b>

**Note 36 : Employee benefits expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, allowance, and other benefits	5,233.57	4,767.09
Gratuity expenses (Refer note 41)	85.72	70.80
Contribution to provident and other funds (Refer note 41)	223.53	221.77
Workmen and staff welfare	243.90	208.89
<b>Total</b>	<b>5,786.72</b>	<b>5,268.55</b>

**Note 37 : Finance costs**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest expense:</b>		
- On lease liabilities	139.78	102.91
- On borrowings from banks	76.67	87.09
<b>Total</b>	<b>216.45</b>	<b>190.00</b>

**Note 38 : Depreciation and amortisation expense**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (Refer note 4)	1,019.91	1,839.67
Depreciation on right-of-use assets (Refer note 5)	536.70	558.87
Amortisation of Other Intangible Assets (Refer note 6)	42.17	121.98
<b>Total</b>	<b>1,598.78</b>	<b>2,520.52</b>



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

## Note 38 : Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Bank Charge	72.55	184.40
IT support services	-	-
Freight and forwarding	6,106.56	7,252.09
Rent and hire	1,549.30	2,186.26
Insurance	637.70	423.47
Rates and taxes	170.56	295.89
Legal and professional	4,505.21	4,763.85
Director's sitting fees	12.69	1.75
Other repairs and maintenance	332.19	277.94
Selling and promotion	-	-
Traveling and conveyance	908.70	932.10
Loss on sale/disposal of fixed assets	1,495.10	381.72
Warranty	-	-
Advertisement & Selling Expenses	3,648.86	3,268.71
Net Loss on Foreign Currency exchange loss	-	-
Advances/balances written off	-	73.53
Provision for expected credit loss	-	-
Net loss on foreign currency transactions and translations	-	-
Provision for doubtful advances	-	-
Provision for warranty	237.12	363.07
Bad debts written off	5.33	123.04
Contribution towards corporate social responsibility expenditure (Refer note 5)	81.66	135.46
Fair value loss for investments designated through profit and loss	-	511.21
Security expenses	724.19	595.53
Warehouse charges	605.90	983.81
Postage and telephone expenses	-	-
Goodwill written off (refer note 6)	2,403.16	-
Miscellaneous	154.90	247.14
<b>Total</b>	<b>23,826.52</b>	<b>22,915.10</b>

## a) Auditor's remuneration (included in legal and professional including GST)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit	28.60	65.00
Others	9.50	-
Certification	8.15	-
Out of pocket expenses	-	1.50
<b>Total</b>	<b>46.25</b>	<b>66.50</b>

## b) Exceptional items

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for loans to related parties (Refer Note 8(a))	92.77	2,555.67
Adjustment to Property, plant and equipment	131.75	-
Insurance receivable written off (Refer Note 9)	1,878.14	-
Adjustment to right to use asset	34.34	-
Litigations no longer required written back	(151.76)	-
Other Asset written off	227.00	-
<b>Total</b>	<b>2,204.24</b>	<b>2,555.67</b>

## Note 40: Earnings per share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to Equity shareholders	44,564.96	41,317.45
Earnings used in the calculation of basic and diluted earnings per share	44,564.96	41,317.45
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	348,52261	365,52261
Basic and diluted earnings per share	128.499	113.40



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

## Note 41: Employee Benefits

## A. Defined contribution plans

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employee's Contribution towards Provident Fund (PF)	214.07	211.58
Employer's Contribution towards Employee State Insurance (ESI)	1.79	1.43
Employer's Contribution towards Labour Welfare Fund (LWF)	0.14	0.06
<b>Total</b>	<b>222.93</b>	<b>223.77</b>

## B. The Code on Social Security, 2020

The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final interpretation has not yet been issued. The company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

## C. Liabilities for compensated absences

The liabilities for compensated absences relate to the company's liabilities for Annual Leave and Sick Leave.

The entire amount of the above liabilities are presented as current, since the company does not have a contractual right to defer settlement for any of these obligations.

## D. Post-employment benefits

## Defined benefit plans

## Gratuity

The Group has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. The Gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund. The Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under this Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

The plans are exposed to a number of risks, including:

- Investment risk: movement of discount rate used against the return from plan assets
- Interest rate risk: decreases/increases in the discount rate used will increase/decrease the defined benefit obligation
- Longevity risk: changes in the estimation of mortality rates of current and former employees.
- Salary risk: increase in future salaries increase the gross defined benefit obligation.

The following tables illustrate the components of net benefit expenses recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

(i) Changes in the present value of defined benefit obligation	As at March 31, 2024	As at March 31, 2023
Present value of obligation at the beginning of the year	751.30	673.94
Interest cost	45.94	41.94
Current service cost	78.19	57.36
Benefits paid		
- Pay-out from plan	(123.05)	(87.33)
- Pay-out from employer	(8.50)	-
Actuarial gains) / losses arising from changes in financial assumptions	234.84	(94.03)
Actuarial gains) / losses arising from experience adjustments	71.65	58.41
<b>Present value of obligation at the end of the year*</b>	<b>1,042.73</b>	<b>751.30</b>

\*Included in provision for employee benefits (Refer note no. 24)

Changes in the present value of defined benefit obligation

(ii) Changes in the fair value of plan assets	As at March 31, 2024	As at March 31, 2023
Opening balance of fair value of plan assets	612.39	640.78
Contributions made	41.88	204.67
Expected return on plan assets	6.85	6.34
Interest income	42.89	38.93
Benefits paid net from plan	(123.05)	(87.33)
<b>Closing balance of fair value of plan assets</b>	<b>574.96</b>	<b>612.39</b>

(iii) Assets and liabilities recognized in the Balance Sheet:	As at March 31, 2024	As at March 31, 2023
Present value of obligation as at the end of the year	1,042.73	751.30
Fair value of plan assets	574.96	612.39
<b>Net assets / (liability) recognized in Balance Sheet</b>	<b>467.77</b>	<b>118.91</b>
Current Portion	124.70	74.45
Non-Current Portion	342.56	44.46



## Kurlon Enterprise Limited

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2024  
(All amounts in BHK lakhs, unless otherwise stated)

(iv) Expense recognised in the Statement of Profit and Loss	For the year ended March 31, 2024	For the year ended March 31, 2023
Current server cost	76.88	57.36
Post service cost	-	-
Interest cost	7.43	4.01
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>84.31</b>	<b>61.37</b>

\* Impact in Employee benefits expense (Refer note 36 J. Actuarial loss of 313.61 lakhs for the year ended March 31, 2024 (March 31, 2023): 42.05 lakhs) is included in other comprehensive income.

(v) Remeasurement (gain)/ loss recognised in other comprehensive income	For the year ended March 31, 2024	For the year ended March 31, 2023
Actuarial changes arising from changes in Demographic Assumptions	-	-
Actuarial changes arising from changes in financial assumptions	124.41	(14.09)
Actuarial changes arising from changes in experience adjustments	79.45	58.41
Return on Plan Assets (more)/ Less than Expected based on Discount Rate	(81.95)	40.34
<b>Recognised in other comprehensive income</b>	<b>121.91</b>	<b>44.66</b>

(vi) The major categories of plan assets are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Unquoted Investments	-	-
Gratuity Fund maintained at Insurance Companies of the Insurance Corporation of India	574.96	611.39
<b>Total</b>	<b>574.96</b>	<b>611.39</b>

The Company is expected to contribute Rs. 124.76 lakhs (FY 23-24: Rs.76.45 lakhs) to the plan during the FY 2024-25.

(vii) Actuarial assumptions

	As at March 31, 2024	As at March 31, 2023
Discount rate (per annum)	7.22%	7.50%
Salary escalation rate	3.80%	5.00%
Expected return on plan assets	7.50%	7.12%
Actuarial rate	10.08%	10.08%
Retirement age	60 years	60 years

The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

## Expected Future Benefit Payments

The expected maturity analysis of undiscounted gratuity benefits obligations are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Within the next 12 months (next annual reporting year)	184.05	80.84
Between 1-2 years	120.04	82.00
Between 2-5 years	281.38	236.76
More than 5 years	1,554.18	938.54

The average duration of the defined benefit obligation at the end of the reporting year is 9.22 years (March 31, 2023: 8.08 years).

## Asset Liability Matching Strategy

The Group had funded the gratuity liability with the insurance Group. The underlying assets are managed by the fund manager of the insurance Group and the Asset Values as referred by the insurance Group has been taken for the actuarial valuation purpose. The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which would result in a increase in liability without corresponding increase in the assets).

(viii) Qualitative sensitivity analysis for significant assumptions is as below

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the defined benefit obligations (BOL) and also in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

(a) Increase/ (Decrease) in present value of defined benefits obligation at the end of the year

The impact on the value of the defined benefit obligation of a reasonable possible change in one actuarial assumption, holding all other assumptions constant, is presented in the table below.

Actuarial assumptions	Reasonably possible change	As at March 31, 2024		As at March 31, 2023	
		Increase	Decrease	Increase	Decrease
Discount rate	(+/- 0.1%)	(21.37)	32.13	(43.27)	48.87
Salary escalation rate	(+/- 0.1%)	70.88	(67.09)	45.54	(48.34)
Actuarial rate	(+/- 0.1%)	(0.79)	7.78	(6.17)	3.34

(b) The sensitivity analysis presented above may not be representative of the actual change in the defined obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some assumption may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same as that applied in calculation of defined benefit obligation liability recognised in the balance sheet.



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR Lakhs, unless otherwise stated)

## Note 43 : Related Party Transactions

(A) Names of related parties and nature of relationship are given below :

Relationship	Name of the party	Country of incorporation	Principal activities	Proportion of ownership interest	
				March 31, 2024	March 31, 2023
A. Holding Company	Kurlon Consumer Products Limited (Formerly known as Kurlon Limited) up to October 20, 2023	India	Manufacturing of polystyrene foams and hardware	0.19%	88.47%
	Shankla Foam Limited (w.e.f. October 20, 2023)	India	Manufacturing of polystyrene foams	92.25%	0%
B. Subsidiary companies (wholly owned)	Kurlon Retail Limited	India	Retail Trading of mattresses	100.00%	100%
	Kurlon Universe Products & Services Limited	India	Trading of Semi-finished Goods (SFG), foam products, PC Pads, EPF Products etc.	100.00%	100%
	Bedvada Interiors Limited	India	Trading of mattresses and other related products	100.00%	100%
	Kowas Concepts Private Limited	India	Business of interior & exterior of Homes, stage designer, furnishing, designing, decorating etc.	100.00%	100%
	Shankla Value Chain and Manufacturing Private Limited	India	Business of logistics	100.00%	100%
C. Subsidiary Entities	Servati Solar Private Limited (up to October 13, 2023)	India	Electric power generation, transmission and distribution	0.90%	94%
	Solar Solar Energies Private Limited (up to October 13, 2023)	India	Electric power generation, transmission and distribution	0.90%	94%
	Solar Dharma Solar Private Limited (up to October 13, 2023)	India	Electric power generation, transmission and distribution	0.90%	94%
D. Former subsidiaries	Mampan Software & E-Com Private Limited (up to October 20, 2023)				
	Mampan Hubert Private Limited (up to October 20, 2023)				
	Shree World Private Limited (w.e.f. October 20, 2023)				
	Shree Software Private Limited (Formerly known as Divya Software Solutions Private Limited) (w.e.f. October 20, 2023)				
	Shreegill Enterprises Private Limited (w.e.f. October 20, 2023)				
	Joyce Foam Ply Ltd. (w.e.f. October 20, 2023)				
	International Foam Technologies Spain S.L. (w.e.f. October 20, 2023)				
	Shree Foam Trading LLC (Dubai) (w.e.f. October 20, 2023)				
	Servati Spar Private Limited (w.e.f. October 13, 2023 up to October 20, 2023)				
	Solar Solar Energies Private Limited (w.e.f. October 13, 2023 up to October 20, 2023)				
	Solar Dharma Solar Private Limited (w.e.f. October 13, 2023 up to October 20, 2023)				
E. Enterprises owned or significantly influenced by key management personnel, Directors and their relatives	Maha Kashtra Apex Corporation Limited (up to October 20, 2023)				
	Jayashree Trade and Investments Private Limited (up to October 20, 2023)				
	Mampan Advertising Services Private Limited (up to October 20, 2023)				
	Mampan Interpol Builders Private Limited				
	Jai Bharati Jewels Private Limited (up to October 20, 2023)				
	Rangoli Resorts Private Limited (w.e.f. October 20, 2023)				
	Mampan Travels (India) Private Limited				
	Shreegill Foundation (Trust) (w.e.f. October 20, 2023)				
	Mampan Software & E-Com Private Limited (w.e.f. October 20, 2023)				
	Shreegill Global VCT LLP (up to October 20, 2023)				
	Hansa Kadamani Books LLP (up to October 20, 2023)				
	Kurlon Consumer Products Limited (Formerly known as Kurlon Limited) (w.e.f. October 10, 2023)				
F. Directors and Key management personnel (KMP)	Mr. T. Sundhakar Rao, Managing Director (up to October 20, 2023)				
	Mr. Jaya S Pal, Director (up to October 20, 2023)				
	Mr. Jayesh Ashish Pradham, Chief Executive Officer (up to October 20, 2023)				
	Mr. H N Sarinivas, Non-Executive Director (up to October 20, 2023)				
	Mr. Nagarajan S, Non-Executive Director (up to October 20, 2023)				
	Mr. Bernhard Wilson Brindley, Non-Executive Director (up to October 10, 2023)				
	Mr. Jayesh Ashish Pradham, Non-Executive Director (w.e.f. October 20, 2023)				
	Mr. Rahul Gupta, Non-Executive Director (w.e.f. October 20, 2023)				
	Mr. Tushar Gaudin, Managing Director (w.e.f. October 20, 2023)				
	Mr. Ravindra Bhargava, Non-Executive Independent Director (w.e.f. October 21, 2023)				
Mr. Madhu Jagjiani, Non-Executive Independent Director (w.e.f. October 21, 2023)					
Mr. Abhiraj Padmanabha Kamal, Chief Financial Officer					
Mr. Murali Kumar, Company Secretary					





## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs unless otherwise stated)

## (B) Disclosure of transactions between the Company and related parties during the year

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Sale of products</b>		
Kurlon Retail Limited	1,903.99	1,193.32
Belvedere International Limited	1,023.47	579.98
Home Position Kurlon LLP	-	398.84
Kemfort Universe Products & Services Limited	242.01	36.56
Marigal Advertising Services Private Limited	-	6.05
Sheela Foam Limited	798.86	-
Starship Value Chain and Manufacturing Private Limited	-	-
Kurara Consumer Products Limited	1,087.07	-
	<u>4,928.70</u>	<u>3,240.69</u>
<b>Software expenses</b>		
Kurlon Retail Limited	158.54	190.21
Kemfort Universe Products & Services Limited	-	23.98
Belvedere International Limited	1.39	-
Sheela Foam Limited	97.79	-
	<u>197.72</u>	<u>214.19</u>
<b>Interest Income on loans given</b>		
Kurara Concepts Private Limited	1.49	13.85
Kemfort Universe Products and Services Private Limited	0.03	27.17
Kurlon Retail Limited	117.69	-
Sensual Solar Private Limited	2.05	0.12
Star Shakti Solar Private Limited	4.70	6.41
Star Solar Energy Private Limited	5.41	7.13
Starship Value Chain and Manufacturing Private Limited	13.24	-
Belvedere International Limited	-	1.11
	<u>154.61</u>	<u>55.78</u>
<b>Provision for doubtful recovery of interest income on loans</b>		
Kurara Concepts Private Limited	1.49	13.85
Kemfort Universe Products and Services Private Limited	0.03	27.17
Kurlon Retail Limited	117.69	-
Sensual Solar Private Limited	2.05	-
Star Shakti Solar Private Limited	4.70	-
Star Solar Energy Private Limited	5.41	-
Starship Value Chain and Manufacturing Private Limited	13.24	-
Belvedere International Limited	-	1.11
	<u>154.61</u>	<u>42.13</u>
<b>Rental Income</b>		
Starship Value Chain and Manufacturing Private Limited	-	6.14
	<u>-</u>	<u>6.14</u>
<b>Purchases</b>		
Kurara Consumer Products Limited (formerly known as Kurlon Limited)	4,178.73	4,029.58
Kemfort Universe Products & Services Limited	-	41.36
Belvedere International Limited	12.25	35.61
Kurlon Retail Limited	35.32	-
Sheela Foam Limited	2,435.65	-
Starship Value Chain and Manufacturing Private Limited	-	-
	<u>7,462.95</u>	<u>4,106.55</u>
<b>Managerial remuneration</b>		
T. Subhakar Reddy	49.22	31.92
Jyothi Pradhan	49.36	31.89
Abhinav Padmanabh Reddy	46.46	18.08
Woma Kumar	19.12	13.63
	<u>164.16</u>	<u>95.52</u>
<b>Repair &amp; Maintenance - Others</b>		
Kurara Consumer Products Limited (formerly known as Kurlon Limited)	71.86	71.59
Kurlon Retail Limited	-	0.48
	<u>71.86</u>	<u>72.07</u>



**Kurlon Enterprise Limited**

Being forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs, unless otherwise stated)

**Interest paid on borrowed loan**

Jaya S Pat

38.19

62.63

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 38.19
 

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 62.63
**Freight charges**

Starship Value Chain and Manufacturing Private Limited

4,000.27

6,585.84

Sheela Foam Limited

0.97

-

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 4,001.24
 

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 6,585.84
**Warehouse charges**

Starship Value Chain and Manufacturing Private Limited

958.44

983.81

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 958.44
 

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 983.81
**Legal and consultancy charges**

Starship Value Chain and Manufacturing Private Limited

2,679.84

2,815.26

Maripal Software &amp; E-Com Private Limited

383.49

403.30

Korfort Univera Products &amp; Services Limited

-

55.53

Korfort Consumer Products Limited (formerly known as Kurlon Limited)

-

50.66

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 3,063.33
 

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 3,324.75
**Advertisement and sales promotion expenses**

Korfort Univera Products &amp; Services Limited

-

311.74

Maripal Advertising Services Private Limited

366.61

648.26

Kurlon Retail Limited

17.44

2.92

Maripal Software &amp; E-Com Private Limited

7.90

39.43

Sheela Foam Limited

60.49

-

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 452.44
 

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 992.35
**Traveling and conveyance expenses**

Maripal Travel (India) Private Limited

126.70

247.28

Korfort Univera Products &amp; Services Limited

-

9.72

Ajayash Padmanabh Sharma

1.00

-

Jambhwal Family

0.84

-

Mansi Kataria

0.09

-

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 128.63
 

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 257.00
**Selling fees**

M Mishra Law

0.76

1.17

S. Bhargava

0.78

1.17

Jaya S Pat

0.91

1.02

Jambhwal Family

0.76

0.39

Ajayash Padmanabh Sharma

1.35

-

Mansi Kataria

1.13

-

Rahul Gaurav

2.71

-

Ramesh Chandra

1.33

-

Tehaar Gaurav

0.83

-

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 11.25
 

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 3.75
**Dividend paid**

Korfort Consumer Products Limited (formerly known as Kurlon Limited)

646.84

162.09

---

 646.84
 

---

 162.09
**Reimbursement of expenses to related parties**

Korfort Univera Products &amp; Services Limited

-

298.73

Korfort Retail LLP

-

123.48

Starship Value Chain and Manufacturing Private Limited

-

0.34

Ajayash Padmanabh Sharma

0.70

-

Jambhwal Family

0.06

-

Mansi Kataria

0.05

-

Jambhwal Patil

0.23

-

---

 1.09
 

---

 423.55
**Leave benefits to related parties**

Korfort Consumer Products Limited (formerly known as Kurlon Limited)

1,140.60

1,399.00

Maripal Advertising Services Private Limited

16.50

34.78

Mishra Law Private Limited

5.50

6.00

Jambhwal Trade and Investments Private Limited

4.71

22.94

---

 1,167.31
 

---

 1,462.72


## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs, unless otherwise stated)

## Miscellaneous Expenses

Kurlon Retail Limited

0.20

-

0.20

-

## Miscellaneous Income

Starship Value Chain and Manufacturing Private Limited

1.75

-

1.75

-

## Staff Welfare Expenses

Befredone International Limited

0.40

-

Kurlon Universe Products &amp; Services Limited

1.89

-

Starship Value Chain and Manufacturing Private Limited

12.33

-

14.62

-

## Sale of Investment in Subsidiaries

Kurlon Consumer Products Limited (formerly known as Kurlon Limited)

14.07

-

14.07

-

## Sale of Assets

Jyothi Products

34.47

-

Sheela Foam Limited

71.52

-

Sedakar Pvt T

1.65

-

107.64

-

## Printing &amp; Stationery

Mangal Advertising Services Private Limited

4.50

-

0.50

-

## Contribution to CSR expenditure

Seasprill Foundation (Trust)

64.60

-

64.60

-

## (C) Details of balances outstanding at the end of the reporting year

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Trade payable</b>		
Kurlon Universe Products and Services Private Limited	-	732.90
Befredone International Limited	-	48.67
Jai Bharat Retail Private Limited	-	5.40
Mangal Advertising Services Private Limited	-	3.03
Mangal Software & E-Com Private Limited	33.97	32.86
Starship Value Chain and Manufacturing Private Limited	409.53	788.88
Sheela Foam Limited	716.57	-
Kurlon Universe Products Limited (formerly known as Kurlon Limited)	100.23	-
Mangal Advertising Services Private Limited	4.86	-
	<b>1,325.16</b>	<b>1,590.67</b>
<b>Trade receivable</b>		
Befredone International Limited	216.89	179.68
Kurlon Universe Products & Services Limited	463.87	474.63
Sheela Foam Limited	408.40	-
Starship Value Chain and Manufacturing Private Limited	-	0.74
Home Comfort Retail LLP	-	49.09
Mangal Advertising Services Private Limited	-	0.06
	<b>1,537.96</b>	<b>692.19</b>



Kurlon Enterprise Limited  
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in BRL Brlhy, unless otherwise stated)

<b>Investment in subsidiaries</b>		
Kurlon Retail Limited	1,760.00	1,760.00
Servat Solar Private Limited	-	4.69
Sara Solar Energy Private Limited	-	4.69
Sara Solar Energy Private Limited	-	4.69
Marfoni Universe Products & Services Limited	5.00	5.00
Rafedera International Limited	5.00	5.00
Marfoni Concepts Private Limited	1.00	1.00
Starship Manufacturing and Services Private Limited	0.50	0.50
	<u>1,771.50</u>	<u>1,785.57</u>
<b>Capital advances</b>		
Maha Rajhara Agri Corporation Limited	-	1,222.76
		<u>1,222.76</u>
<b>Security deposit</b>		
Jayashree Trade and Investments Private Limited	-	9.00
Marfoni Metropolis Builders Private Limited	10.00	30.40
Joe Bharath Mills Private Limited	-	30.00
Karara Consumer Products Limited (Formerly known as Kurlon Limited)	-	15,320.00
	<u>10.00</u>	<u>15,389.40</u>
<b>Loan to related parties (Group)</b>		
Kurlon Retail Limited	2,790.50	2,392.49
Marfoni Concepts Private Limited	135.00	162.91
Marfoni Universe Products & Services Limited	141.03	412.45
Sara Solar Energy Private Limited	-	90.71
Sara Solar Energy Private Limited	-	81.72
Servat Solar Private Limited	-	22.08
Balmeure International Limited	-	13.01
	<u>3,066.53</u>	<u>3,175.37</u>
<b>Loss allowance on loans given to related parties</b>		
Kurlon Retail Limited	2,790.50	2,392.49
Karara Consumer Products Limited	425.00	162.91
Marfoni Universe Products & Services Limited	411.03	412.45
	<u>3,626.53</u>	<u>3,971.75</u>
<b>Interest income receivable</b>		
Sara Solar Private Limited	-	0.12
Sara Solar Energy Private Limited	-	6.44
Sara Solar Energy Private Limited	-	7.82
		<u>14.38</u>
<b>Advance against supply of goods and services to related parties</b>		
Karara Consumer Products Limited (Formerly known as Kurlon Limited)	-	7,431.58
Starship Global VCT LLP	-	280.37
		<u>7,711.95</u>
<b>Unsecured loan payable</b>		
Maha S. Pat	-	650.00
		<u>650.00</u>
<b>Advance from customers</b>		
Sheela Team Limited	6.63	-
Home World Retail LLP	-	0.38
	<u>6.63</u>	<u>0.38</u>
<b>Loan liability</b>		
Jayashree Trade and Investments Private Limited	-	153.70
Marfoni Metropolis Builders Private Limited	-	86.67
Joe Bharath Mills Private Limited	-	-
		<u>240.37</u>



Kurlon Enterprise Limited  
 notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
 (All amounts in INR Lakhs, unless otherwise stated)

Advance to Employee Jyoti Pradhan	3.15	-
	<u>1.19</u>	<u>-</u>
Advance to related parties Kansara Consumer Products Limited (formerly known as Kurlon Limited)	471.33	-
	<u>473.33</u>	<u>-</u>
Other Receivables Kansara Consumer Products Limited	564.39	-
	<u>564.39</u>	<u>-</u>
Employee Payables Abhishek Padmanabh Namu	0.19	-
	<u>0.19</u>	<u>-</u>
Selling fees payable Kansara (Kansara)	7.88	-
	<u>1.88</u>	<u>-</u>

**Disclosure of Salaries and emoluments (EMP) compensation**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary, wages and bonus	152.46	181.44
Provision for gratuity	5.30	-
	<u>158.46</u>	<u>181.44</u>

**Terms and conditions:**

Sales of goods to related parties were made at the usual Net prices, that prevail in arm's length transactions. Purchases were made at market rates. Outstanding balances at the year-end with related parties are unsecured and interest free (other than loans at market rates) to be settled in cash in the next three months.

The Company has not made any allowance for bad or doubtful debts in respect of related party trade receivables nor has any guarantee been given or received during the year ended March 31, 2024 and March 31, 2023 relating to related party transactions.



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**Notes to Financial Statements**

Making part of the Operating Expense Statement for the year ended March 31, 2024  
 (All amounts in HK\$ unless otherwise stated)

**Note 43 - Disclosure as per the AS 176 'Leases'**

**a) Lease assets Group's activities**

The following is the summary of practical measures applied:

1. Applied a single discount rate to all classes of leases of similar classes for economic assessment
2. Applied the impairment test to recognize ROL assets and UOLs (in lease with less than 12 months of lease term as the date of end of ROL/ROL)

**b) The change in the carrying value of ROL assets**

Particulars	As at	
	March 31, 2023	March 31, 2022
Opening balance	2,241.19	2,211.19
Acquired during the year	4,201.88	4,417.17
Disposed/ derecognized during the year	(111.93)	(111.54)
Depreciation	(151.79)	(129.44)
Closing balance	6,159.45	6,387.47

**c) The movement in lease liabilities**

Particulars	As at		As at		Total
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	
Opening Balance	1,214.47	-	1,204.47	1,082.84	2,287.31
Recognized during the year	1,412.54	-	1,408.33	979.49	2,387.82
Settlements	(119.78)	-	(119.78)	(102.14)	(221.92)
Payments during the year	(512.42)	-	(512.42)	(506.84)	(1,019.26)
Balance at the closing of the year	1,984.81	-	1,980.59	1,452.35	3,432.94
Closing Balance	2,048.58	-	2,048.58	1,304.45	3,353.03

**d) Break-up of current and non-current lease liabilities**

Particulars	As at	
	March 31, 2023	March 31, 2022
Current lease liabilities	4,158.48	4,111.18
Non-current Lease liabilities	111.48	1,276.29
Total	4,269.96	5,387.47

**d) Maturity analysis of lease liabilities**

Particulars	As at	
	March 31, 2023	March 31, 2022
Less than one year	119.43	418.33
One to three years	4,177.71	847.18
More than three years	7.34	161.96
Total	4,304.48	1,427.47

**e) Interest recognized in statement of Profit and Loss account**

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Interest on lease liabilities	1,25.78	152.79
Total	1,25.78	152.79



**Kurdon Enterprise Limited**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakh, unless otherwise stated)

**Note 44 : Fair values of Financial Assets and Financial Liabilities**

The fair value of the financial assets and liabilities is included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The Group has disclosed financial instruments such as trade receivables, cash and cash equivalents, other bank balances, trade payables, other financial assets and liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.
2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, adjustments are taken to the account for the expected losses of these receivables.

**Note 45 : Fair value hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

-Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

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

-Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investments at preference shares, other investments, loans receivable and lease receivables included in level 3.

**Valuation Processes**

The finance department of the group includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the group chief financial officer (CFO) including board of directors. Discussions of valuation processes and results are held between the CFO and the valuation team every month. The Company takes the help of independent valuers for valuation purposes.

**Fair Valuation Technique**

The carrying amounts of trade receivables, trade payables, creditors towards capital goods, cash and cash equivalents, investments in preference shares, other investments and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values financial assets and liabilities consisting of loans receivable, lease receivable, lease liabilities, security deposits receivable and security deposit payable are calculated based on cash flows discounted using estimated borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

Financial Instruments by category	As at March 31, 2024			As at March 31 2023		
	Amortised	FVTPL	FVTPL	Amortised	FVTPL	FVTPL
<b>Financial assets</b>						
Investments in Subsidiaries	1,771.50	-	-	1,785.57	-	-
Investments in Mutual Funds	-	-	1,027.82	-	-	1,602.30
Trade receivables	7,745.89	-	-	5,866.23	-	-
Cash and cash equivalents	714.60	-	-	294.01	-	-
Bank balances other than cash and cash equivalents	222.25	-	-	149.31	-	-
Loans	-	-	-	225.89	-	-
Other financial assets	815.48	-	-	18,158.77	-	-
<b>Total financial assets</b>	<b>10,469.71</b>	<b>-</b>	<b>1,027.82</b>	<b>26,483.78</b>	<b>-</b>	<b>1,602.30</b>
<b>Financial liabilities</b>						
Borrowings	14.35	-	-	1,660.91	-	-
Lease liabilities	2,069.58	-	-	1,334.45	-	-
Trade payables	12,098.11	-	-	12,607.10	-	-
Other financial liabilities	6,050.96	-	-	6,499.78	-	-
<b>Total financial liabilities</b>	<b>20,373.00</b>	<b>-</b>	<b>-</b>	<b>22,102.24</b>	<b>-</b>	<b>-</b>

The management assessed that the fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities and borrowings approximate the carrying amount largely due to their short-term maturity of the instruments and insignificant changes in assumptions, where applicable.

Non-current financial assets and liabilities are discounted using an appropriate discounting rate where time value of money is material.



## Kurlom Enterprise Limited

Having formed part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs, unless otherwise stated)

## Note 49 : Financial risk management objectives and policies

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse and set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company's Board of Directors is advised in its oversight role by the internal audit who undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Board of Directors. The note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

## a) Market risk

Market risk is the risk arising from changes in asset prices - such as foreign exchange rates and interest rates which will affect the Company's income or the value of its financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency deposits.

## i. Currency risk

a) The Company's exposure to currency risk as at year end is as below :

Particulars	As at March 31, 2024		As at March 31, 2023		Rs. Lakhs	
	Currency	Foreign currency	Rs. Lakhs	Currency		Foreign currency
Trade payables	USD	61,667.82	51.48	USD	1,19,487.66	39.54
	EUR	-	-	EUR	38,183.13	22.03
Advances to suppliers	USD	35,075.47	31.75	USD	-	-
	EUR	1,11,400.00	118.41	EUR	-	-
Trade receivables	USD	900.08	0.75	USD	37,773.00	22.39

## ii) Foreign currency sensitivity analysis

The Company is mainly exposed to USD and EUR. The following table demonstrates the sensitivity to a reasonably possible change in respective exchange rates, with all other variables held constant. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a reasonably change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice versa.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Effect on profit before tax			
Back note				
+500		0.95		(5.24)
+1500		(0.95)		5.24

## iii) Interest risk

Interest rate risk is the risk that the future cash flows of floating interest bearing instruments will fluctuate because of fluctuations in the interest rates. The Company's borrowings are all fixed and floating interest rate and are carried as amortised cost.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows :

Particulars	As at March 31, 2024		As at March 31, 2023	
	Effect on profit before tax			
Back note				
+100		1.14		(48.14)
+1000		(1.14)		48.14

## b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables, loans and other assets.

Credit Risk is the risk that the counter party will not meet its obligations under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to provide funds in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating review and individual credit limits are defined in accordance with the assessment. The Company regularly monitors its outstanding customer receivables.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss methodology on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several geographies and industries and customers largely independent markets.

The loans to subsidiaries are secured loan. The management makes an assessment of the credit risk on the loans based on the evaluation of the subsidiary's ability to repay the loan, as at date of reporting. The Company also deployed credit loss model to assess the impairment loss. Listed in an evaluation of the credit risk of the subsidiaries, its allowance on the loan and on interest accrued thereon have been recognised.

Cash and cash equivalents, bank balances and other bank balances are neither past due nor impaired. Cash and cash equivalents include short-term highly liquid deposits with banks which have maturity less than three months.

The movement in respect of allowance for expected credit losses is as follows

Particulars	Trade receivables		Loans & other financial assets		Other assets	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	At the beginning of the year	1,646.40	1,597.89	3,915.87	424.90	24.92
allowance created/(reversed) during the year	(570.51)	73.53	264.79	2,580.97	(24.92)	-
At the end of the year	1,135.89	1,666.42	4,240.66	3,005.87	-	74.92





**Kurleon Enterprise Limited**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lakhs, unless otherwise stated)

**c) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach in managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below provides details regarding the uncontracted contractual maturities of financial liabilities:

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>March 31, 2024</b>				
Borrowings	14.58	-	-	14.58
Lease liabilities	319.48	1,758.80	-	2,078.28
Trade payables	11,931.79	126.32	-	12,058.11
Other financial liabilities	437.38	5,457.99	-	5,895.37
<b>Total</b>	<b>12,693.23</b>	<b>7,343.11</b>	<b>-</b>	<b>20,036.34</b>
<b>March 31, 2023</b>				
Borrowings	1,460.91	-	-	1,460.91
Lease liabilities	490.23	1,073.13	108.94	1,672.20
Trade payables	12,027.32	-	-	12,027.32
Other financial liabilities	917.38	5,381.90	-	6,300.28
<b>Total</b>	<b>15,895.84</b>	<b>6,455.03</b>	<b>108.94</b>	<b>22,459.81</b>

The Company believes that the working capital is sufficient to meet its current requirements accordingly, no significant liquidity risk is perceived.

**Note 47 : Capital management**

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimize returns to its shareholders. The Company considers the following components of its balance sheet to be managed capital:

1) Share Capital and 2) Other Reserves comprising of General Reserve and Retained Earnings. The Company's capital structure is based on the Management's assessment of the balance of key elements to ensure strategic decision and day to day activities.

Particulars		As at	As at
		March 31, 2024	March 31, 2023
Equity		1,827.61	1,827.62
Other Equity		27,640.57	49,902.34
<b>Total equity</b>	<b>₹</b>	<b>29,468.18</b>	<b>51,730.00</b>
Borrowings (including lease liabilities)		2,088.15	2,995.38
Less: cash and cash equivalents		(14.40)	214.01
<b>Total debt</b>	<b>₹</b>	<b>1,973.75</b>	<b>3,209.39</b>
<b>Overall financing</b>	<b>₹(₹) = (₹) + (₹)</b>	<b>31,494.43</b>	<b>54,939.39</b>
Gearing ratio (debt to equity)		0.06	0.06

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The capital structure of the Company is managed with a view of the overall macro economic conditions and the risk characteristics of the underlying assets. The Company's policy is to manage its capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company. The Company's focus is on having a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

**Note 48 : Dividends paid****Dividend on equity shares declared and paid**

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Dividend on equity shares declared and paid		
Final dividend for the year ended March 31, 2023: INR 2 per share (March 31, 2023). Final dividend for the year ended March 31, 2022: INR 0.50 per share)	658.05	163.21
Proposed dividend		
Proposed dividend for the year ended March 31, 2024: INR nil per share (March 31, 2024). Proposed dividend for the year ended March 31, 2023: INR 2 per share)		731.04

The Company has not proposed any dividend as at March 31, 2024.



## Kurlon Enterprise Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

(All amounts in INR lakhs, unless otherwise stated)

## Note 49 : Commitments for expenditure

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Capital commitments (net of advances)	545.68	21.04
Total	545.68	21.04

## Note 50 : Contingent liabilities

Particulars	As at	As at
	March 31, 2024	March 31, 2023
<u>Claims against the Company not acknowledged as debt (refer note below)</u>		
Disputed liabilities not adjusted as expenses in the Accounts for various years being in appeals towards:		
- Income tax	1,072.45	1,072.45
- Sales tax	257.90	4,293.80
- Excise duty	-	2,212.73
- GST	1,418.42	636.97
Total	2,748.77	8,215.95

## Note:

The Company is contesting these demands and the management, based on the advice from its tax consultants, believes that its position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for these demands raised as of March 31, 2024. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.



## Kurlon Enterprise Limited

Now forming part of the Standalone Financial Statements for the year ended March 31, 2024  
 All amounts in INR lakhs, unless otherwise stated

## Note 51 - Segment Information

## Operating segment information

The Company principally is in the business of manufacture, purchase and sale of medical, team and related products. The Company does not distinguish revenues and expenses between different businesses in its internal reporting and reports costs and expenses by nature as a whole. The Chief Operating Decision maker (CODM) reviews the results taken making decisions about allocating resources and assessing performance of the Company as a whole and hence, the Company has only one reportable segment. The Company operates and manages its business as a single segment. As the Company assets are all located in India and the Company's revenues are derived from India, no geographical information is presented.

## Note 52 - Corporate Social Responsibility expenditure

As per provisions of Section 135 of the Companies Act, 2013, the Holding Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed by the Holding Company for carrying out CSR activities. The areas for CSR activities are realization of health and nutrition, promoting education, art and culture, healthcare, dentable care and rehabilitation and rural development projects as per the Schedule VII of the Companies Act, 2013.

a) Particulars	Actual March 31, 2024	Ad 21 March 31, 2023		
Gross amount required to be spent as per section 135 of the Act	81.66	142.95		
Adjust amount utilised from previous years	-	-		
Total Gross amount required to be spent during the year	81.66	142.95		
b) Amount approved by the Board to be spent during the year				
Amount approved by the Board to be spent during the year	81.66	142.95		
c) Amount spent during the year on				
(i) Construction/acquisition of an asset	-	-		
(ii) On purposes other than (i) above	106.31	135.98		
d) Details of CSR expenditure in respect of other than ongoing projects				
Particulars	Year ended March 31, 2024	Year ended March 31, 2023		
Provision of health and education	-	94.36		
Provision of environment	-	4.09		
Employee Welfare through Trust for promotion of health	-	3.42		
Contribution to Corpus of Trust	66.68	37.60		
Prize Money National Rural Fund	4.70	-		
Protecting national heritage, art and culture	28.24	-		
Total	104.21	135.98		
e) Nature of Activity	Balance carried at 31 April 1, 2023	Amount required to be spent during year	Amount spent during the year	Balance carried at 31 March 31, 2024
Healthcare/education/skill development/art and culture	-	81.66	106.31	(24.65)



Kurlon Enterprise Limited  
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(all amounts in INR Lakhs, unless otherwise stated)

Note 53: Income Tax and Deferred Tax

	Year ended March 31, 2024	Year ended March 31, 2023		
<b>a) Income tax expense charged to the statement of profit or loss</b>				
- Current tax taxes	-	647.44		
- Adjustments in respect of current income tax of previous year	-	(45.49)		
- Deferred tax charge / (income)	495.62	41,059.75		
Income tax expense reported in the statement of profit or loss	495.62	41,661.70		
<b>b) Income tax expense charged to OCI</b>	Year ended March 31, 2024	Year ended March 31, 2023		
Net loss/(gain) on re-measurements of defined benefit plans	(4.99)	40.58		
Income tax charged to OCI	(4.99)	40.58		
<b>c) Recognition of deferred tax asset to the extent of deferred tax liability</b>	Year ended March 31, 2024	Year ended March 31, 2023		
Balance sheet				
Deferred tax asset	1,305.19	1,770.49		
Deferred tax liabilities	(2,078.31)	(2,414.33)		
Deferred tax assets/(liabilities), net	(443.22)	(643.84)		
<b>d) Reconciliation of tax charge</b>	Year ended March 31, 2024	Year ended March 31, 2023		
Profit before tax	48,840.97	48,774.94		
Tax Rate	25.17%	25.17%		
Income tax expense at tax rates applicable	12,273.75	12,267.74		
Effect of difference in tax rates	20.35	24.14		
Others	357.56	0.64		
	12,651.66	12,312.52		
Adjustments recognized in the current year in relation to tax of prior years	-	(45.49)		
Income tax expense	12,651.66	12,267.03		
<b>e)</b>	As at March 31, 2023	Change/ (Change) in the statement of profit (loss)	Credit/ (Charge) to other comprehensive income	As at March 31, 2024
<b>Particulars</b>				
<b>Deferred tax assets</b>				
On Provision for gratuity	24.43	87.67	-	112.10
On Provisions for leave encashment	11.11	60.93	-	72.04
On Provisions for Other (LTB) items	72.45	(7) 45	-	65.00
On Mutual Fund Investment	128.68	(124.81)	-	3.87
On Provisions for expected credit loss	439.28	145 40	-	584.68
On Provisions for Warranty	-	154.45	-	154.45
On lease liabilities	325.24	184.98	-	510.22
On SBCO disallowance	4.45	4 45	-	8.90
On Doubtful advances	4 27	95.27	-	100.00
On Loan to related parties	748.43	23 35	-	771.78
	1,775.49	148.00	-	1,923.49
<b>Deferred tax liabilities</b>				
On property, plant and equipment	(1,588.41)	251 86	-	(1,336.55)
On Right to use of assets	(594.44)	(147.80)	-	(742.24)
On Goodwill	(231.58)	231 58	-	-
	(2,414.43)	134.64	-	(2,279.79)
<b>Deferred tax assets/(liabilities), net</b>	<b>(638.94)</b>	<b>495.62</b>	<b>-</b>	<b>(143.30)</b>
<b>Year ended March 31, 2023</b>	<b>As at April 1, 2022</b>	<b>Change/ (Change) in the statement of profit (loss)</b>	<b>Credit/ (Charge) to other comprehensive income</b>	<b>As at March 31, 2023</b>
<b>Particulars</b>				
<b>Deferred tax assets</b>				
On Provision for Bonus	1 37	41 37	-	42.74
On Provision for gratuity	52.29	(22.36)	-	29.93
On Provisions for leave encashment	-	14 41	-	14.41
On Provision for Other (LTB) items	68.28	4 47	-	72.75
On Mutual Fund Investment	-	128.68	-	128.68
On Provision for expected credit loss	412.72	11 96	-	424.68
On lease liabilities	253.25	82.54	-	335.79
On SBCO disallowance	12.47	48.17	-	60.64
On Doubtful advances	4 27	-	-	4.27
On loan to related parties	103 22	649 24	-	752.46
	914 17	864.37	-	1,778.54
<b>Deferred tax liabilities</b>				
On property, plant and equipment	(1,718.31)	130.28	-	(1,588.03)
On Right to use of assets	(516.30)	(78 34)	-	(594.64)
On Goodwill	(231.58)	-	-	(231.58)
On Mutual Fund Investment	(143.47)	143 47	-	-
	(2,609.66)	145.13	-	(2,464.53)
<b>Deferred tax assets/(liabilities), net</b>	<b>(695.49)</b>	<b>1,009.70</b>	<b>-</b>	<b>(656.00)</b>



**Major Expense Ratios**

Some items are part of the Standardized Financial Statements for the year ended March 31, 2024 (All amounts in PKR lakhs, unless otherwise stated)

**Table 5-4 : Ratios for specific ratios**

Ratio	Formula	Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023	Variance	Reason for variance
		2024	2023				
Current Ratio	Current Assets / Current Liabilities	Current Assets = Current Financial Assets + Other Current assets	Current Liabilities Financial Liabilities (Short Term Financials) + Current Tax Liabilities + Other Current Liabilities	1.39	2.46	44%	There has been a significant reduction in security deposits under other financial assets and advances paid to various parties over the current year, in accordance with the terms of the Insurance Agreements (IA) and the Share Purchase Agreement (SPA) as referenced in Note 64.
Debt equity Ratio	Debt / Equity	Debt = Loan Liabilities + Borrowings	Equity = Equity share capital + Other Equity	0.37	0.06	(115) %	
Trade payable turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases = Purchase of raw material and packing material + Purchase of finished goods + Other assets requiring invoicing	Average Trade Payables (reference no. 27)	3.72	6.81	(45%)	There is a reduction in turnover as compared to previous year.
Net Capital turnover Ratio	Revenue / Working Capital	Revenue - Revenue from operations	Working Capital = Current assets - Current Liabilities	14.41	8.41	(42%)	There has been a substantial decrease in revenue from operations, security deposits under other financial assets, and advances paid to related parties under other current assets, in accordance with the terms of the Insurance Agreements and Share Purchase Agreements as referenced in Note 64.
Debt Service coverage ratio	Net Operating Income / Debt Service	Net Operating Income = Profit before tax for the year + Finance costs + Depreciation and amortization expense	Debt service finance costs - capital payments	(2.04)	1.99		There has been a substantial decrease in net operating income as compared to previous year, primarily due to the write-off of PPE, goodwill, and insurance receivables.
net Profit Ratio	Net Profit / net sales	Net Profit = Profit After tax year	Net Sales revenue from operations	40.86	(0.02)	(485%)	There has been a substantial decrease in Net Profit as compared to previous year, primarily due to the write-off of PPE, goodwill, and insurance receivables.
Return on Equity Ratio	Profit After Tax / Shareholder's Equity	Total comprehensive income for the year	Shareholders' Equity = Total Equity	40.87	(0.02)	(485%)	There has been a substantial decrease in Profit after tax as compared to previous year, primarily due to the write-off of PPE, goodwill, and insurance receivables.
Return on capital employed	EBIT / Capital Employed	EBIT = Profit before tax + Finance costs	Capital Employed = Total assets - current liabilities	40.86	(0.01)	(412%)	There has been a substantial decrease in EBIT, along with reduction in security deposits under other financial assets and advances paid to related parties under other current assets, in accordance with the terms of the Insurance Agreements and Share Purchase Agreements as referenced in Note 64.
Inventory turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of goods sold = Cost of material consumed + Purchase of traded goods + Other manufacturing expenses. - Changes in inventories of finished goods, traded goods & work in progress	Average Inventory	4.34	4.97	(13%)	There has been a substantial decrease in Cost of Goods Sold as compared to previous year.
Return on Investment	Net Profit / Net Investment	Net Profit = Profit before tax + Finance costs	Net Investment = Total Equity	40.86	(0.02)	(476%)	There has been a substantial decrease in Net Profit as compared to previous year, primarily due to the write-off of PPE, goodwill, and insurance receivables.
Trade receivable turnover ratio	Net Credit Sales / Average Trade Receivables	Net Credit sales - Revenue from operations	Average Trade Receivables	11.76	66.90	21% net	



**Note 54: Enterprise Related**

Note forming part of the Standalone Financial Statements for the year ended March 31, 2024  
(All amounts in INR Lacs, unless otherwise stated)

**Note 55: Utilization of borrowed funds**

(i) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediaries shall

(a) provide any guarantee, security in the form of or in behalf of the ultimate beneficiaries.

(ii) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (a) that (b) provide any guarantee, security in the form of or in behalf of the ultimate beneficiaries.

**Note 56 : Events after the reporting period**

There are no significant adjusting events after the reporting period.

**Note 57 : Benefits of Crypto Currency or Virtual Currency**

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

**Note 58 : Unrecognized income**

The Company does not have any uncollected income which is not recorded in the books of account that has been surrendered or disclosed at income during the year in the tax statements under the Income Tax Act, 1961 (including search or seizure or any other demand provisions of the Income Tax Act, 1961).

**Note 59 : Details of Current Property held**

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

**Note 60 : Relationship with Shell or Off Companies under section 248 of the Companies Act, 2013 or section 508 of Companies Act, 1956**

The Company does not have any transactions with companies shell or off under section 248 of the Companies Act, 2013 or section 508 of Companies Act, 1956.

**Note 61 : Reconciliation of quarterly returns or statements of current assets held with banks or financial institutions**

As at March 31, 2024

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly statements	Amount of difference	Reason for material discrepancies
Jan-23	Arc Bank Limited, KSB Bank Limited, Kotak Mahindra Bank Limited	Bank Deposits & Advances	85,778.13	86,199.20	(421.07)	The bank debts submitted to the bank are on gross basis and advances against bank debts is considered as liability. However, the amount recorded in the books of account is net of advances.
Feb-23	Arc Bank Limited, KSB Bank Limited, Kotak Mahindra Bank Limited	Bank Deposits & Advances	85,155.60	85,190.13	(34.53)	The bank debts submitted to the bank are on gross basis and advances against bank debts is considered as liability. However, the amount recorded in the books of account is net of advances.
Mar-23	Arc Bank Limited, KSB Bank Limited, Kotak Mahindra Bank Limited	Bank Deposits & Advances	86,884.59	87,800.56	(915.97)	The bank debts submitted to the bank are on gross basis and advances against bank debts is considered as liability. However, the amount recorded in the books of account is net of advances.
Apr-24	Arc Bank Limited, KSB Bank Limited, Kotak Mahindra Bank Limited	Bank Deposits & Advances	87,470.86	88,568.57	(1,097.71)	The bank debts submitted to the bank are on gross basis and advances against bank debts is considered as liability. However, the amount recorded in the books of account is net of advances. Additionally, proportional interest earned on bank deposits at year end not considered in return submitted to bank.

As at March 31, 2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly statements	Amount of difference	Reason for material discrepancies
Jan-22	Arc Bank Limited, KSB Bank Limited, Kotak Mahindra Bank Limited	Bank Deposits & Advances	87,524.87	88,988.34	(1,463.47)	The bank debts submitted to the bank are on gross basis and advances against bank debts is considered as liability. However, the amount recorded in the books of account is net of advances.
Feb-22	Arc Bank Limited, KSB Bank Limited, Kotak Mahindra Bank Limited	Bank Deposits & Advances	87,844.96	88,951.96	(1,106.99)	The bank debts submitted to the bank are on gross basis and advances against bank debts is considered as liability. However, the amount recorded in the books of account is net of advances.
Mar-22	Arc Bank Limited, KSB Bank Limited, Kotak Mahindra Bank Limited	Bank Deposits & Advances	88,385.42	88,487.53	(102.11)	The bank debts submitted to the bank are on gross basis and advances against bank debts is considered as liability. However, the amount recorded in the books of account is net of advances.
Apr-22	Arc Bank Limited, KSB Bank Limited, Kotak Mahindra Bank Limited	Bank Deposits & Advances	88,425.55	89,668.74	(1,243.19)	The bank debts submitted to the bank are on gross basis and advances against bank debts is considered as liability. However, the amount recorded in the books of account is net of advances. Additionally, proportional interest earned on bank deposits at year end not considered in return submitted to bank.



**Kurlon Enterprise Limited**

Notes forming part of the financial statements for the year ended March 31, 2024  
and prepared in accordance with Indian Accounting Standards

Note 61: Errors or omissions in the nature of re-programmed to Promoters, Directors, MAFS and the Related Parties either severally or jointly with any third parties

Type of Balance	Particulars			March 31, 2024		March 31, 2023	
	Loans/Advances granted INDIVIDUALLY or jointly with others during the year	Repayable on demand (Yes / No)	Terminated or repaid (Yes / No)	Amount outstanding (Rs. in Lakhs)	% of Total	Amount outstanding (Rs. in Lakhs)	% of Total
Related Parties (Auxiliary Company)	Rs. 10	Yes	No	1.06 51	100.00%	75 34	75.37%

Note 62: Registration of charges of satisfaction with Registrar of Companies  
The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Note 64: Compliance with number of layers of Companies  
The Company has complied with the number of layers prescribed under clause 18 of section 3 of the Act read with the Companies (Restriction on Number of Layers) Rules, 2017.

Note 65: Indenture defaults  
The Company has not been declared in default by any bank or financial institution or government or any government entity.

Note 66: Significant Events during the year  
During the year, the company entered into a repurchase agreement (TA) with Sreeja Farm Limited (SFL) and Karna Consumer Products Limited (KCP) on October 18, 2022, pursuant to the Share Purchase Agreement (SPA) dated July 17, 2022, involving SFL, KCP, and Karna Trading and Investments Private Limited (KATIL) of these agreements. The company executed the following transactions during the year:  
1. KCP, Transferred @Business Farm Land, @Business Sell Land, @Business Warehouse and other assets for a consideration of Rs. 1,621.45 Lakhs.  
2. The company acquired the Oval for Business from KCP for a consideration of Rs. 340 Lakhs, and the assets of liability over asset of Rs. 1,565.91 Lakhs of the said business acquisition has been recognized as capital gains.  
3. In one of the terms of the SPA, the company sold its investments in Sreeja Farm Private Limited, Sreeja Devere Solar Private Limited and Sreeja Solar Energy Private Limited to KCP for a consideration of Rs. 14.07 MMH (including 1.14 Lakhs).  
4. The company has adjusted share deposit amount of Rs. 15,180 Lakhs acquisition cost for the assets received from KCP and further adjusting the balances owed to KCP. The remaining balance of Rs. 4,384.12 Lakhs has been released from the retained earnings under either primary or surplus cash paid 100%.

Note 67: Scheme of amalgamation of wholly owned subsidiaries  
The Board of Directors of the Company (Board) in its meeting held on March 18, 2024, has approved the Composite Scheme of Amalgamation between Kurlon Enterprise Limited ("KEL" or "Transferor Company 1") and Karna Consumer Products Private Limited ("KCP" or "Transferee Company 2") and Kurlon Fertil Limited ("KFL" or "Transferor Company 3") and Karna Under Production and Services Limited ("KUPS" or "Transferee Company 4") and Kurlon Fertil and Manufacturing Private Limited ("KFMFL" or "Transferee Company 5") and Kurlon Enterprise Limited ("KEL" or "Transferor Company Amalgamated Company") and Sreeja Farm Limited (SFL) (SFL) (SFL) and Sreeja Devere Solar Private Limited and Sreeja Solar Energy Private Limited (SDESEL) and Sreeja Solar Energy Private Limited (SSEL) and Sreeja Farm Private Limited (SFLP) (SFLP) (SFLP). The Scheme is subject to necessary statutory and regulatory approvals including the approval of National Company Law Tribunal, Bench at Mumbai ("NCLT"). Accordingly, the amalgamation scheme cannot be considered as highly probable unless the regulatory approvals are received and hence, the same has not been accounted in these financial results.

Note 68: Scheme of Amalgamation with Holding Company  
During the year the Board of Holding company Sreeja Farm Limited, approved the Scheme of amalgamation of Kurlon Enterprise Limited (KEL) or "Amalgamating Company") with Sreeja Farm Limited (SFL) or "Amalgamated Company") and their respective Shareholders and Creditors under Section 310 to 312 and other applicable provisions of the Companies Act, 2013 ("Scheme"). The Scheme is subject to necessary statutory and regulatory approvals including the approval of National Company Law Tribunal, Bench at Mumbai (NCLT).

Note 69: Realisation of property, plant, and equipment, Intangible assets acquisition and property  
The Company has not realised its property, plant and equipment including right-of-use asset during the current year or previous year.

Note 70: Preparation/ recalculation of comparative figures  
The comparative figures have been approved/ recalculated, where necessary, to conform to the periods identified in alignment with the Financial Company presentation.

Note 71: Audit Trail  
The Company has used an accounting software for maintaining its books of account, which has a feature of recording with digital (log) facility. During the financial year 2023-24, the Company has ensured the audit trail feature across the accounting systems at the application level, and at the database level, except for certain tables and transactions held in the database which were not auditable trail feature was not enabled.

For M/s. A & Associates  
Chartered Accountants  
Firm Registration No. - 752472W

*Heel Jain*  
March 15, 2024  
Partner  
Membership No: 09626  
Firm Registration No: 752472W  
Date: Mar 15, 2024



For and on behalf of the Board of Directors of  
Kurlon Enterprise Limited  
CIN: L12502MH2019PLC177651

*Abhilash*  
Abhilash Kulkarni  
Director  
CIN: L12502MH2019PLC177651  
Date: Mar 15, 2024

*Abhilash*  
Abhilash Kulkarni  
Director  
CIN: L12502MH2019PLC177651  
Date: Mar 15, 2024

*Abhilash*  
Abhilash Kulkarni  
Chief Financial Officer  
Firm: MAFS  
Date: Mar 15, 2024

*Abhilash*  
Abhilash Kulkarni  
Chief Financial Officer  
Firm: MAFS  
Date: Mar 15, 2024



Sheela Foam Limited  
Consolidated Balance Sheet as at September 30, 2024

Particulars	Note no.	IN Crores
		As at September 30, 2024
<b>ASSETS</b>		
Non-current assets		
Property, plant and equipment	1	1,179.14
Right-of-use assets	2	217.95
Capital work-in-progress	1	110.80
Intangible assets	3	1,791.72
Intangible assets under development	3	-
Leasehold property	4	49.57
Intangibles accounted for using the equity method	5	250.27
Financial assets		
(i) Loans	6	1.91
(ii) Other financial assets	7	20.45
Deferred tax assets	8	211.15
Non-current investments (net)	9	54.89
Other non-current assets	10	40.13
<b>Total non-current assets</b>		<b>3,833.58</b>
Current assets		
Inventory	11	437.89
Financial assets		
(i) Investments	12	451.82
(ii) Trade receivables	13	365.87
(iii) Cash and cash equivalents	14	23.23
(iv) Bank balances other than cash and cash equivalents	15	6.59
(v) Loans	16	1.01
(vi) Other financial assets	17	4.85
Other current assets	18	112.29
<b>Total current assets</b>		<b>1,497.75</b>
Assets held for sale/assets to be sold as part of disposal group(s) held for sale		36.07
<b>Total assets</b>		<b>6,378.84</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Equity share capital	19	54.35
Other equity	20	2,943.09
<b>Equity attributable to shareholders of the Reporting Company</b>		<b>2,997.44</b>
Non-controlling interest		69.59
<b>Total equity</b>		<b>3,067.03</b>
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	21	741.28
(ii) Lease liabilities	22	466.51
(iii) Other financial liabilities	23	66.04
Provisions	24	29.61
Other non-current liabilities	25	0.18
Deferred tax liabilities	26	20.94
<b>Total non-current liabilities</b>		<b>1,658.62</b>
Current liabilities		
Financial liabilities		
(i) Borrowings	27	486.10
(ii) Lease liabilities	22	32.15
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	28	42.28
- Total outstanding dues of creditors other than micro enterprises and small enterprises	29	351.14
(iv) Other financial liabilities	30	247.72
Provisions	31	23.89
Current tax liabilities (net)	32	8.47
Other current liabilities	33	74.79
<b>Total current liabilities</b>		<b>1,298.49</b>
<b>Total liabilities</b>		<b>2,915.81</b>
<b>Total equity and liabilities</b>		<b>6,378.84</b>

The accompanying notes are an integral part of these consolidated financial statements.

For and on behalf of the Board of Directors of  
Sheela Foam Limited  
CIN: L7-29940G-1671PLC005579

Prakash Gaurav  
Director  
DIN: 00452639

Place: Noida  
Date: December 07, 2024





## Sheela Foam Limited

Consolidated Statement of Profit and Loss for the period ended September 30, 2024

₹ In Crores

Particulars	Notes no.	For the period ended September 30, 2024
<b>Income</b>		
Revenue from operations	32	1,622.48
Other income	33	62.28
<b>Total Income</b>		<b>1,684.76</b>
<b>Expenses</b>		
Cost of materials consumed	34	869.42
Purchase of stock-in-trade	35	32.95
Changes in Inventories of finished goods, stock-in-trade and work-in-progress	34	(100.00)
Other manufacturing expenses	37	69.61
Employee benefits expense	38	216.90
Finance costs	38	58.51
Depreciation and amortisation expense	40	67.38
Other expenses	41	201.10
<b>Total Expenses</b>		<b>1,637.24</b>
<b>Profit before tax and Exceptional Items</b>		<b>47.52</b>
Exceptional loss		(30.62)
<b>Profit before tax</b>		<b>16.90</b>
<b>Income Tax expense</b>		
Current tax		23.41
Tax expenses related to earlier years		-
Defered tax (net)		(3.08)
<b>Total income tax expense</b>		<b>20.33</b>
<b>Profit for the period after tax and before share of profit/loss of Joint ventures accounted for using equity method</b>		<b>59.82</b>
Share in profit/loss of Joint ventures accounted for using equity method		0.11
<b>Profit for the period</b>		<b>60.93</b>
<b>Other Comprehensive Income/ (Loss) (net of tax)</b>		
Items that will not be reclassified to profit or loss		
Remeasurement gain/(loss) of the net defined benefit plans		(0.60)
Income tax on above item		0.25
Share of Other Comprehensive Income in Joint ventures to the extent not to be classified into profit or loss		-
Items that will be reclassified to profit or loss		
Fair value gain/(loss) on investments and other financial instruments		0.67
Income tax on above item		(0.17)
Share of Other Comprehensive Income in Joint ventures to the extent to be classified into profit or loss		-
Exchange differences on translation of foreign operations		17.49
<b>Total Other Comprehensive Income/ (Loss) (net of tax)</b>		<b>17.36</b>
<b>Total comprehensive income for the period</b>		<b>78.29</b>
<b>Profit for the period attributable to:</b>		
Shareholders of the Holding Company		53.82
Non-controlling interest		0.11
		<b>53.93</b>
<b>Other Comprehensive Income for the period attributable to:</b>		
Shareholders of the Holding Company		17.36
Non-controlling interest		-
		<b>17.36</b>
<b>Total Comprehensive Income for the period attributable to:</b>		
Shareholders of the Holding Company		71.17
Non-controlling interest		0.11
		<b>71.28</b>
<b>Earnings per equity share (face value of ₹5/- each) (not annualized):</b>		
Basic (₹)		6.14
Diluted (₹)		5.13

The accompanying notes are an integral part of these consolidated financial statements.

For and on behalf of the Board of Directors of  
CIN: L74896DL1971PLC005579Rajesh Gopalan  
Director  
DIN: 00192978Place Hold  
Date: December 02, 2024

Sheela Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 7 : PROPERTY, PLANT AND EQUIPMENT

(\$ in Crores)

Particulars	Land - freehold	Buildings (including Roads & Lanes)	Plant & Equipment Freehold	Plant & Equipment Leasehold	Furniture and Interiors	Vehicles	Office equipment	Electrical wiring	Total property, plant and equipment	Capital work in-progress
At cost or deemed cost										
As at April 1, 2023	189.34	562.88	871.27	1.14	42.42	23.78	66.21	37.89	1,793.85	991.80
additions	-	5.67	67.62	-	2.22	3.90	1.22	0.65	102.68	31.34
Disposal/transfer	(11.13)	(26.69)	(48.42)	-	(6.02)	(7.00)	(4.64)	-	(103.89)	(77.34)
Foreign Currency Translation Reserve	0.05	7.03	21.41	0.07	0.05	0.13	0.13	-	29.89	1.78
As at September 30, 2024	99.27	548.89	903.78	1.21	44.64	27.81	64.86	38.54	1,749.86	116.58
Accumulated depreciation										
As at April 1, 2023	-	152.28	264.85	0.34	14.46	11.14	26.29	8.27	476.89	-
Depreciation charge for the period	-	21.65	33.85	0.03	2.08	1.81	3.01	2.03	64.55	-
Disposal/transfer	-	(10.03)	(13.23)	-	(6.04)	(7.70)	(3.11)	-	(40.12)	-
Foreign Currency Translation Reserve	-	1.34	11.09	0.01	0.02	0.11	0.10	-	13.69	-
As at September 30, 2024	-	164.24	285.57	0.38	16.51	12.36	27.89	11.30	549.12	-
Net carrying amount										
As at September 30, 2024	99.27	484.65	618.21	0.83	28.13	15.45	36.97	27.24	1,200.74	116.58

## Shree Foys Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 4 : RIGHT-OF-USE ASSETS

(₹ in Crores)				
Particulars	Leasehold land	Buildings	Plant & Equipment	Total
<b>Cost</b>				
As at April 1, 2024	62.50	301.75	1.69	365.94
Additions	-	20.45	-	20.45
Disposal/Transfer	-	(22.44)	-	(22.44)
Foreign currency translation reserve	-	13.79	0.13	13.92
As at September 30, 2024	62.50	313.55	1.82	377.87
<b>Accumulated depreciation</b>				
As at April 1, 2024	5.83	128.84	4.81	139.28
Charge for the period	2.38	15.41	0.67	17.86
Disposal/Transfer	-	(1.23)	-	(1.23)
Foreign currency translation reserve	-	5.88	0.13	7.01
As at September 30, 2024	8.21	149.90	4.81	159.92
<b>Net carrying amount</b>				
As at September 30, 2024	54.29	163.65	0.01	217.95

## NOTE 5 : INTANGIBLE ASSETS

(₹ in Crores)				
Particulars	Goodwill	Other Intangible assets	Total Intangible Assets	Intangible assets under development
<b>Cost</b>				
As at April 1, 2024	652.64	1,042.79	1,695.37	4.22
Additions	-	8.62	8.62	2.52
Disposal/Transfer	-	-	-	(6.74)
Foreign Currency Translation Reserve	9.73	0.11	9.84	-
As at September 30, 2024	662.31	1,049.72	1,712.03	-
<b>Accumulated amortisation</b>				
As at April 1, 2024	-	4.46	4.46	-
Charge for the period	-	3.72	3.72	-
Disposal/Transfer	-	(0.05)	(0.05)	-
Foreign Currency Translation Reserve	-	0.18	0.18	-
As at September 30, 2024	-	4.31	4.31	-
<b>Net carrying amount</b>				
As at September 30, 2024	662.31	1,039.41	1,707.72	-

## NOTE 6 : INVESTMENT PROPERTY

(₹ in Crores)				
Particulars	Freehold land	Leasehold land	Buildings	Total
<b>Cost</b>				
As at April 1, 2024	-	0.68	62.82	63.50
Additions	-	-	0.35	0.35
Disposal/Transfer	-	-	-	-
As at September 30, 2024	-	0.68	63.17	63.85
<b>Accumulated depreciation</b>				
As at April 1, 2024	-	0.07	12.97	13.04
Charge for the period	-	0.04	1.29	1.24
Disposal/Transfer	-	-	-	-
As at September 30, 2024	-	0.08	14.20	14.28
<b>Net carrying amount</b>				
As at September 30, 2024	-	0.60	48.97	49.57

**Shree Foam Limited**

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

**NOTE 5 : INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (NON CURRENT)**

Particulars	As at September 30, 2024	
	No.	₹ in Crores
Joint Ventures		
House Q (Kalyan Limited) -		
Investment in Compulsory Convertible Preference Shares - Face value per share of ₹ 10/- each	1,80,52,750	248.78
Investment in Equity shares - Face value per share of ₹ 1/- each	18,57,500	18.17
Investment in Share warrants - Face value per share of ₹ 10 each	58,00,995	86.31
<b>Total Investments</b>	<b>2,55,11,254.00</b>	<b>353.27</b>
Aggregate amount of Unquoted Investments		353.27
Aggregate amount of impairment in value of investments		-

**NOTE 6 : LOANS (NON CURRENT)**

Particulars	₹ in Crores	
	As at September 30, 2024	
(Unsecured, considered good)		
All amortised cost		
Loans to employees		0.27
Other Loans		1.84
<b>Total</b>		<b>1.91</b>

**NOTE 7 : OTHER FINANCIAL ASSETS (NON CURRENT)**

Particulars	₹ in Crores	
	As at September 30, 2024	
(Unsecured, considered good)		
Security deposits		16.80
Deposits with Bank		
- Fixed deposits account with an original maturity of more than 12 months		1.53
<b>Total</b>		<b>18.33</b>

**NOTE 8 : DEFERRED TAX ASSETS**

Particulars	₹ in Crores	
	As at September 30, 2024	
Deferred tax assets		231.16
<b>Total</b>		<b>231.16</b>

**NOTE 9 : NON CURRENT TAX ASSETS (NET)**

Particulars	₹ in Crores	
	As at September 30, 2024	
Advance income tax		54.18
<b>Total</b>		<b>54.18</b>

**NOTE 10 : OTHER NON CURRENT ASSETS**

Particulars	₹ in Crores	
	As at September 30, 2024	
(Unsecured, considered good)		
Capital advances		6.24
Prepaid rent		0.38
Loan and advances		1.64
<b>Total</b>		<b>8.26</b>

## Sheets Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 11 : INVENTORIES

Particulars	(₹ in Crores)
	As at September 30, 2024
(Valued at lower of cost and net realisable value unless otherwise stated)	
Raw materials	143.61
Raw materials (in transit)	7.40
Work-in-progress	65.99
Finished goods	143.29
Stock-in-trade	5.38
Packing materials	14.36
Packing materials (in transit)	0.06
Stores and spares	25.06
Stores & spares (in transit)	0.09
<b>Total</b>	<b>497.69</b>

## NOTE 12 : INVESTMENTS (CURRENT)

Particulars	(₹ in Crores)
	As at September 30, 2024
<b>In Mutual Funds - fully paid up</b>	
Carried at fair value through profit and loss - Quoted	5.45
<b>In Debentures - fully paid up</b>	
Carried at amortised cost - Unquoted	0.26
Carried at fair value through profit and loss - Quoted	449.09
<b>Total Investments</b>	<b>454.80</b>
Aggregate amount of Quoted Investments	454.54
Aggregate Market value of Quoted Investments	454.54
Aggregate amount of Unquoted Investments	0.26
Aggregate amount of Impairment in value of Investment	-

## NOTE 13 : TRADE RECEIVABLES

Particulars	(₹ in Crores)
	As at September 30, 2024
(At amortised cost)	
Unsecured	
Trade receivables - considered good	365.67
Trade receivables - considered doubtful	39.60
Trade receivables (gross)	425.27
Less: Impairment allowance for trade receivables considered doubtful	(39.60)
<b>Total</b>	<b>385.67</b>

## NOTE 14 : CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Balance Sheet as follows:

Particulars	(₹ in Crores)
	As at September 30, 2024
<b>Balance with Banks :</b>	
Current accounts	32.86
Fixed deposits account with an original maturity of less than three months	0.11
Cash on hand	0.28
<b>Total</b>	<b>33.25</b>

## Sheets Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	As at September 30, 2024
Deposits having original maturity more than 3 months but less than 12 months	0.56
<b>Total</b>	<b>0.68</b>

## NOTE 16 : LOANS (CURRENT)

(₹ in Crores)

Particulars	As at September 30, 2024
(Unsecured, considered good)	
(At amortised cost)	
Loans to employees	1.60
Other loans	0.21
<b>Total</b>	<b>2.81</b>

## NOTE 17 : OTHER FINANCIAL ASSETS (CURRENT)

(₹ in Crores)

Particulars	As at September 30, 2024
Unsecured, considered good	
Interest accrued but not due on deposits with Banks	0.35
Other Receivables	1.36
Other loans and advances	2.75
Employee Benefit Assets	0.39
<b>Total</b>	<b>4.85</b>

## NOTE 18 : OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	As at September 30, 2024
Unsecured, considered good	
Advance to contractors/employees	20.45
Balances with Statutory/Government authorities:	
- Excise & Customs	3.26
- GST	40.84
- VAT/Sales Tax	4.62
Prepaid expenses	29.71
Lease equities/ten	0.48
Other loans and advances	18.41
Right to recover return goods	2.21
<b>Total</b>	<b>112.28</b>

## Shree Ram Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 19 : EQUITY SHARE CAPITAL

Particulars	₹ in Crores	
	As at September 30, 2024	
(a) Authorized share capital:		
26,00,00,000 fully paid equity shares of ₹ 5/- each		130.00
(March 31, 2024 : 26,00,00,000 fully paid equity shares of ₹ 5/- each)		130.00
Issued, subscribed & paid up share capital:		
10,86,97,341 fully paid equity shares of ₹ 5/- each		54.35
(March 31, 2024 : 10,86,97,341 equity shares of ₹ 5/- each)		54.35
Total		84.65

## (b) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at September 30, 2024	
	Number of shares	₹ in Crores
At the beginning of the period	10,86,97,341	54.35
Fully paid-up equity shares issued during the period*	-	-
Outstanding at the end of the period	10,86,97,341	54.35

## (c) Terms and rights attached to equity shares

The Holding Company has one class of equity shares having a par value of ₹ 5/- per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders at the annual Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity Shareholders are eligible to receive the remaining assets of the Holding Company in proportion of their shareholding.

## (d) Details of shareholders holding more than 3% shares in the Holding Company

Particulars	As at September 30, 2024	
	Number of shares	% of holding
Sh. Rahul Gautam	1,24,18,970	11.43%
Smt. Namita Gautam	1,14,31,758	10.52%
Sh. Tusaar Gautam	3,41,72,629	31.44%
Rangoli Resorts Private Limited	1,31,50,816	12.10%
Sri Mangal Midcap Fund	1,86,25,434	17.18%
Koosa Emerging Equity Scheme	36,78,901	3.38%

## (e) Aggregate number and class of shares allotted as fully paid up by way of bonus shares

During the period ended September 30, 2024, no shares were allotted as fully paid up by way of bonus shares.

## (f) Shareholding of promoters and promoter group

Particulars	As at September 30, 2024		
	Number of Shares	% of holding	% Change during the period
Promoter name			
Sh. Rahul Gautam	1,24,18,970	11.43%	-
Smt. Namita Gautam	1,14,31,758	10.52%	-
Sh. Tusaar Gautam	3,41,72,629	31.44%	-
Rangoli Resorts Private Limited	1,31,50,816	12.10%	-
Total		65.49%	

(g) No class of shares have been issued as bonus shares or for consideration other than cash by the Holding Company during the period of five years immediately preceding the current period end.

## Sheela Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 20 : OTHER EQUITY

Particulars	(₹ in Crores)
	As at September 30, 2024
Capital reserve	0.96
Retained earnings	1,738.29
Cash flow hedge reserve	(1.76)
Share based payment reserve	6.09
Foreign currency translation reserve	62.20
Securities premium	1,135.95
Capital Subsidy	0.27
Statutory Reserve	0.06
<b>Total</b>	<b>2,942.08</b>
	(₹ in Crores)
Particulars	As at September 30, 2023
<b>Capital reserve</b>	
Opening balance	0.08
Addition during the period	-
<b>Closing balance</b>	<b>0.08</b>
<b>Retained earnings</b>	
Opening balance	1,682.58
Net profit for the period	55.82
Dividend paid	0.16
Remeasurements of the net defined benefits plans (net of tax)	(9.54)
Other adjustments	0.35
<b>Closing balance</b>	<b>1,738.29</b>
<b>Cash flow hedge reserve</b>	
Opening balance	(2.20)
Gain / (Loss) on Cash flow hedge reserve (net of tax)	0.50
<b>Closing balance</b>	<b>(1.76)</b>
<b>Share based payment reserve</b>	
Opening balance	2.42
Employees share based payment expenses	3.67
<b>Closing balance</b>	<b>6.09</b>
<b>Foreign currency translation reserve</b>	
Opening balance	44.71
Exchange losses / gain on translation (net) during the period	17.49
<b>Closing balance</b>	<b>62.20</b>
<b>Securities Premium</b>	
Opening balance	1,135.95
Addition during the period	-
<b>Closing balance</b>	<b>1,135.95</b>
<b>Capital Subsidy</b>	
Opening balance	0.39
Amortisations/repayments	(0.12)
<b>Closing balance</b>	<b>0.27</b>
<b>Statutory Reserve</b>	
Opening balance	0.06
Transferred during the period	-
<b>Closing balance</b>	<b>0.06</b>



## Sheela Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 21 : NON CURRENT BORROWINGS

Particulars	(₹ in Crores)
	As at September 30, 2024
<b>Secured</b>	
Term Loans from Banks	
- ₹ Bank loan	20.36
- ₹ Bank loan	28.57
- AUD Term Loan	33.77
- € Term Loan	114.62
	<u>200.32</u>
<b>Unsecured</b>	
Non-convertible Debentures	541.44
	<u>541.44</u>
<b>Total</b>	<u>741.76</u>

## NOTE 22 : LEASE LIABILITIES

Particulars	(₹ in Crores)
	As at September 30, 2024
Lease liabilities	197.68
<b>Total</b>	<u>197.68</u>
Current	32.15
Non current	165.53

## NOTE 23 : OTHER FINANCIAL LIABILITIES (NON CURRENT)

Particulars	(₹ in Crores)
	As at September 30, 2024
Deposits from dealers and others	61.82
Unearned Rent Income	0.10
Others	1.02
<b>Total</b>	<u>62.94</u>

## NOTE 24 : PROVISIONS

Particulars	(₹ in Crores)
	As at September 30, 2024
<b>Long term provisions:</b>	
Provision for employee benefits:	
-Compensated absences	13.55
-Gratuity	6.41
Other provisions	
-Provision for warranty	9.65
<b>Total</b>	<u>29.61</u>
<b>Short term provisions:</b>	
Provision for employee benefits	
-Compensated absences	10.16
-Gratuity	5.64
Other provisions:	
-Provision for warranty	11.39
<b>Total</b>	<u>27.19</u>

## NOTE 25 : OTHER NON CURRENT LIABILITIES

Particulars	(₹ in Crores)
	As at September 30, 2024
Deferred capital grant	0.16
<b>Total</b>	<u>0.16</u>

## NOTE 26 : DEFERRED TAX LIABILITIES

Particulars	(₹ in Crores)
	As at September 30, 2024
Deferred tax liabilities	20.84
<b>Total</b>	<u>20.84</u>

## Sheela Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 27 : BORROWINGS (CURRENT)

Particulars	(₹ in Crores)	
	As at September 30, 2024	
<b>Secured</b>		
Term loan from banks		
- ₹ Bank loan		11.58
- \$ Bank loan		19.71
- A/RD Term Loan		19.81
- ₹ Term Loan		40.95
Working capital Loans from Banks		62.63
		<u>176.28</u>
<b>Unsecured</b>		
Loan from financial credit institutions		79.76
Current maturities of Non-Convertible Debentures (including interest)		241.07
		<u>319.82</u>
<b>Total</b>		<u>496.10</u>

## NOTE 28 : TRADE PAYABLES

Particulars	(₹ in Crores)	
	As at September 30, 2024	
Trade payables other than acceptances*		
(i) Total outstanding dues of micro enterprises and small enterprises		42.28
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		361.79
<b>Total</b>		<u>404.07</u>

## NOTE 29 : OTHER CURRENT FINANCIAL LIABILITIES

Particulars	(₹ in Crores)	
	As at September 30, 2024	
Deposits from dealers and others		73.09
Creditors for capital goods		6.35
Liability against foreign currency swap contracts		29.13
Liability towards exercise of share warrants		55.65
Interest accrued but not due on borrowings		0.29
Employee Liabilities		33.80
Other liabilities		50.96
Unearned Rent income		0.07
<b>Total</b>		<u>247.72</u>

## NOTE 30 : CURRENT TAX LIABILITIES (net)

Particulars	(₹ in Crores)	
	As at September 30, 2024	
Provision for income tax		8.47
<b>Total</b>		<u>8.47</u>

## NOTE 31 : OTHER CURRENT LIABILITIES

Particulars	(₹ in Crores)	
	As at September 30, 2024	
Refund liabilities		3.65
Deferred capital grant		0.03
Contract liabilities		40.77
Statutory dues payable		21.81
Other Liabilities		4.53
<b>Total</b>		<u>74.79</u>

## Sheela Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 32 : REVENUE FROM OPERATIONS

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Sale of products	1,604.47
Sale of services	12.63
	<u>1,617.10</u>
Other operating revenue	
- Income from sale of scrap	5.38
<b>Total</b>	<u><b>1,622.48</b></u>

## NOTE 33 : OTHER INCOME

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Injunctive incomes from:	
Financial assets at amortised cost	
Bank deposits	0.19
Currency Swap Forward contract	2.43
Others	1.55
Financial assets at fair value	
Unwinding of discount of deposits & assets receivable	0.31
On income tax refund	0.01
Other non operating income	
Gain on Termination of Lease	1.63
Rental Income	7.17
Liabilities/provisions no longer required written back	0.65
Income from sale of investments	12.69
Fair valuation adjustments of investments through profit and loss	27.49
Subsidy income	0.01
Grant Income	0.25
Sale of non-processed scrap	4.41
Net gain on foreign currency transactions and translations	1.96
Other miscellaneous income	0.93
<b>Total</b>	<u><b>62.28</b></u>

## NOTE 34 : COST OF MATERIALS CONSUMED

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
<b>Raw material</b>	
Opening inventory	201.67
Add: Purchases	920.97
(Less): Sales/adjustments	(26.63)
(Less): Closing inventory	(191.01)
<b>Raw materials consumed (A)</b>	<u><b>905.00</b></u>
<b>Packing Material</b>	
Opening inventory	7.11
Add: Purchases	50.85
(Less): Sales/adjustments	(5.23)
(Less): Closing inventory	(14.41)
<b>Packing materials consumed (B)</b>	<u><b>38.32</b></u>
<b>Cost of materials consumed (A+B)</b>	<u><b>943.32</b></u>

## NOTE 35 : PURCHASE OF STOCK-IN-TRADE

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Traded Goods -Bed sheets/comforters/PU foams/spring/coor mattresses	32.96
<b>Total</b>	<u><b>32.96</b></u>

## Shree Ram Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 36 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Opening stock:	
Finished Goods	58.41
Stock in trade	11.57
Work-in-progress	39.34
Right to recover return goods	2.40
<b>Total (A)</b>	<b>112.72</b>
Closing stock:	
Finished Goods	143.23
Stock in trade	5.30
Work-in-progress	68.55
Right to recover return goods	2.21
<b>Total (B)</b>	<b>219.29</b>
<b>Changes in inventories of finished goods, stock-in-trade and work-in-progress (A-B)</b>	<b>(106.56)</b>

## NOTE 37 : OTHER MANUFACTURING EXPENSES

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Power and fuel	11.84
Repairs and maintenance:	
- Buildings	1.19
- Fleet and equipment	15.86
Processing and other charges	40.72
	<b>69.61</b>
(Less): Transfer to Capital work-in-progress / Capitalised	-
<b>Total</b>	<b>69.61</b>

## NOTE 38 : EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Salaries, wages, allowance, and other benefits	192.38
Contribution to gratuity	2.88
Contribution to provident and other funds	11.43
Employees share based payment expenses	3.67
Women and staff welfare expenses	9.28
	<b>219.64</b>
(Less): Transfer to Capital work-in-progress / Capitalised	(2.34)
<b>Total</b>	<b>216.92</b>

## NOTE 39 : FINANCE COSTS

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Interest expense (on financial liabilities measured at amortised cost):	
- On borrowings from banks	12.62
- On non convertible debentures	31.88
- Security deposits	1.91
- On lease liabilities	8.24
-Others	3.18
Bank Charges	0.60
	<b>58.43</b>
(Less): Transfer to Capital work-in-progress / Capitalised	-
<b>Total</b>	<b>58.43</b>

## Sheela Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 40 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Depreciation of property, plant and equipment	84.58
Depreciation on right-of-use assets	17.88
Amortisation of intangible assets	9.72
Depreciation on investment property	1.24
<b>Total</b>	<b>113.42</b>

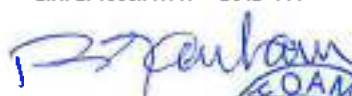
## NOTE 41 : OTHER EXPENSES

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Freight and forwarding	90.66
Rent and hire	7.19
Insurance	14.86
Rates and taxes	5.40
Legal and professional	12.81
Other Maintenance	7.80
Selling and promotion	29.58
Traveling and conveyance	10.90
Advertisements	56.44
Warranty	8.48
Net Loss on Foreign Currency Forward Contracts	5.14
Contribution towards corporate social responsibility expenditure	2.37
IT Support services	1.72
Bad debts	0.52
Provision for Bad debts	3.26
Loss on sale/disposal of fixed assets	1.05
Miscellaneous	17.11
	<b>281.29</b>
(Less): Transfer to Capital work-in-progress / Capitalised	<b>(40.19)</b>
<b>Total</b>	<b>241.10</b>

For and on behalf of the Board of Directors of

Sheela Foam Limited

CIN: L74999MH1971PLC127035



Rishel Gautam  
Director  
DIN: 00192999



Place, Mumbai  
Date: December 02, 2024

Sheela Foam Limited

Specialized Balance Sheet as at September 30, 2024

Particulars	Note no.	As at September 30, 2024
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1	402.05
Right-of-use assets	2	74.50
Capital work-in-progress	1	30.72
Investment property	3	2.88
Investments in subsidiaries and joint venture	4	2,586.82
Financial assets		
(i) Other investments	6	6.00
(ii) Loans	8	75.10
(iii) Other financial assets	1	7.54
Non-current tax assets (net)	8	36.40
Other non-current assets	8	6.29
<b>Total non-current assets</b>		<b>3,294.60</b>
<b>Current assets</b>		
Inventory	10	221.31
Financial assets		
(i) Investments	11	645.38
(ii) Trade receivables	12	241.36
(iii) Cash and cash equivalents	13	6.27
(iv) Bank balances other than cash and cash equivalents	14	0.30
(v) Loans	15	1.88
(vi) Other financial assets	16	7.40
Other current assets	17	55.15
<b>Total current assets</b>		<b>1482.64</b>
<b>Total assets</b>		<b>4,777.24</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	18	64.36
Other equity	19	2,686.28
<b>Total equity</b>		<b>2,750.64</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	20	581.37
(ii) Lease liabilities	21	41.81
(iii) Other financial liabilities	22	16.70
Provisions	23	11.13
Other non-current liabilities	24	0.36
Deferred tax liabilities (net)	25	15.23
<b>Total non-current liabilities</b>		<b>676.40</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	26	297.38
(ii) Lease liabilities	21	9.48
(iii) Trade payables		
- Total outstanding dues of micro-entrepreneurs and small enterprises	27	37.65
- Total outstanding dues of creditors other than micro-entrepreneurs and small enterprises	27	197.74
(iv) Other financial liabilities	28	237.34
Provisions	23	11.24
Current tax liabilities (net)	29	6.58
Other current liabilities	30	49.78
<b>Total current liabilities</b>		<b>847.27</b>
<b>Total liabilities</b>		<b>1,523.67</b>
<b>Total equity and liabilities</b>		<b>4,274.31</b>

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

For and on behalf of the Board of Directors of  
Sheela Foam Limited  
CIN: U34999GJ1975PLC427895

Rohit Gauram  
Director  
DIN: 00192959



Place: Noida  
Date: December 02, 2024

Sheela Foam Limited  
 Standalone Statement of Profit and Loss for the period ended September 30, 2024

Particulars	Note no.	For the period ended September 30, 2024
<b>Income</b>		
Revenue from operations	31	1,105.71
Other income	32	54.00
<b>Total Income</b>		<b>1,159.71</b>
<b>Expenses</b>		
Cost of materials consumed	33	629.81
Purchase of stock-in-trade	34	120.58
Changes in inventories of finished goods, stock-in-trade and work-in-progress	35	(84.47)
Other manufacturing expenses	36	30.89
Employee benefits expense	37	167.12
Finance costs	38	43.20
Depreciation and amortisation expense	39	41.08
Other expenses	40	163.86
<b>Total Expenses</b>		<b>1,871.93</b>
<b>Profit before tax and Exceptional items</b>		<b>287.78</b>
Exceptional items		(11.81)
<b>Profit before tax</b>		<b>275.97</b>
<b>Income Tax expense</b>		
Current tax		21.28
Tax expenses related to earlier years		-
Deferred tax (net)		3.53
<b>Total income tax expense</b>		<b>24.79</b>
<b>Profit for the period</b>		<b>251.18</b>
<b>Other Comprehensive Income/ (Loss) (net of tax)</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurements: gain / (loss) of the net defined benefit plans		(1.14)
Income tax on above item		0.29
<i>Items that will be reclassified to profit or loss</i>		
Fair value gain / (loss) on investments and other financial instruments		0.67
Income tax on above item		(0.17)
<b>Total Other Comprehensive Income/ (Loss) (net of tax)</b>		<b>(0.35)</b>
<b>Total Comprehensive Income for the period</b>		<b>250.83</b>
<b>Earnings per equity share (face value of ₹ 5/- each) (not annualised):</b>		
Basic (₹)		6.90
Diluted (₹)		6.89

The accompanying notes are an integral part of these standalone financial statements.

For and on behalf of the Board of Directors of  
 Sheela Foam Limited  
 CIN: L74999MH1997PLC0427835

Rahul Gauram  
 Director  
 DIN:00192989



Place Holda  
 Date: December 02, 2024

## Sheela Foam Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 1 : PROPERTY, PLANT AND EQUIPMENT

Particulars	(₹ in Crores)								
	Land - freehold	Buildings (Incl. Reg Roads & Lanes)	Plant & Equipment	Furniture and Fixtures	Vehicles	Office equipment	Electrical fittings	Total property, plant and equipment	Capital work-in- progress
<b>At cost or deemed cost</b>									
As at April 1, 2024	43.33	245.96	245.59	16.44	16.44	36.70	38.77	882.04	90.22
Additions	-	5.16	63.54	2.19	4.43	1.64	0.58	97.54	20.05
Disposal/transfer	-	(4.02)	(4.14)	(0.64)	(0.84)	(0.12)	-	(4.93)	(7.15)
As at September 30, 2024	43.33	274.12	345.09	18.63	21.55	37.12	34.35	774.27	30.72
<b>Accumulated depreciation</b>									
As at April 1, 2024	-	89.87	119.23	6.91	6.43	16.02	7.16	246.94	-
Charge for the period	-	14.30	14.04	0.80	1.35	2.56	1.65	38.49	-
Disposal/adjustments	-	(0.01)	(1.84)	-	(0.58)	(0.08)	-	(2.51)	-
As at September 30, 2024	-	102.96	131.42	8.61	10.14	17.90	8.84	284.92	-
<b>Net carrying amount</b>									
As at September 30, 2024	43.33	178.16	213.66	8.82	11.41	19.62	25.51	492.35	30.72

## NOTE 2 : RIGHT-OF-USE ASSETS

Particulars	(₹ in Crores)		
	Leasehold land	Buildings	Total
<b>Cost</b>			
As at April 1, 2024	61.06	23.62	74.08
Additions	-	20.43	20.43
Disposal/transfer	-	(9.47)	(9.47)
As at September 30, 2024	61.06	34.08	86.04
<b>Accumulated Depreciation</b>			
As at April 1, 2024	4.89	1.39	6.27
Charge for the period	2.19	3.23	5.42
Disposal/transfer	-	(1.23)	(1.23)
As at September 30, 2024	7.17	3.39	10.86
<b>Net carrying amount</b>			
As at September 30, 2024	47.89	30.61	74.59

## NOTE 3 : INVESTMENT PROPERTY

Particulars	(₹ in Crores)			
	Leasehold land	Freehold land	Buildings	Total
<b>Cost</b>				
As at April 1, 2024	0.68	-	3.65	4.33
Additions	-	-	-	-
Disposal/transfer	-	-	-	-
As at September 30, 2024	0.68	-	3.65	4.33
<b>Accumulated Depreciation</b>				
As at April 1, 2024	0.07	-	1.61	1.68
Charge for the period	0.01	-	0.06	0.07
Disposal/transfer	-	-	-	-
As at September 30, 2024	0.68	-	1.67	1.68
<b>Net carrying amount</b>				
As at September 30, 2024	0.60	-	2.28	2.88



## Shree Foam Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 4 : INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Particulars	As at September 30, 2024	
	No.	₹ in Crores
Investment in equity shares (Unquoted, at cost) (fully paid up)		
<b>Subsidiaries</b>		
Jayca Foam PTY. Limited - Face value per share of AUD 10/- each	6,68,500	23.03
Stago Software Private Limited (formerly known as Dreyd Software Solutions Private Limited) - Face value per share of ₹ 10/- each	64,633	70.02
Shoguard Enterprises Private Limited - Face value per share of ₹ 10/- each	10,500	1.09
International Foam Technologies SA, Spain - Face value per share of Euro 1/- each	1,20,00,000	90.36
Stago World Private Limited - Face value per share of ₹ 10/- each	10,000	0.01
Shree Foam Trading LLC - Face value per share of AED 1000/- each	594	0.51
Kurasa Enterprise Limited - Face value per share of ₹ 10/- each	9,58,13,520	2,000.00
	<u>4,63,98,747</u>	<u>2,705.12</u>
<b>Joint Venture</b>		
Halsa Oil Kerala Limited -		
Investment in Compulsory Convertible	1,80,52,750	248.79
Investment in Equity shares - Face value per share of ₹ 1/- each	18,07,500	25.00
Investment in Share warrants - Face value per share of ₹ 10/- each	58,00,005	88.31
<b>Total</b>	<u>2,86,71,264</u>	<u>306.79</u>
<b>Total Investments</b>		<u>2,966.82</u>
Aggregate amount of Unquoted Investments		2,966.82
Aggregate amount of impairment in value of Investments		-

## NOTE 5 : OTHER INVESTMENTS

Particulars	₹ in Crores	
	As at September 30, 2024	
in Debentures - fully paid up		
Carried at amortised cost - Unquoted		0.00
<b>Total Investments</b>		<u>0.00</u>
Aggregate amount of Unquoted Investments		0.00
Aggregate amount of impairment in value of Investments		-

## NOTE 6 : LOANS

Particulars	₹ in Crores	
	As at September 30, 2024	
(Unsecured, considered good)		
At amortised cost		
Loans to employees		0.27
Loan to Subsidiary Company		74.89
<b>Total</b>		<u>75.16</u>

## NOTE 7 : OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	₹ in Crores	
	As at September 30, 2024	
(Unsecured, considered good)		
Security deposits		7.54
<b>Total</b>		<u>7.54</u>

## NOTE 8 : NON-CURRENT TAX ASSETS (NET)

Particulars	₹ in Crores	
	As at September 30, 2024	
Advances income tax		30.40
<b>Total</b>		<u>30.40</u>

## Globe's Form Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 9 : OTHER NON CURRENT ASSETS

Particulars	(₹ in Crores)
	As at September 30, 2024
(Unsecured, considered good)	
Capital advances	4.40
Prepaid rent	0.30
Loan & advances	1.57
<b>Total</b>	<b>6.27</b>

## NOTE 10 : INVENTORIES

Particulars	(₹ in Crores)
	As at September 30, 2024
(Valued at lower of cost and net realizable value unless otherwise stated)	
Raw materials	60.62
Raw materials (in transit)	1.94
Work-in-progress	43.43
Finished goods	20.46
Packing materials	9.92
Packing materials (in transit)	0.05
Stores and spares	16.10
Stores & spares (in transit)	0.0*
<b>Total</b>	<b>222.11</b>

## NOTE 11 : INVESTMENTS

Particulars	(₹ in Crores)
	As at September 30, 2024
In Debentures - fully paid up	
Carried at fair value through profit and loss-Quoted	449.09
In Mutual Funds - fully paid up	
Carried at fair value through profit and loss- Quoted	0.50
<b>Total Investments</b>	<b>449.59</b>
Aggregate amount of Quoted Investments	449.59
Aggregate market value of Quoted Investments	446.93

## NOTE 12 : TRADE RECEIVABLES

Particulars	(₹ in Crores)
	As at September 30, 2024
(At amortized cost)	
Unsecured	
Trade receivables - considered good	241.36
Trade receivables - considered doubtful	4.48
Trade receivables (gross)	245.84
Less: Impairment allowance for trade receivables considered doubtful	(4.48)
<b>Total</b>	<b>241.36</b>

## NOTE 13 : CASH AND CASH EQUIVALENTS

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Balance Sheet as follows:

Particulars	(₹ in Crores)
	As at September 30, 2024
Balance with banks	
Current accounts	0.00
Fixed deposits account with an original maturity of less than three months	0.01
Cash on hand	0.17
<b>Total</b>	<b>0.17</b>

## NOTE 14 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	(₹ in Crores)
	As at September 30, 2024
Deposits having original maturity more than 3 months but less than 12 months	0.30
<b>Total</b>	<b>0.30</b>

Sheela Foam Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 16 : LOANS

Particulars	(₹ in Crores)
	As at September 30, 2024
(Unsecured, considered good)	
At amortised cost	
Loans to employees	1.08
Total	<u>1.08</u>

## NOTE 16 : OTHER FINANCIAL ASSETS (CURRENT)

Particulars	(₹ in Crores)
	As at September 30, 2024
Unsecured, considered good	
Interest accrued but not due on deposits with Banks	0.06
Interest accrued on loan given to subsidiary companies	5.54
Other Receivables	1.44
Other loans & advances	0.56
Total	<u>7.60</u>

## NOTE 17 : OTHER CURRENT ASSETS

Particulars	(₹ in Crores)
	As at September 30, 2024
Unsecured, considered good	
Advance to contractor/supplier/s	5.94
Balances with Regulatory/Governmental authorities:	
- Excise & Custom	2.60
- GST	30.56
- VAT/Sales Tax	4.78
Prepaid expenses	9.17
Lease equipment	0.48
Right to recover return goods	2.24
Total	<u>66.18</u>

## Sheela Foam Limited

Notes forming part of the consolidated financial statements for the period ended September 30, 2024

## NOTE 10 : EQUITY SHARE CAPITAL

Particulars	(₹ in Crores)
	As at September 30, 2024
(a) Authorized share capital:	
20,00,00,000 fully paid equity shares of ₹ 5/- each	190.00
(March 31, 2024 - 20,00,00,000 fully paid equity shares of ₹ 5/- each)	<u>190.00</u>
Issued, subscribed & paid up share capital:	
10,86,97,341 fully paid equity shares of ₹ 5/- each	54.35
(March 31, 2024 - 10,86,97,341 equity shares of ₹ 5/- each)	<u>54.35</u>
Total	<u>64.35</u>

## (b) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at September 30, 2024	
	Number of shares	₹ in Crores
At the beginning of the period	10,86,97,341	54.35
Fully paid up equity shares issued during the period	-	-
Outstanding at the end of the period	<u>10,86,97,341</u>	<u>54.35</u>

## (c) Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

## (d) Details of shareholders holding more than 5% shares in the Company

	As at September 30, 2024	
	Number of shares	% of holding
Sh. Rahul Gautam	1,24,18,970	11.43%
Smt. Namita Gautam	1,14,31,758	10.52%
Sh. Tejshar Gautam	3,41,72,828	31.44%
Rangoli Resorts Private Limited	1,31,60,818	12.10%
SBI Magnum Midcap Fund	1,06,25,434	9.78%
Kotak Emerging Equity Scheme	36,78,901	3.38%

## (e) Aggregate number and class of shares allotted as fully paid up by way of bonus shares

During the period ended September 30, 2024, no shares were allotted as fully paid up by way of bonus shares.

## (f) Shareholding of promoters &amp; promoter group

Shares held by promoters at the end of the period	As at September 30, 2024		
	Number of Shares	% of holding	% Change during the period
Promoter relate			
Sh. Rahul Gautam	1,24,18,970	11.43%	-
Smt. Namita Gautam	1,14,31,758	10.52%	-
Sh. Tejshar Gautam	3,41,72,828	31.44%	-
Rangoli Resorts Private Limited	1,31,60,818	12.10%	-
Total	<u>65.49%</u>		

(g) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five periods immediately preceding the current period end.

## Sheela Foam Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 19 : OTHER EQUITY

Particulars	(₹ in Crores)
	As at September 30, 2024
Securities Premium	1,135.96
Retained earnings	1,337.99
Share based payments reserve	8.00
Cash flow hedge reserve	(1.80)
<b>Total</b>	<b>2,480.14</b>

Particulars	(₹ in Crores)
	As at September 30, 2024
Securities Premium	
Opening balance	1,135.96
Addition during the period	-
Closing balance	<b>1,135.96</b>
Retained earnings	
Opening balance	1,483.62
Net profit for the period	74.00
Provision/adjustments of the net defined benefit plans (net of tax)	(60.85)
Closing balance	<b>1,587.96</b>
Share based payments reserve	
Opening balance	2.42
Employees share based payment expenses	3.67
Closing balance	<b>8.09</b>
Cash flow hedge reserve	
Opening balance	(2.30)
Gain / (Loss) on Cash flow hedge reserve (net of tax)	0.50
Closing balance	<b>(1.78)</b>

## NOTE 20 : BORROWINGS (NON-CURRENT)

Particulars	(₹ in Crores)
	As at September 30, 2024
Secured	
Total Loans from Banks	
- ₹ Bank Loan	20.96
- \$ Bank Loan	29.87
Unsecured	
Non-convertible Debentures	341.44
<b>Total</b>	<b>691.97</b>

## NOTE 21 : LEASE LIABILITIES

Particulars	(₹ in Crores)
	As at September 30, 2024
Lease liabilities	51.29
<b>Total</b>	<b>51.29</b>
Current	9.45
Non-current	41.84

## NOTE 22 : OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	(₹ in Crores)
	As at September 30, 2024
Deposits from dealers and others	16.69
Unearned Rental Income	0.10
<b>Total</b>	<b>16.79</b>

## Sheela Foam Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 23 : PROVISIONS

Particulars	(₹ in Crores)
	As at September 30, 2024
<b>Long-term provisions:</b>	
Provision for employee benefits:	
- Compensated absences	7.08
Other provisions:	
- Provision for warranty	8.05
<b>Total</b>	<b>15.13</b>
<b>Short-term provisions:</b>	
Provision for employee benefits:	
- Compensated absences	0.77
- Gratuity	4.84
Other provisions:	
- Provision for warranty	5.63
<b>Total</b>	<b>11.24</b>

## NOTE 24 : OTHER NON CURRENT LIABILITIES

Particulars	(₹ in Crores)
	As at September 30, 2024
Deferred capital grant	0.16
<b>Total</b>	<b>0.16</b>

## NOTE 25 : DEFERRED TAX LIABILITIES (NET)

Particulars	(₹ in Crores)
	As at September 30, 2024
Deferred tax liabilities (net)	15.23
<b>Total</b>	<b>15.23</b>

## NOTE 26 : BORROWINGS (CURRENT)

Particulars	(₹ in Crores)
	As at September 30, 2024
<b>Secured</b>	
Term Loans from Banks:	
- ₹ Bank Loan	13.58
- \$ Bank Loan	19.71
Working Capital Loan	23.00
<b>Unsecured</b>	
Current Maturity of Non-Convertible Debentures (including interest)	241.07
<b>Total</b>	<b>297.36</b>

## NOTE 27 : TRADE PAYABLES

Particulars	(₹ in Crores)
	As at September 30, 2024
Trade payables other than acceptances:	
(i) Total outstanding dues of micro-enterprises and small enterprises	37.65
(ii) Total outstanding dues of creditors other than micro-enterprises and small enterprises	197.74
<b>Total</b>	<b>235.39</b>

## Sheela Foam Limited

figures forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 28 : OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	(₹ in Crores)
	As at September 30, 2024
Creditors for capital goods	5.35
Deposits from dealers and others	71.98
Liability towards exercise of share warrants	65.65
Employee Liabilities	24.69
Other financial liabilities	48.24
Liability against foreign currency swap contracts	29.13
Interest accrued but not due on borrowings	0.23
unearned commission income	0.07
<b>Total</b>	<b>287.34</b>

## NOTE 29 : CURRENT TAX LIABILITIES (NET)

Particulars	(₹ in Crores)
	As at September 30, 2024
Income tax payable	6.88
<b>Total</b>	<b>6.88</b>

## NOTE 30 : OTHER CURRENT LIABILITIES

Particulars	(₹ in Crores)
	As at September 30, 2024
Refund liabilities	3.65
Deferred capital grant	0.03
Contract liabilities	31.93
Statutory dues (including provident fund, tax deducted at source, Goods and Service Tax and others)	11.82
Other Liabilities	2.63
<b>Total</b>	<b>49.78</b>

## Sheets Form Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 31 : REVENUE FROM OPERATIONS

Particulars	(₹ In Crores)
	For the period ended September 30, 2024
Sale of products	1,104.34
Sale of services	0.43
	<u>1,104.77</u>
Other operating revenue	
- Income from sale of processed scrap	0.94
Total	<u>1,105.71</u>

## NOTE 32 : OTHER INCOME

Particulars	(₹ In Crores)
	For the period ended September 30, 2024
Interest Income from:	
Financial assets at amortised cost:	
Bank deposits	0.02
Loan given to subsidiary company	1.85
Others	1.59
Financial assets at fair value:	
Currency swap forward contract	2.43
Unwinding of discount of deposits & lease receivable	0.22
Overcome tax shield	0.01
Other non operating income:	
Gain on Termination of Lease	0.10
Guarantee commission	0.70
Rental income	1.41
Gain on sale/disposal of fixed assets	0.10
Liabilities/provisions no longer required written back	0.09
Income from sale of Mutual Fund & MLD - designated in fair value through profit and loss	12.72
Fair valuation adjustments of investments through profit and loss	27.38
Subsidy Income	0.01
Sale of non-processed scrap	2.78
Net gain on foreign currency transactions and translations	2.00
Other miscellaneous income	0.85
Total	<u>54.80</u>

## NOTE 33 : COST OF MATERIALS CONSUMED

Particulars	(₹ In Crores)
	For the period ended September 30, 2024
Raw material	
Opening inventory	67.66
Add: Purchases	620.07
(Less): Sales/adjustments/return	(20.05)
(Less): Closing inventory	(68.56)
Raw materials consumed	<u>599.11</u>
Packing material	
Opening inventory	7.14
Add: Purchases	37.44
(Less): Sales/adjustments/return	(3.88)
(Less): Closing inventory	(8.97)
Packing materials consumed	<u>39.73</u>
Cost of materials consumed	<u>638.84</u>

## NOTE 34 : PURCHASE OF STOCK-IN-TRADE

Particulars	(₹ In Crores)
	For the period ended September 30, 2024
Traded Goods - Bed sheets/comforters/PU leather/sofa/couch mattresses	120.58
Total	<u>128.56</u>



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the period ended September 30, 2024

## NOTE 36 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Closing stock:-	
Finished goods	83.66
Stock in trade	-
Work-in-progress	48.13
Right to recover return goods	2.21
	<u>128.89</u>
Opening stock:-	
Finished goods	13.91
Stock in trade	2.92
Work-in-progress	46.10
Right to recover return goods	2.40
	<u>64.33</u>
Changes in inventories of finished goods, Stock in Trade and work in progress	<u>(64.47)</u>

## NOTE 36 : OTHER MANUFACTURING EXPENSES

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Power and fuel	6.13
Repair and maintenance:-	
- Buildings	0.76
- Plant and equipment	10.34
Processing and other charges	14.45
Total	<u>30.69</u>

## NOTE 37 : EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Salaries, wages, allowance, and other benefits	89.64
Contributions to gratuity	1.71
Contributions to provident and other funds	6.01
Employee share based payment expenses	3.67
Workmen and staff welfare	7.09
Total	<u>107.12</u>

## NOTE 38 : FINANCE COSTS

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Interest expense (on financial liabilities measured at amortised cost) :-	
- On Security deposits	1.91
- On non-convertible debentures	31.06
- On borrowings from banks	5.88
- On lease liabilities	2.91
- Others	1.14
Bank Charges	0.28
Total	<u>43.20</u>

## NOTE 39 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	(₹ in Crores)
	For the period ended September 30, 2024
Depreciation of property, plant and equipment	35.49
Depreciation on right-of-use assets	3.52
Depreciation on investment property	0.67
Total	<u>41.68</u>

## Sheela Foam Limited

Notes forming part of the Standalone Financial statements for the period ended September 30, 2024

## NOTE 40 : OTHER EXPENSES

Particulars	(₹ In Crores)
	For the period ended September 30, 2024
IT Support services	7.63
Freight and forwarding	58.12
Rent and hire	2.82
Insurance	6.22
Fuels and lubric	0.35
Legal and professional	7.38
Other Maintenance	4.68
Selling and promotion	20.30
Traveling and conveyance	11.04
Warranty	5.93
Advertisement	26.96
Net Loss on Foreign Currency Forward Contracts	5.14
Adjustments/Balances written off	0.03
Provision for Doubtful debts	0.83
Contributions towards CSR	2.37
Miscellaneous	10.64
<b>Total</b>	<b>163.36</b>

For and on behalf of the Board of Directors of  
Sheela Foam Limited

CIN: L74899MH1971PLC427135

Rahul Gautam  
Director  
DIN: 00192889



Place: Mumbai  
Date: December 02, 2024

## INDEPENDENT AUDITOR'S REPORT

To the Members of Sheela Foam Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Sheela Foam Limited ("the Company"), which comprise, the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone 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 Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone 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 the matters described below to be the key audit matters to be communicated in our report.

#### Description of Key Audit Matters

##### Revenue recognition - Discounts and rebates

Refer note 2 and 32 to the standalone financial statements.

As disclosed in note 2 to the standalone financial statements, revenue is measured net of any trade discounts and volume rebates to customers (i.e. to the wholesale traders and retail traders).

As per the scheme, discounts and rebates are passed on to the customers only on secondary sales made by wholesale to retail. Further, certain discounts and rebates for goods sold during the year are finalised when the precise amounts are known and revenue thus includes an estimate of variable consideration, particularly in arrangements with customers involving varying terms which are based on annual contracts or shorter-term arrangements. In addition, the value and timing of promotions for products varies from period to period, and the activity can span beyond the year end. The unsettled portion of the variable consideration, results in accrual of discounts and rebates due to customers as at year end. Significant



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Judgement is required in estimating accruals relating to secondary schemes recognized, based on sales made during the year.

In view of above, accrual for discounts and rebates in relation to revenue recognition is identified as a key audit matter.

How the KAM was addressed in our audit:

- Assessed the appropriateness of the Company's revenue recognition accounting policies, including those relating to discounts, incentives and rebates as required under the applicable accounting standards.
- Understood and verified the design and implementation and tested operating effectiveness of key application controls over the Company's automated systems and manual controls over rebates agreements/ arrangements, rebate payments / settlements and Company's review over the rebate accruals.
- Verified on a test check basis, key customer contracts to identify the relevant terms and conditions related to discounts and rebates.
- Verified on test check basis, discounts and rebates transactions recorded during the year including period end discounts and rebates accruals and ensured the computation is in accordance with the policy and relevant source documents.
- Examined historical rebate accrual together with our understanding of current year developments to form an expectation of the rebate accrual as at year end and compared the same with the accrual for the year ended March 31, 2024.
- Verified completeness and accuracy of the data used by the Company for accrual of discounts and rebates through test of controls.
- Verified on a test check basis, rebate accruals after the reporting date to validate whether the accrual is recorded in the correct period.
- Verified payments made/credit notes issued after reporting/year end date and where relevant, comparing the payment to the related rebate accrual.
- Verified manual journal entries posted to revenue, on a test check basis, to identify unusual items and examining the underlying documentation.
- Verified the related disclosures made in notes to the financial statements in accordance with the requirements of the applicable accounting standards.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. but does not include the standalone financial statements and our auditor's report thereon. The Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. is expected to be made available to us subsequent to this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc., if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information'.



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### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

### 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 sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(g)(vi) below on reporting under Rule 11(g).
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

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



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- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 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 paragraph 2(b) above on reporting under Section 143(3) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 52 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - (1) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 62 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (2) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 62 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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 (1) and (2) above, contain any material mis-statement.
  - v. The Company has neither declared nor paid any dividend during the year.



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- vi. Based on our examination, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, except that the audit trail feature was enabled at the database level only with effect from January 01, 2024 in respect of the database 'Oracle' to log any direct data changes. Further, the audit trail facility has been operated throughout the year for all relevant transactions recorded during the year ended March 31, 2024 in the accounting software, except at the database level as stated above, in respect of which the audit trail facility has not been operated throughout the year for all relevant transactions recorded in this accounting software as it was enabled only with effect from January 01, 2024. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, post enablement of the audit trail facility.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Nipun Gupta*  
Nipun Gupta  
Partner  
Membership No. 502896  
UDIN: 24502896BKGFLQ8957



Place: Gurugram  
Date: May 21, 2024

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SHEELA FOAM LIMITED

### Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director'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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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





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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2024 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.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Nipun Gupta*  
Nipun Gupta  
Partner  
Membership No. 502896  
UDIN: 245028968KGFLQ8957



Place: Gurugram  
Date: May 21, 2024

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SHEELA FOAM LIMITED FOR THE YEAR ENDED MARCH 31, 2024**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.  
B. The Company has no intangible assets. Accordingly, the provisions stated under clause 3(i)(a)(B) of the Order are not applicable to the Company.
- (b) Property, Plant and Equipment, have been physically verified by the management at reasonable intervals and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) during the year. The Company does not have any intangible assets. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.
- ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.
- (b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, monthly returns / statements filed with such banks are in agreement with the books of accounts of the Company.
- iii. (a) According to the information explanation provided to us, the Company has made investment in, provided loans, or given guarantee, and/or provided security to other entities. The details of such investments, loans, guarantee or security to subsidiaries, joint venture and others are as follows:



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(All amount in Rs. Crores)

Particulars	Guarantees	Security	Loans (excluding interest)	Investments
Aggregate amount granted/provided during the year				
- Subsidiaries	-	-	-	2001.17
- Joint venture	-	-	-	360.70
- Others	-	-	3.60	433.69
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	174.78	-	72.17	2197.75
- Joint venture	-	-	-	360.70
- Others	-	-	2.07	510.00

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided and securities given are not prejudicial to the interest of the Company.
- (c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans, granted to Company/ Firm/ LLP/ Other Parties.
- (e) According to the information explanation provided to us, the loans or advances in the nature of loan granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information explanation provided to us, the Company has not granted any loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products/ services. We have broadly reviewed the same, and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made



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a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues in arrears as at March 31, 2024, outstanding for a period of more than six months from the date they became payable.

- vii. (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024, on account of any dispute, are as follows:

(All amounts in ₹ in Crores)

Name of the statute	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending
Central Excise Tax Act, 1944	Excise Duty	0.03	0.01	2011-2012 & 2012-2013	The Customs Excise and Service Tax Appellate Tribunal Kolkata
Central Excise Tax Act, 1944	Excise Duty	2.41	0.12	Feb 2017 to June 2017	Customs Excise Service Tax Appellate Tribunal, Kolkata
Central Excise Tax Act, 1944	Excise Duty	0.45	0.02	2016-2017 & 2017-2018	Customs Excise Service Tax Appellate Tribunal, Kolkata
Income Tax Act, 1961	Income Tax	4.80	4.80	2013-2014	Delhi High Court
Income Tax Act, 1961	Income Tax	0.23	0.23	2017-18	Income Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	0.37	0.37	2016-17	Income Tax Appellate Tribunal, New Delhi
The Central Sales Tax Act, 1956 and The Sikkim Sales Tax Act, 1983	Sales Tax	0.46	0.46	2003-2004 & 2004-2005	Supreme Court



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Name of the statute	Nature of dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending
The Central Sales Tax Act, 1956 and The Sikkim Sales Tax Act, 1983	Sales Tax	3.94	3.94	2005-06 to 2011-12	Additional Commissioner Commercial tax
West Bengal Tax on Entry of Goods into Local Areas Act, 2012	Entry Tax	0.29	-	2012-13 & 2013-14	Supreme Court
West Bengal Tax on Entry of Goods into Local Areas Act, 2012	Entry Tax	1.07	-	2014-15 to 2017-18	Supreme Court
Uttar Pradesh Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	0.58	0.29	2001-2012	Allahabad High Court
Tamil Nadu Goods and Service Tax, 2017	Goods and Service Tax	2.90	-	2017-18 to 2022-23	State Tax Officer, Intelligence. Erode Division

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. Refer Note 22 to the standalone financial statements.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.



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- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture. Accordingly, reporting under Clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the Information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of shares through Qualified institutional buyers and has also raised money by issuing the non-convertible bonds during the year and the requirements of Section 42 and Section 62 of the Act, have been complied with. The amount raised has been used for the purposes for which they were raised.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.
- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order is not applicable to the Company.



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- xvi. (a) The Company is not required to be registered under Section 45 1A of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) According to the Information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 61 to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. (a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring transfer to Fund specified in schedule VII of the Act in compliance with second proviso to sub-section (5) of Section 135 to the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the financial year, to a special account within a period of thirty days from the end of the financial year in compliance with provision of Section 135(6) of the Act. Refer Note 57 to the Standalone financial statements.



# MSKA & Associates

## Chartered Accountants

- xxi. The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Nipun Gupta*

Nipun Gupta  
Partner

Membership No. 502896  
UDIN: 24502896BKGFLO8957



Place: Gurugram  
Date: May 21, 2024



**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SHEELA FOAM LIMITED**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Sheela Foam Limited on the Financial Statements for the year ended March 31, 2024]

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Sheela Foam Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, based on the internal control with reference to standalone 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 (ICAI) (the "Guidance Note").

**Managements' and Board of Director's Responsibility 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 control with reference to standalone 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 standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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



# MSKA & Associates

## Chartered Accountants

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 with reference to standalone financial statements.

### Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

### Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

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

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Nipun Gupta*

Nipun Gupta  
Partner

Membership No. 502896

UDIN: 24502896BKGFLQ8957



Place: Gurugram  
Date: May 21, 2024

Sheela Foam Limited  
 Standalone Balance Sheet as at March 31, 2024

(₹ in Crores)

Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	433.10	288.75
Rights-of-use assets	4	87.81	87.87
Capital work-in-progress	3	80.22	103.40
Investment property	5	2.95	3.43
Investments in Subsidiaries and Joint venture	6	2,556.45	198.56
<b>Financial assets</b>			
(i) Other investments	7	510.00	56.41
(ii) Loans	8	72.44	71.80
(iii) Other financial assets	9	8.28	4.53
Non-current tax assets (net)	10	20.14	11.74
Other non-current assets	11	6.94	35.42
<b>Total non-current assets</b>		<b>3,777.33</b>	<b>798.73</b>
<b>Current assets</b>			
Inventories	12	148.58	206.58
<b>Financial assets</b>			
(i) Investments	13	-	706.36
(ii) Trade receivables	14	188.90	138.31
(iii) Cash and cash equivalents	15	12.81	12.71
(iv) Bank balances other than cash and cash equivalents	16	0.28	0.27
(v) Loans	17	0.80	0.61
(vi) Other financial assets	18	40.80	3.42
Other current assets	19	55.29	57.69
<b>Total current assets</b>		<b>418.37</b>	<b>1,126.47</b>
<b>Total assets</b>		<b>4,195.70</b>	<b>1,917.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	20	54.35	49.79
Other equity	21	2,618.94	1,313.33
<b>Total equity</b>		<b>2,673.29</b>	<b>1,363.11</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	22	787.09	88.75
(ii) Lease liabilities	23	36.24	15.68
(iii) Other financial liabilities	24	15.61	25.48
Provisions	25	10.43	9.10
Other non-current liabilities	26	0.17	0.20
Deferred tax liabilities (net)	27	11.70	3.38
<b>Total non-current liabilities</b>		<b>861.24</b>	<b>152.72</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	28	169.04	32.92
(ii) Lease liabilities	23	7.60	1.27
(iii) Trade payables			
- Total outstanding dues of micro-enterprises and small enterprises	29	21.15	7.20
- Total outstanding dues of creditors other than micro enterprises and small enterprises	29	139.84	180.90
(iv) Other financial liabilities	30	254.01	109.67
Provisions	25	11.12	11.16
Other current liabilities	31	58.77	58.09
<b>Total current liabilities</b>		<b>683.87</b>	<b>492.37</b>
<b>Total Liabilities</b>		<b>1,545.11</b>	<b>645.09</b>
<b>Total equity and liabilities</b>		<b>4,195.70</b>	<b>1,917.20</b>

## Material Accounting Policies

2

The accompanying notes are an integral part of these standalone financial statements.  
 As per our report of even date.

For M S K A & Associates  
 Chartered Accountants  
 Firm Registration No. - 105047W

For and on behalf of the Board of Directors of  
 Sheela Foam Limited  
 CIN: L74899DL1971PLC005679

*Nipun Gupta*  
 Nipun Gupta  
 Partner  
 Membership no. 502996



*Rajesh Gautam*  
 Rajesh Gautam  
 Executive Chairman  
 DIN:00192999

*Tushaar Gautam*  
 Tushaar Gautam  
 Managing Director  
 DIN:01644987

*Amit Kumar Gupta*  
 Amit Kumar Gupta  
 Group Chief Financial  
 Officer

Place: Gurugram  
 Date: May 27, 2024

Place: Hoshiarpur  
 Date: May 21, 2024

*Iqbal Ahmed*  
 Iqbal Ahmed  
 Company Secretary  
 Membership No. A20921

Sheets Foam Limited  
 Standalone Statement of Profit and Loss for the year ended March 31, 2024

(₹ in Crores)

Particulars	Note no.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
Revenue from operations	32	1,879.62	2,038.57
Other income	33	94.88	75.09
<b>Total Income</b>		<b>1,974.40</b>	<b>2,113.66</b>
<b>Expenses</b>			
Cost of materials consumed	34	1,016.35	1,154.48
Purchase of stock-in-trade	35	91.70	138.08
Changes in inventories of finished goods, stock-in-trade and work-in-progress	36	25.98	(40.59)
Other manufacturing expenses	37	63.51	38.18
Employee benefits expense	38	165.85	151.10
Finance costs	39	43.75	6.13
Depreciation and amortisation expense	40	58.44	41.08
Other expenses	41	326.82	365.12
<b>Total Expenses</b>		<b>1,771.86</b>	<b>1,879.56</b>
<b>Profit before tax and Exceptional Items</b>		<b>202.54</b>	<b>234.11</b>
Exceptional Items	65	(17.62)	-
<b>Profit before tax</b>		<b>322.38</b>	<b>234.11</b>
<b>Income Tax expense</b>			
Current tax	69	45.99	62.19
Tax expenses related to earlier years		-	1.74
Deferred tax (net)	27	8.17	(0.91)
<b>Total Income tax expense</b>		<b>54.13</b>	<b>63.02</b>
<b>Profit for the year</b>		<b>168.23</b>	<b>171.09</b>
<b>Other Comprehensive Income/(Loss) (net of tax)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurements, gain/(loss) of the net defined benefit plans		(0.45)	(1.80)
Income tax on above item		0.11	0.45
<i>Items that will be reclassified to profit or loss</i>			
Fair value gain/(loss) on investments and other financial instruments		0.45	(3.48)
Income tax on above item		(0.11)	0.88
<b>Total Other Comprehensive Income/(Loss) (net of tax)</b>		<b>-</b>	<b>(3.96)</b>
<b>Total Comprehensive Income for the year</b>		<b>168.23</b>	<b>167.14</b>
<b>Earnings per equity share (Face value of ₹ 0/- each):</b>			
Basic (₹)	42	18.28	17.64
Diluted (₹)		16.28	17.64

Material Accounting Policies 2  
 The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date


For M S K A & Associates  
 Chartered Accountants  
 Firm Registration No. 105847W

For and on behalf of the Board of Directors of  
 Sheets Foam Limited  
 CIN: L74999DL1971PLC005879

  
 Nipun Gupta  
 Partner  
 Membership No. 502696



Place: Gurugram  
 Date: May 21, 2024

  
 Rahul Gauram  
 Executive Chairman  
 UIN: 00192999

  
 Tushaar Gauram  
 Managing Director  
 DIN: 01646487

  
 Anil Kumar Gupta  
 Group Chief Financial  
 Officer

  
 Md. Iqbal Ahmad  
 Company Secretary  
 Membership No.: A20921

Place: Noida  
 Date: May 21, 2024



Steel's Form Limited  
 Standalone Statement of Changes in Equity for the year ended March 31, 2024

**A. EQUITY SHARE CAPITAL**

Particulars	₹ In Crores
Balance as at April 01, 2022	24.39
Add: Bonus shares issued during the year	24.39
Balance as at March 31, 2023	48.78
Add: Equity shares issued during the year	5.57
Balance as at March 31, 2024	54.35

**B. OTHER EQUITY**

Particulars	Reserves and surplus				Items of Other Comprehensive Income		Total	
	Reserves and surplus	Capital Reserve	Securities Premium	General reserve	Share based payment reserve	Debt Instruments through OCI		Cash flow hedge reserve through OCI
Balance as at April 01, 2022	1,170.63	3.29	-	17.16	-	4.24	-	1,175.32
Profit for the year	171.09	-	-	-	-	-	-	171.09
Remeasurements of the net defined benefit plans (net of tax)	(1.35)	-	-	-	-	-	-	(1.35)
Gain / (Loss) on Cash flow hedge reserve (net of tax)	-	-	-	-	-	-	(2.60)	(2.60)
Expenses towards increase in authorized capital	(0.60)	-	-	-	-	-	-	(0.60)
Realized gain from debt instruments transferred to profit and loss (net of tax)	-	-	-	-	-	(4.24)	-	(4.24)
Bonus shares issued during the year	(3.94)	(3.29)	-	(7.16)	-	-	-	(14.39)
Total comprehensive income for the year	165.30	(3.29)	-	(7.16)	-	(4.24)	(2.60)	150.01
Balance as at March 31, 2023	1,310.93	-	-	-	-	-	(2.60)	1,313.33
Profit for the year	368.20	-	-	-	-	-	-	368.20
Remeasurements of the net defined benefit plans (net of tax)	(0.34)	-	-	-	-	-	-	(0.34)
Gain / (Loss) on Cash flow hedge reserve (net of tax)	-	-	-	-	-	-	0.34	0.34
Securities premium on issue of paid up share capital	-	-	1,936.43	-	-	-	-	1,936.43
Equity Fund raising expenses	-	-	(99.47)	-	-	-	-	(99.47)
Employee share based payment expense	-	-	-	-	2.42	-	-	2.42
Total comprehensive income for the year	167.86	-	1,936.96	-	2.42	-	0.34	1,997.58
Balance as at March 31, 2024	1,493.83	-	1,936.96	-	2.42	-	(2.26)	2,410.95

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

For M S K A & Associates  
 Chartered Accountants  
 Firm Registration No.: 10504799

For and on behalf of the Board of Directors of  
 Steel's Form Limited  
 CIN: L74899DL1971PLC000679

*Nigam Gupta*

Nigam Gupta  
 Partner  
 Membership No.: 602936



Place: Gurugram  
 Date: May 21, 2024

*Rafiq Qureshi*

Rafiq Qureshi  
 Executive Chairman  
 DIN: 0192889

Place: Noida  
 Date: May 21, 2024

*Tushar Gaurav*

Tushar Gaurav  
 Managing Director  
 DIN: 01946467

*Anil Kumar Gupta*

Anil Kumar Gupta  
 Group Chief  
 Financial Officer

*Dr. Iqbal Ahmad*

Dr. Iqbal Ahmad  
 Company Secretary  
 Membership No.: A20921



## Sheela Foam Limited

Statement of Cash Flows for the year ended March 31, 2024

(` in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax and exceptional items	204.54	234.11
Adjustments for:		
Depreciation and amortisation expense	55.44	41.06
Finance costs	47.79	10.08
Gain on termination of Lease	(1.85)	(0.13)
Liabilities/provisions no longer required written back	(0.02)	(0.12)
Provision for doubtful receivables	1.00	1.87
Provision for equityity	0.01	11.78
Expense on employees stock option schemes	2.42	-
Investment Subsidy Income	(0.03)	(0.03)
Advances / balances written off	0.20	0.36
Fair value gain on investments (net)	(28.97)	48.73
Profit on sale of investments (net)	(39.78)	(19.64)
(Profit) / Loss on sale of property, plant and equipment (net)	0.27	(0.49)
Net loss on foreign currency forward contracts	0.44	13.22
Unrealised foreign exchange (gain) / loss (net)	(0.03)	4.06
Rental Income (Short term lease)	(2.09)	(2.39)
Interest income	(12.00)	(24.14)
Operating profit before working capital changes	229.71	282.00
Changes in working capital:		
Decrease / (Increase) in Inventories	46.64	2.37
(Increase) / Decrease in loans and trade receivables	(52.40)	5.39
Decrease / (Increase) in other financial and non-financial assets	(10.77)	(20.09)
(Decrease) / Increase in trade payables	(27.73)	(10.82)
(Decrease) / Increase in other financial liabilities, non-financial liabilities and provisions	123.68	(8.28)
Cash generated from operations	319.13	248.16
Income tax paid (net of refunds)	(73.36)	(65.59)
Net cash flow from operating activities (A)	245.77	182.57
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and change in capital work in progress	(207.15)	(110.54)
Proceeds from Sale of property, plant and equipment	44.04	1.70
Increase / (Decrease) in creditors for capital goods (net of capital advances)	29.00	(5.54)
Investment in shares of Subsidiary Companies	(2,001.17)	-
Investment made in joint venture	(360.70)	-
Proceeds from debentures and mutual funds (net)	321.74	(127.05)
(Investment in) / Proceeds from Bank deposits	(0.01)	0.05
Rental Income (short term lease)	2.09	2.39
Interest income received	10.00	62.74
Net cash (used in) investing activities (B)	(2,165.45)	(199.85)
<b>C. Cash flow from financing activities</b>		
Net Proceeds from issuance of equity share capital including securities premium (net of expenses)	1,141.53	-
Net Proceeds from Non-current debtures (including interest and net of expenses)	710.87	-
Proceeds from long term borrowings	-	60.70
Repayment of long term borrowings	(32.89)	-
Net proceeds from short term borrowings	106.27	-
Payment of lease liabilities (principal and interest)	(5.74)	(2.99)
Fees paid for increase in authorized share capital	-	(0.50)
Finance costs	(14.41)	(9.34)
Net cash flow from Financing Activities (C)	1,914.58	28.06
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(9.10)	(1.92)
Cash and cash equivalents at the beginning of the year	12.71	14.31
The scheme of amalgamation (refer note no. 62)	-	0.32
Revised balance after amalgamation	12.71	14.63
Cash and cash equivalents at the end of the year	12.61	12.71

## Notes :

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard-7, 'Statement of Cash Flows'.
- Figures in bracket represents cash outflow
- Components of cash and cash equivalents.

Particulars	(` in Crores)	
	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Cash on hand	0.09	0.07
Deposits having original maturity of less than 3 months	0.01	0.01
Balance with banks in current accounts	12.51	12.53
Balance as per Statement of Cash Flows	12.61	12.71



Sheets Foam Limited  
 Standalone Statement of Cash Flows for the year ended March 31, 2024

4. Changes in liabilities arising from financing activities

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Lease liabilities</b>		
Lease liabilities at the beginning of the year	10.33	20.17
Addition during the year	43.16	0.41
Accretion of interest	2.77	1.01
Payment of lease liabilities	(8.74)	(2.68)
Cancellation / adjustment	(19.20)	(1.97)
Lease liabilities as at year end	48.33	16.95
<b>Borrowings</b>		
Borrowings at the beginning of the year	131.07	78.00
Interest charged on Non-convertible debentures	30.77	-
Proceeds from borrowings	826.09	80.78
Repayment of borrowings	(32.89)	-
Foreign exchange loss (net)	0.79	4.69
Borrowings as at year end	955.43	191.67

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date

For M S K A & Associates  
 Chartered Accountants

Firm Registration No.: 105047W



*Nipun Gupta*

Nipun Gupta  
 Partner  
 Membership No.: 502060

For and on behalf of the Board of Directors of  
 Sheets Foam Limited  
 CIN: LT4819DL1971PLC005679

*Rohit Gautam*  
 Rohit Gautam  
 Executive Chairman  
 DIN:00192989

*Fushaar Gautam*  
 Fushaar Gautam  
 Managing Director  
 DIN:0164988

*Amit Kumar Gupta*  
 Amit Kumar Gupta  
 Group Chief Financial  
 Officer

Place: Gurugram  
 Date: May 21, 2024

Place: Noida  
 Date: May 21, 2024

*Iqbal Ahmed*  
 Mr. Iqbal Ahmed  
 Company Secretary  
 Membership No.: A20921



**SHEELA FOAM LIMITED**  
**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**MARCH 31, 2024**

**1. COMPANY INFORMATION**

Sheela Foam Limited ('the Company') is a ISO-9001:2000 public limited company incorporated in India, with its registered office in New Delhi. The Company is listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

The Company is pioneered in the manufacturing of polyurethane foams in India and has ten manufacturing facilities, using the state of the art technology at strategic locations across the country.

The standalone financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 21, 2024.

**2. MATERIAL ACCOUNTING POLICIES**

**2.1 Statement of Compliance and Basis of Preparation**

**a. Basis of Preparation**

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. The standalone financial statements have been prepared on going concern basis. All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

The standalone financial statements have been prepared on accrual and historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments), measured at fair value (refer accounting policy regarding financial instruments).
- defined benefit plans - plan asset measured at fair value.
- share based payments.

**b. Functional and presentation currency**

The standalone financial statements are prepared in Indian Rupees ('₹'), which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakhs with two decimal places, unless stated otherwise.

**c. Current versus 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, or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within 12 months after the reporting period; or
- cash or cash equivalent unless 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.





**SHEELA FOAM LIMITED**  
**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**MARCH 31, 2024**

A liability is classified as current when it is

- expected to be settled in the normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within 12 months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities:

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

Operating Cycle:

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

**d. Use of estimates and judgments**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as at Balance Sheet date, reported amount of revenue and expenses for the year and disclosure of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying standalone financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the standalone financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

These estimates and assumptions are based on the facts and events, that existed as at the date of Balance Sheet, or that occurred after that date but provide additional evidence about conditions existing as at the Balance Sheet date.

Refer below for detailed discussion on estimates and judgments:

**i. Useful lives of Property Plant and Equipment**

The Property, Plant and Equipment are depreciated on a pro-rata basis on written down value basis over their respective useful lives. Management estimates the useful lives of these assets as detailed in Note 2.2 below. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the financial position in future years.

**ii. Retirement benefit obligation**

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity and Leave Encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



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In determining the appropriate discount rate, management considers the interest rates of long-term government bonds with extrapolated maturity corresponding to the expected duration of these obligations. The mortality rate is based on publicly available mortality table for the specific countries. Future salary, seniority, promotion and other relevant factors and pension increases are based on expected future inflation on a long-term basis. Further details about the assumptions used, including a sensitivity analysis are given in Note 44.

**iii. Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

**iv. Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**v. Impairment of Financial assets**

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

**vi. Classification of joint venture**

Through the shareholder agreement, the Company has right to appoint the majority of the board of directors and participate and control all significant financial and operating decisions. The Company has therefore determined that it has joint control over the 'House of Kieraya Private Limited (Furlenco)', even though the company only holds 17.70% of the voting rights.

**2.2 Property, Plant & Equipment**

Property, Plant & Equipment are accounted for on historical cost basis (inclusive of the cost of installation and other incidental costs till the date of commencement of commercial production) net of recoverable taxes, less accumulated depreciation and impairment loss, if any. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow



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to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

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

Freehold land is carried at historical cost and depreciation on property, plant & equipment other than freehold land is provided on a pro-rata basis on written down value basis, over the useful life of the assets estimated by management, in the manner prescribed in Schedule II of the Companies Act, 2013. Depreciation on sale/deduction from property plant and equipment other than freehold land is provided up to the date preceding the date of sale, deduction as the case may be. The asset's residual values, useful lives and method of depreciation are reviewed at the end of each reporting period and necessary adjustments are made accordingly, wherever required. The useful lives in the following cases are different from those prescribed in Schedule II of the Companies Act, 2013.

Asset	Useful life as per Schedule II of the Companies Act, 2013 (No. of Years)	Useful life as assessed/estimated by the Company (No. of Years)
Building		
- Factory (including roads and lanes)	30	29
- Office	60	4-59
- Residential	60	39
Plant & Equipment	15	20
Furniture & Fixtures	10	15
Vehicles		
- Motor Cars	8	10
Office Equipment	5	20
Data Processing Equipment		
- Computer Equipment	3	6
Electrical Fittings	10	20

Based on usage pattern, technical evaluation and internal assessment, management believes the useful lives as given above best represent the period over which the management expects to use these assets. Hence, the useful lives of these assets is different from the lives as prescribed in Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

#### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2016 measured as per the Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### 2.3 Investment in Subsidiaries and Joint venture

Investments in subsidiaries and joint venture entity are carried at cost, less accumulated impairment losses, if any. Where an indication of impairment exists the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in



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subsidiaries or joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

**24 Financial Instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial Assets**

**(a) Initial recognition and measurement**

At initial recognition, all financial assets are recognized at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**(b) Classification and subsequent measurement**

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- a. at amortized cost;
- b. at fair value through other comprehensive income (FVTOCI); and
- c. at fair value through profit and loss (FVTPL)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition. Company reclassifies assets when and only when its business model for managing those assets changes.

**(1) Financial assets measured at amortized cost**

A financial asset is measured at amortized cost if both the following conditions are met:

- **Business Model Test:** The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather than to sell the asset prior to its financial maturity to realize its fair value changes); and
- **Cash Flow Characteristics Test:** The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial asset are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade receivables,



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deposits with banks, security deposits, cash and cash equivalents, investments in securities and employee loans, etc.

(2) **Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):**

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- **Business Model Test:** The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- **Cash Flow Characteristics Test:** The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Profit and Loss.

When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(3) **Financial instruments measured at Fair Value Through Profit and Loss (FVTPL)**

Fair Value through Profit and Loss is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value movements i.e. gain or loss and interest income are recorded in Statement of Profit and Loss. This category comprises of investments in mutual funds and market linked debentures.

(c) **Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost;
- Financial Assets measured at FVTOCI

Expected credit losses are measured through a loss allowance at an amount equal to:

- 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks, security deposits, employee loans, etc.
- Financial assets that are debt instruments and are measured at FVTOCI.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



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The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Balance Sheet date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Balance Sheet date. If not, they are classified under non-current assets.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

**(d) Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:

- a. The rights to receive cash flows from the asset have been expired/transferred; or
- b. The Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**(ii) Financial Liabilities**

**Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, borrowings, security deposits and other payables.

**Subsequent measurement**

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

**Borrowings & Security Deposits**

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized in profit or loss over the period of the liability and subsequently measured at a amortized cost using the effective interest method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR.



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*Financial Guarantee Contract*

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

*Trade and other payables*

Trade and other payables are obligations incurred by the Company towards purchase of raw material and other goods and availing the services that have been acquired or availed in the ordinary course of business. Trade and other payables are classified under current liabilities, if payment is due within 12 months as at Balance Sheet date, if not, they are classified under non-current liabilities.

*Derecognition*

A financial liability is derecognized 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**(iii) Offsetting of financial instruments :**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(iv) Derivative Financial Instruments :**

**Initial recognition and subsequent measurement**

The Company uses derivative financial instruments to hedge its foreign currency risk and interest rate risk. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Profit or Loss and Other Comprehensive Income. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**Hedge Accounting**

The Company designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as cash flow hedges.

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements :-

There is an economic relationship between the hedged items and the hedging instruments.

- the effect of credit risk does not dominate the value changes that result from that economic relationship.

- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.



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At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk.

**Cash flow hedges**

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit or Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit or Loss upon the occurrence of the underlying transaction.

**2.5 Inventories**

Raw materials, packaging materials and stores and spares parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding those subsequently recoverable by the Company from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, first-in-first-out cost method is used.

Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net realizable value. Cost of work in progress and manufactured finished goods is determined on weighted average and its cost comprises of direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a first-in-first-out.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item-by-item basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories

**2.6 Cash and Cash Equivalents**

Cash and cash equivalents comprises of cash on hand, short term deposits with banks with original maturity of 3 months or less, highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**2.7 Impairment of Non-Financial Assets**

The Company assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.





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**2.8 Provisions and Contingent Liabilities**

**a) Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**b) Contingent Liabilities**

A disclosure for a contingent liability is made 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 arising as a result of past event that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

**2.9 Revenue Recognition**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

IND As 115 five step model is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Sales are recognized at the fair value of the consideration that can be reliably measured and reduced by variable consideration. Variable consideration includes sales returns, trade discounts, volume based incentives, and cost of promotional programs, indirect taxes as may be applicable.

The Company provides various volume based rebates to certain customers once the goods are purchased by them above a certain threshold as specified in the scheme letter. Rebates outstanding at the balance sheet date are adjusted against the amount receivable from the customer. To estimate and recognise the liability for the incentives the company uses the methods which best predicts the amount of incentives and is primarily driven by the number of volume thresholds mentioned in the contracts.

**i) Sale of goods - distributors**

The company operates via chain of distributors selling mattresses and home comfort products. Revenue from the such sales is recognised when control of the products being sold is transferred to distributor and when there are no longer any unfulfilled obligations. As per company's policy the performance obligations are fulfilled at the time of dispatch from the factory or warehouse.

Company's contract with trade customers do not have financing component or non-cash consideration and the Company does not have any unbilled revenue or deferred revenue.



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It is the company's policy to sell its products to the end customer with a right of return within a stipulated time period. Therefore, a refund liability (included in other current liabilities) and a right to recover the returned goods (included in other current assets) are recognised for the products expected to be returned, based on estimate. Historical data and past trends are used to estimate such returns. Because the number of products returned has been steady for years, it is highly probable that a significant reversal in the cumulative revenue recognised will not occur. The validity of this assumption and the estimated amount of returns are reassessed at each reporting date.

The company's obligation to replace faulty products under the standard warranty terms is recognised as a provision (Refer Note 25).

**ii) Sale of goods – B2B**

The company manufactures and sells a range of industrial foam and cushioning foam to B2B segment. Sales are recognised when control of the products has transferred, that is when the products are dispatched from the factory or the warehouse.

**iii) Sale of services**

The IT consulting division provides business IT management, design, implementation and support services under fixed-price and variable-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spent relative to the total expected labour hours.

**2.10 Employee Benefits**

**a. Short Term Employee Benefits**

All Employee benefits payable within twelve months of rendering the services are classified as short-term benefits. Such benefits include salaries, wages, bonus, awards, ex-gratia, performance incentive/pay etc, are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**b. Post-Employment Benefits**

**i. Defined contribution plan.**

**(A) Provident fund:**

Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

**(B) Employee's State Insurance Scheme:**

Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.



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ii. Defined benefit plan

Gratuity:

The company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the Other Comprehensive Income in the year in which they arise. Liability is funded through a separate Gratuity Trust. The short/ excess of gratuity liability as compared to the net fund held by the Gratuity Trust is accounted for as liability/ asset as at the Balance Sheet date.

c. Other Long-Term Benefits

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under defined benefit plans can be encashed only on discontinuation of service by employee.

d. Share based payments

Employee Options:

The fair value of options granted by the Company is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- \* including any market performance conditions if any;
- \* excluding the impact of any service and non-market performance vesting conditions if any;
- \* including the impact of any non-vesting conditions if any.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

Where shares are forfeited due to failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such shares are reversed effective from the date of the forfeiture.



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**2.11 Leases**

**As a Lessee**

The Company's lease assets classes primarily consist of leases for Land & Buildings. The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement 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 and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense in the statement of profit and loss. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company separately recognizes the interest expense on the lease liability as finance cost and the depreciation expense on the right-of-use asset.

Payments associated with short-term leases of warehouses are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

The Company has applied the practical expedient wherein it relied on its assessment of whether leases are onerous immediately before the date of initial application.

**As a Lessor**

Lease income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised over the lease term on the same basis as lease income.



**SHEELA FOAM LIMITED**  
**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**MARCH 31, 2024**

**2.12 Taxation**

Tax expense for the year comprises of Current Tax and Deferred Tax are included in the determination of the net profit or loss for the year.

**a. Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**b. Deferred Tax**

Deferred tax is provided 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 assets and liabilities 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, the carry forward of unused tax credits and unused tax losses can be utilised. 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 is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



**SHEELA FOAM LIMITED**  
**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**MARCH 31, 2024**

**2.13 Earnings per Share:**

Basic earnings per share is calculated by dividing net profit/loss of the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding without a corresponding change in the resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**2.14 Contributed Equity:**

Equity shares are classified as equity share capital. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.15 Borrowing Cost:**

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.

**2.16 Standards (including amendments) issued but not yet effective.**

There are no such standards which are notified but not yet effective.

**2.17 Standards that became effective during the year**

The Ministry of Corporate Affairs (MCA) has notified on 01 March 2023 Companies (Indian Accounting Standards) Amendment Rules, 2023 amending the Companies (Indian Accounting Standards) Rules, 2015. The amendments came into force with effect from 1 April 2023, i.e., Financial Year 2023-24. These amendments to Ind AS are made to align the recent amendments done in IFRS. The amendments were applicable for annual periods beginning on or after 1 April 2023.

**(i) Disclosure of Accounting Policies - Amendments to Ind AS 1**

The amendment requires entities to disclose their material rather than their significant accounting policies. These amendments define what is material accounting policy information and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting

These amendments had an impact on the disclosure of accounting policies, but not on the measurement, recognition or presentation of any items in financial statements of the Company.



**SREELA FOAM LIMITED**  
**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**MARCH 31, 2024**

**(ii) Definition of accounting estimates - Amendment to Ind AS 8**

The amendment clarifies how entities should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events (as well as the current period).

These amendments had no impact on the year-end financial statements of the Company as there were no changes in accounting policy or estimate.

**(iii) Deferred tax related to assets and liabilities arising from a single transaction- Amendment to Ind AS 12**

The amendment requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in the opening balance of retained earnings, or another component of equity, as appropriate.

Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements.

These amendments had no impact on the year-end financial statements of the Company as the Company is recognizing equal amounts of taxable and deductible temporary differences, separately.



Sheela Foam Limited  
Notes forming part of the standalone financial statements for the year ended March 31, 2024

**NOTE 3 : PROPERTY, PLANT AND EQUIPMENT**

Particulars	(₹ in Crores)								
	Land - freehold	Buildings (including Roads & Leases)	Plant & Equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical fittings	Total property, plant and equipment	Capital work-in-progress
<b>At cost or deemed cost</b>									
As at April 1, 2022	18.99	147.40	220.00	13.40	11.65	10.93	11.01	440.98	31.04
Additions	0.20	18.73	10.76	0.97	4.99	3.15	0.00	38.80	60.11
Disposals/transfer	-	(0.09)	(1.67)	(0.17)	(0.81)	(0.88)	-	(3.62)	(8.55)
As at March 31, 2023	17.29	166.04	229.09	14.20	15.83	21.20	11.01	476.56	103.40
Additions	20.11	104.22	50.82	2.55	3.01	15.15	22.97	228.83	137.70
Disposals/transfer	(40.08)	(11.30)	(15.12)	(0.30)	(1.70)	(0.65)	(0.30)	(18.43)	(100.08)
As at March 31, 2024	43.33	264.96	264.79	16.45	17.14	35.70	33.77	662.84	241.02
<b>Accumulated depreciation</b>									
As at April 1, 2022	-	63.04	89.58	6.39	8.15	0.65	5.02	170.80	-
Charge for the year	-	12.43	18.09	1.48	2.08	2.96	0.84	38.44	-
Disposals/adjustments	-	(0.03)	(1.06)	(0.08)	(0.45)	(0.74)	-	(2.36)	-
As at March 31, 2023	-	75.44	106.61	7.79	9.78	2.87	5.86	208.35	-
Charge for the year	-	24.18	19.08	1.96	2.68	3.44	1.48	52.20	-
Disposals/adjustments	-	(0.55)	(7.05)	(0.3)	(0.98)	(0.48)	(0.18)	(10.35)	-
As at March 31, 2024	-	99.07	119.64	9.45	11.48	5.83	7.16	243.63	-
<b>Net carrying amount</b>									
As at March 31, 2023	17.29	100.60	122.79	6.42	6.26	8.14	8.24	268.21	103.40
As at March 31, 2024	43.33	175.89	145.14	7.48	8.71	20.68	26.61	419.17	241.02

- Notes:
- The property, plant and equipment costing upto ₹ 8,000/- are fully depreciated during the year of addition after retaining 5% as net residual value.
  - Property, plant and equipment and capital work-in-progress has been pledged as security amounting ₹ 324.00 Crores (Previous Year ₹ 221.31 Crores) and for secured disclosure of charge created on pledged assets, refer note no. 65.
  - Refer note no. 51 for disclosure of commitment for expenditure on account of acquisition of Property, plant and equipment.
  - Refer note no. 43 for disclosure of title deeds of immovable properties not held in the name of the Company.
  - Capital Work-in-progress represents assets under construction & installation at various sites and ageing analysis is as below:

Particulars	March 31, 2024					March 31, 2023				
	Amount in Capital Work-in-progress for a period of				Total	Amount in Capital Work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	66.44	11.78	-	-	80.22	72.29	31.20	-	-	103.49

**f. Schedule for Capital work-in-progress whose completion is overdue compared to its original plan-** (₹ in Crores)

Particulars	March 31, 2024					March 31, 2023				
	Amount in Capital work-in-progress to be completed in				Total	Amount in Capital work-in-progress to be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Jabalpur Plant	63.20	-	-	-	63.20	103.40	-	-	-	103.40

- g. The Company does not have any project temporarily suspended.





Sheela Foam Limited  
Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 4 : RIGHT-OF-USE ASSETS

Particulars	(₹ in Crores)		
	Leasehold land	Buildings	Total
<b>Cost</b>			
As at April 1, 2022	41.88	3.08	44.96
Additions	-	0.41	0.41
Disposal/Transfer	(0.09)	(2.08)	(2.17)
As at March 31, 2023	41.82	0.61	42.43
Additions	25.44	22.51	47.95
Disposal/Transfer	(18.00)	-	(18.00)
As at March 31, 2024	61.86	23.02	84.88
<b>Accumulated Depreciation</b>			
As at April 1, 2022	2.28	0.90	3.18
Charge for the year	2.03	0.49	2.52
Disposal/Transfer	-	(1.17)	(1.17)
As at March 31, 2023	4.32	0.24	4.56
Charge for the year	4.83	1.26	6.09
Disposal/Transfer	(4.27)	-	(4.27)
As at March 31, 2024	4.88	1.50	6.38
As at March 31, 2023	52.20	0.37	52.57
As at March 31, 2024	46.18	21.53	67.71

(i) Refer note no. 46 for detailed disclosures as per IND AS 116 "Leases".

## NOTE 6 : INVESTMENT PROPERTY

Particulars	(₹ in Crores)			
	Leasehold land	Freehold land	Buildings	Total
<b>Cost</b>				
As at April 1, 2022	0.88	0.11	4.32	5.31
Additions	-	-	-	-
Disposal/Transfer	-	-	-	-
As at March 31, 2023	0.88	0.11	4.32	5.31
Additions	-	-	-	-
Disposal/Transfer	-	(0.11)	(0.47)	(0.58)
As at March 31, 2024	0.88	-	3.85	4.73
<b>Accumulated Depreciation</b>				
As at April 1, 2022	0.06	-	1.43	1.49
Charge for the year	0.04	-	0.10	0.20
Disposal/Transfer	-	-	-	-
As at March 31, 2023	0.06	-	1.53	1.59
Charge for the year	0.04	-	0.15	0.20
Disposal/Transfer	-	-	(0.28)	(0.28)
As at March 31, 2024	0.07	-	1.61	1.68
As at March 31, 2023	0.92	0.11	2.70	3.43
As at March 31, 2024	0.67	-	2.34	2.95



## Shakti Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## Notes:

- a. Property that is held for long-term rental yields or for capital appreciation or both and that is not occupied by the Company, is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are added to the carrying amount only when it is probable that it will increase its useful life. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred. Though the Company measures investment property using cost-based measurement, the fair value of the investment property is disclosed in the notes. Fair value is determined based on an annual evaluation performed by an accredited external independent valuer applying a recognized and recommended valuation model.
- b. Depreciation on investment property, is provided on a pro-rata basis on a written down value basis, over the useful life of the property estimated by management, as the manner prescribed in Schedule II of the Act. The property's residual value, useful lives and method of depreciation are reviewed at the end of each reporting period and necessary adjustments are made accordingly, wherever required. The useful lives in the following cases are different from those prescribed in Schedule II of the Act:

Asset	Useful life as per Schedule II of the Companies Act, 2013	Useful life as assessed / estimated by the Company
	No. of Years	No. of Years
<b>Buildings:</b>		
- Factory	50	20
- Office	50	50
- Residential	50	50

Based on usage pattern, technical evaluation and internal assessment, management believes the useful lives, as given above best represent the period over which the management expects to use the properties. Hence, the useful lives of these properties is different from the lives as prescribed in Schedule II of the Companies Act, 2013.

- c. The leasehold land has been amortised during the year by ₹ 0.01 Crores (March 31, 2023 - ₹ 0.01 Crores) as per the accounting policy in terms of the Ind AS-40 on 'Investment Property'.
- d. Investment property is derecognized when either it has been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss arising on de-recognition of the investment property is included in the Statement of Profit and Loss. Transfers are made between investment property only when there is a change in its use. Transfers between investment property is made at the carrying amount of the property transferred. On transition to Ind AS, since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 01, 2016.

## e. Income from investment property

Particulars	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Rental income derived from investment property	1.96	2.17
Profit arising from investment property before depreciation	1.96	2.17
(Less) Depreciation for the year	(0.16)	(0.20)
Net Profit arising from investment property	1.80	1.97

- f. The Company has obtained independent valuation for its investment properties at ₹ 10.20 Crores as on March 31, 2024 and ₹ 28.85 Crores as on March 31, 2023 ( includes one investment property located at Silvassa, which was sold during the year). These valuations are based on valuations performed by K S Agrawal Associates, an accredited independent valuer. K S Agrawal Associates is a specialist in valuing these types of investment properties and evaluated the fair valuation based on best evidence of fair value determined using replacement cost of an asset of equivalent utility, depreciation and obsolescence. Fair market value is the amount expressed in terms of money that may reasonably be expected to be exchanged between a willing buyer and a willing seller, with equity or both. The valuation by the valuer assumes that Company shall continue to operate and run the assets to have economic utility. The fair value is on 'as is where is' basis.
- g. There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements thereof and there are no restrictions on remittance of income and proceeds of disposal.
- h. The investment properties which are leasehold properties, feasibility of the same is subject to the terms and conditions under the respective lease agreements.
- i. The Company's Investment Properties are given on leaseable lease for a period 1-10 years.



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 6 : INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURE

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	₹ in Crores	No.	₹ in Crores
<b>Investments in equity shares (Unquoted, at cost) (fully paid up)</b>				
<b>Subsidiaries</b>				
Joyce Foam PTY. Limited - Face value per share of AUD 10/- each	6,38,500	23.07	6,81,500	23.07
Stago Software Private Limited (formerly known as Diga Software solutions private Limited) - Face value per share of ₹ 10/- each	94,838	78.02	94,833	78.02
Sleepwell Enterprises Private Limited - Face value per share of ₹ 10/- each	10,500	1.09	10,500	1.09
Isaematerial Foam Technologies SL, Spain - Face value per share of Euro 1/- each	1,20,03,000	98.34	1,20,03,000	98.39
Stago World Private Limited - Face value per share of ₹ 10/- each	10,000	0.01	10,000	0.01
Sheela Foam Trading LLC - Face value per share of AUD 1000/- each	500	1.14	-	-
Kulcon Enterprises Limited - Face value per share of ₹ 10/- each	3,36,13,520	2,000.00	-	-
	<u>4,33,93,653</u>	<u>2,197.74</u>	<u>1,27,78,633</u>	<u>196.58</u>
<b>Joint Ventures</b>				
House Of Karyas Private Limited - Investment in Compulsory Convertible Preference Shares - Face value per share of ₹ 10/- each	1,80,52,750	248.79	-	-
Investment in Equity shares - Face value per share of ₹ 1/- each	18,57,500	25.80	-	-
Investment in Share warrants - Face value per share of ₹ 52.35/- (approx.) each	56,00,995	86.31	-	-
<b>Total</b>	<u>2,56,11,254</u>	<u>380.70</u>	<u>-</u>	<u>-</u>
Aggregate amount of Unquoted investments		2,658.48		196.58
Aggregate amount of impairment in value of investments		-		-

During the year, the Company has acquired 94.37% equity shares of Kulcon Enterprises Limited (refer note no. 63) and the Company has acquired 17.70 % equity stake of House of Karyas Private Limited (refer note no. 64)

## NOTE 6.1 : INFORMATION ABOUT SUBSIDIARIES

Name of the Company and Country of Incorporation	Principal Activities	(% of Shareholding)	
		As at March 31, 2024	As at March 31, 2023
Joyce Foam PTY. Limited, Australia	Manufacturer of technical foams applied to business to business customers (mattress and hygiene manufacturers)	100	100
Stago Software Private Limited (formerly known as Diga Software solutions Pvt. Ltd.), India	Software development and related ancillary activities	100	100
Sleepwell Enterprises Private Limited, India	Providing of its Trademarks, Patents, Logos etc. and selling royalty license	100	100
Isaematerial Foam Technologies SL, Spain	To invest in a wholly Owned Subsidiary Company in Spain, engaged in manufacturing of Polyurethane Foam	100	100
Stago World Private Limited, India	Information technology and related ancillary activities	100	100
Kulcon Enterprises Limited, India	Engaged in the business of manufacturing/trading in rubberized car, sofa, foam, polyurethane foam, bonded foam, pillow, spring mattresses, furniture, furnishings, etc. etc	97.43	-
Sheela Foam Trading LLC, Dubai	Home Furniture and Mattressed trading	100	100

## NOTE 6.2 : INFORMATION ABOUT JOINT VENTURE

Name of the Company and Country of Incorporation	Principal Activities	(% of Shareholding)	
		As at March 31, 2024	As at March 31, 2023
House of Karyas Private Limited, India	The Company is engaged in the business of providing furnishings solutions by purchasing and selling on rent furniture and fixtures, domestic equipment's, home appliances, and other electronic equipment's and sale of refurbished and new furniture and fixtures and other electronic equipment's.	17.70	-

The country of incorporation or registration for above subsidiaries and joint venture is also their principal place of business.

## NOTE 7 : OTHER INVESTMENTS

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
in Debentures - fully paid up		
Carried at fair value through Profit & Loss - Unquoted	510.00	58.47
<b>Total investments</b>	<u>510.00</u>	<u>58.47</u>
Aggregate amount of Unquoted investment	510.00	58.47
Aggregate amount of impairment in value of investments	-	-

## NOTE 8 : LOANS

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
At amortised cost		
Loans to employees	0.27	0.14
Loans to Subsidiary Company (refer note no. 45 & 63)	72.17	71.89
<b>Total</b>	<u>72.44</u>	<u>72.03</u>



## Sheela Foam Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2024

## NOTE 9 : OTHER FINANCIAL ASSETS (NON CURRENT)

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Security deposit	4.27	4.52
Deposits with banks - held as margin money	0.01	0.01
<b>Total</b>	<b>4.28</b>	<b>4.53</b>

## NOTE 10 : NON CURRENT TAX ASSETS (NET)

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Advance income tax (net of provision of ₹ 167.41 Crores (March 31, 2023) ₹ 123.88 Crores)	39.34	11.74
<b>Total</b>	<b>39.34</b>	<b>11.74</b>

## NOTE 11 : OTHER NON CURRENT ASSETS

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good)		
Capital advances*	6.58	33.57
Prepaid rent	0.31	0.58
Loan & advances	1.00	1.47
<b>Total</b>	<b>7.89</b>	<b>35.62</b>

\*For value of Contracts in capital account, remaining to be assessed (refer note no. 61)

## NOTE 12 : INVENTORIES

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realizable value unless otherwise stated)		
Raw materials	58.27	63.42
Raw materials (in transit)	9.38	17.24
Work-in-progress	45.10	50.78
Finished goods	13.81	11.57
Stock-in-trade	2.92	25.90
Packing materials	6.05	5.03
Packing materials (in transit)	0.48	0.41
Stores and spares	12.42	11.09
Stores & spares (in transit)	0.48	0.24
<b>Total</b>	<b>149.59</b>	<b>206.58</b>

Notes:

- a) Value of inventories above is net of provision for slow moving/obsolete inventories amounting to ₹ 0.11 Crores (March 31, 2023) ₹ 0.24 Crores) for write-down to net realizable value and provision for slow-moving and obsolete items.
- b) Inventories held by Company are subject to appropriation by banks towards working capital limit opened by the Company (refer note no. 85).

## NOTE 13 : INVESTMENTS

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
In Mutual Funds - fully paid up		
Carried at fair value through profit and loss - Quoted	-	706.58
<b>Total Investments</b>	<b>-</b>	<b>706.58</b>
Aggregate amount of Quoted Investments	-	706.58
Aggregate market value of Quoted Investments	-	706.58

## NOTE 14 : TRADE RECEIVABLES

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
(As amortised cost)		
Unsecured		
Trade receivables - considered good (refer note below)	178.90	158.31
Trade receivables - considered doubtful	3.55	2.48
Trade receivables (gross)	182.45	160.77
Less: Impairment allowance for trade receivables considered doubtful	(19.35)	(12.40)
<b>Total</b>	<b>163.10</b>	<b>148.37</b>



## Shree Poon Limited

These forming part of the standalone Financial Statements for the year ended March 31, 2024

## Further classified as

Receivable from related parties (refer note no. 45)	0.32	2.17
Receivable from others	170.58	136.14
	<u>180.90</u>	<u>138.31</u>

## Notes :

- a. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.  
 b. Trade receivables are equally non-interest bearing and are on trade terms of 0 - 60 days.  
 c. For trade receivables, the Company has applied the simplified approach permitted by and with IFRS Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

## d. Movement in the expected credit loss allowance

Particulars	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	2.48	0.59
Charge / (reversal) in allowance during the year (net)	1.09	1.67
Balance at the end of the year	<u>3.56</u>	<u>2.46</u>

- e. The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the company has transferred the relevant receivables to the factor in exchange for cash and is prohibited from selling or pledging the receivables. However, the company has retained the payment and credit risk. The company therefore continues to recognize the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The company considers that the need to collect business model remains appropriate for these receivables and hence continues measuring them at amortised cost.

The relevant carrying amounts are as follows:

Particulars	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Total transferred receivables	26.32	-
Associated secured borrowings (refer note no. 28)	26.32	-

## Presenting Cash flows

Management considers that in substance the factor collects the amounts receivable on the entity's behalf and makes the cash in settlement of the separate financing transaction. The company therefore presents the cash inflows received from the bank as financing cash inflows and the subsequent payments by the dealer as both operating cash inflows and financing cash outflows.

- f. Refer note no. 49 for information about credit and impairment of trade receivables.

- g. Realisation from trade receivables held by Company are subject to hypothecation by bankers towards working capital limits obtained by the Company.

## h. Below is the ageing analysis of trade receivable :

Particulars	Outstanding for following periods from due date of payment:						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
As on March 31, 2024							
(i) Undisputed trade receivables							
- considered good	94.18	17.27	6.17	6.58	0.31	2.39	146.90
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	0.36	0.22	0.61	1.76	0.60	3.55
- credit impaired	-	-	-	-	-	-	-
(iii) Impairment allowance for trade receivables considered doubtful (Disputed and Non Disputed)	-	(0.36)	(0.22)	(0.61)	(1.76)	(0.60)	(3.55)
<b>Total</b>	<b>94.18</b>	<b>17.27</b>	<b>6.17</b>	<b>6.58</b>	<b>0.31</b>	<b>2.39</b>	<b>146.90</b>
As on March 31, 2023							
Particulars	Outstanding for following periods from due date of payment:						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	more than 3 years	
As on March 31, 2023							
(i) Undisputed trade receivables							
- considered good	98.20	33.35	0.54	0.55	0.08	0.21	132.93
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
(ii) Disputed trade receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	0.45	0.40	1.44	-	0.17	2.46
- credit impaired	-	-	-	-	-	-	-
(iii) Impairment allowance for trade receivables considered doubtful (Disputed and Non Disputed)	-	(0.45)	(0.40)	(1.44)	-	(0.17)	(2.46)
<b>Total</b>	<b>98.20</b>	<b>33.35</b>	<b>0.54</b>	<b>0.55</b>	<b>0.08</b>	<b>0.21</b>	<b>132.93</b>



Sheela Foam Limited  
 Making forming part of the Standalone financial statements for the year ended March 31, 2024

**NOTE 16 : CASH AND CASH EQUIVALENTS**

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts in hand. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the Balance Sheet as follows:

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Balance with banks :		
Current accounts	17.51	12.83
Fixed deposits account with an original maturity of less than three months	0.01	0.01
Cash on hand	0.09	0.07
<b>Total</b>	<b>17.61</b>	<b>12.91</b>

**Notes:**

- a) There are no restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior year.  
 b) Cash balances with banks include interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of one to three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

**NOTE 16 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Deposits having original maturity more than 3 months but less than 12 months	0.20	0.27
<b>Total</b>	<b>0.20</b>	<b>0.27</b>

**Notes:**

Other bank balances represent term deposits with banks.

**NOTE 17 : LOANS**

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good & authorized limit		
Loans to employees	0.80	0.61
<b>Total</b>	<b>0.80</b>	<b>0.61</b>

**Note:**

In the above no loans or advances are granted to promoters, directors, KMPs and related parties.

**NOTE 18 : OTHER FINANCIAL ASSETS (CURRENT)**

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Interest accrued but not due on deposits with banks, bonds and securities	0.06	0.00
Reveries accrued on loans given to subsidiary companies*	1.57	2.40
Other Receivables*	0.86	0.69
Other loans & advances	0.47	0.27
<b>Total</b>	<b>2.96</b>	<b>3.36</b>

**Note:**

\* For transaction with related parties, refer note no. 45.



## Shree Ram Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 19 : OTHER CURRENT ASSETS

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Unsecured, intangible good		
Advance to contractors/suppliers	5.98	14.72
Expenses with Statutory/Government authorities:		
- Excise & Custom	1.18	9.75
- GST	33.42	27.97
- VAT/Sale Tax	4.84	4.80
Prepaid expenses (refer note 14)	7.71	4.86
Lease acquisition	0.64	0.68
Right to recover return goods (refer note 16)	2.43	1.48
<b>Total</b>	<b>56.28</b>	<b>57.08</b>

(a) Prepaid expenses includes amount of ₹ 44 (March 31, 2023 ₹ 0.47 Crores) towards amount available for set off in pursuant of sub-rule(3) of rule 7 of the Companies (Corporate social responsibility policy) rules, 2014 (refer note no. 57).

(b) In certain cases, the Company provides its customers right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, the Company recognizes liability for expected sales return, a receivable on expected sales return (and corresponding adjustment to change in inventory) is also recognized for the receivable on expected sales return from a customer.



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 20 : EQUITY SHARE CAPITAL

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
<b>(a) Authorised share capital:</b>		
26,00,00,000 fully paid equity shares of ₹ 5/- each	130.00	130.00
(March 31, 2023 : 26,00,00,000 fully paid equity shares of ₹ 5/- each)		
	<u>130.00</u>	<u>130.00</u>
<b>Issued, subscribed &amp; paid up share capital:</b>		
10,85,87,341 fully paid equity shares of ₹ 5/- each	54.29	48.78
(March 31, 2023 : 9,75,85,618 equity shares of ₹ 5/- each)		
Total	<u>54.29</u>	<u>48.78</u>

## (b) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	₹ in Crores	Number of shares	₹ in Crores
At the beginning of the year	9,75,85,618	48.78	4,87,82,808	24.39
Bonus shares issued during the year (refer note no. 20(e))	-	-	4,87,82,808	24.39
Fully paid up equity shares issued during the year*	1,11,31,725	5.57	-	-
Outstanding at the end of the year	<u>10,86,87,341</u>	<u>54.34</u>	<u>9,75,85,618</u>	<u>48.78</u>

\*During the year, the Company has raised money by the way of Qualified Institutions Placement ("QIP") and allotted 1,11,31,725 equity shares of face value ₹ 5/- each to the eligible qualified institutional buyers (QIB) at a price of ₹ 1,078/- per equity share (including a premium of ₹ 1,073 per equity share) aggregating to ₹ 1,200.00 Crores on September 26, 2023. The issue was made in accordance SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018. Expenses incurred in relation to QIP includes ₹ 68.47 Crores which has been adjusted from Securities Premium Account. Refer Note 21.

## c) Terms and rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 5/- per share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.

## (d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2024		As at March 31, 2023	
	Number of shares	% of holding	Number of shares	% of holding
Sh. Rahul Gautam	1,24,18,970	11.43%	1,24,18,970	12.73%
Smt. Namita Gautam	1,14,31,758	10.52%	1,14,31,758	11.72%
Sh. Tushar Gautam	3,41,72,628	31.44%	3,41,72,628	35.03%
Rangoli Resorts Private Limited	1,31,50,818	12.10%	1,31,50,818	13.47%
SBI Magnum Midcap Fund	1,08,28,381	9.78%	84,70,282	8.68%
Kotak Emerging Equity Scheme	58,02,172	5.34%	69,00,647	6.95%

## (e) Aggregate number and class of shares allotted as fully paid up by way of bonus shares

During the year ended March 31, 2024, no shares were allotted as fully paid up by way of bonus shares. While during the year ended March 31, 2023, 4,87,82,808 fully paid up equity shares of ₹ 5/- each were allotted by way of bonus shares to all the shareholders in the ratio of 1:1.

## (f) Shareholding of promoters &amp; promoter group

Shares held by promoters at the end of the year	As at March 31, 2024			As at March 31, 2023		
	Number of Shares	% of holding	% Change during the year	Number of Shares	% of holding	% Change during the year
Sh. Rahul Gautam	1,24,18,970	11.43%	-1.30%	1,24,18,970	12.73%	-
Smt. Namita Gautam	1,14,31,758	10.52%	-1.20%	1,14,31,758	11.72%	-
Sh. Tushar Gautam	3,41,72,628	31.44%	-3.69%	3,41,72,628	35.03%	-
Rangoli Resorts Private Limited	1,31,50,818	12.10%	-1.37%	1,31,50,818	13.47%	-
Total		<u>65.49%</u>			<u>72.96%</u>	

(g) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end. However, certain bonus shares has been issued during the previous year, refer (e) above.





## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 21 : OTHER EQUITY

Particulars	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Capital reserve (refer note (a) below)	-	-
General reserve (refer note (b) below)	-	-
Securities Premium (refer note (c) below)	1,135.98	-
Retained earnings (refer note (d) below)	1,483.82	1,315.93
Other comprehensive income (refer note (e) below)	-	-
Share based payment reserve (refer note (f) below)	2.42	-
Cash flow hedge reserve (refer note (g) below)	(2.26)	(2.80)
<b>Total</b>	<b>2,619.94</b>	<b>1,313.13</b>

Particulars	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Capital Reserve</b>		
Opening balance	-	3.29
Bonus shares issued during the year	-	(3.29)
Closing balance	-	-
<b>General reserve</b>		
Opening balance	-	17.48
Bonus shares issued during the year	-	(17.48)
Closing balance	-	-
<b>Securities Premium</b>		
Opening balance	-	-
Equity shares issued during the year	1,184.43	-
Equity Fund raising expenses	(50.47)	-
Closing balance	1,135.98	-
<b>Retained earnings</b>		
Opening balance	1,315.93	1,150.63
Net profit for the year	168.23	171.08
Bonus shares issued during the year	-	(3.94)
Expenses towards increase in authorized capital	-	(0.50)
Reimbursements of the net defined benefit plans (net of tax)	(9.34)	(1.33)
Closing balance	1,483.82	1,315.93
<b>Other Comprehensive Income</b>		
Opening balance	-	4.24
Realised gain from debt instruments transferred to profit and loss (net of tax)	-	(4.24)
Closing balance	-	-
<b>Share based payment reserve</b>		
Opening balance	-	-
Employee share based payment expenses	2.42	-
Closing balance	2.42	-
<b>Cash flow hedge reserve</b>		
Opening balance	(2.80)	-
Gain / (Loss) on Cash flow hedge reserve (net of tax)	0.54	(2.80)
Closing balance	(2.26)	(2.80)

## Note:

## (a) Capital reserve

During amalgamation of the subsidiaries in the year 2012-13, the excess of net assets taken, over the cost of consideration paid was treated as capital reserve. During the previous year, Company had issued bonus shares in the ratio of 1:1 out of capital reserve of ₹ 3.29 Crores.

## (b) General reserve

The Company had transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. During the previous year, Company had issued bonus share in the ratio of 1:1 out of general reserve of ₹ 17.48 Crores.

## (c) Securities Premium

The amount received in excess of face value of equity shares is recognised as Securities premium.

## (d) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders. Reimbursement of net defined benefit plans: Differences between the interest income on plan assets and the return actually achieved and any changes in liabilities over the year due to changes in actuarial assumption or experience adjustments with in the plan, are recognised in other comprehensive income and are adjusted to retained earnings.



Shreea Foods Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

**(e) Other Comprehensive Income**

The fair value change of debt instruments measured at fair value through other comprehensive income is recognized in Other comprehensive income. Upon derecognition, the cumulative fair value changes on the said instruments are reclassified to the standalone statements of profit and loss.

**(f) Share based payment reserve**

The fair value of the equity-settled share based payment transaction is recognized in standalone statement of profit and loss with corresponding credit to Share based payment reserve.

**(g) Cash flow hedge reserve**

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognized and accumulated under the heading of cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

**NOTE 22 : BORROWINGS (NON-CURRENT)**

Particulars	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Term Loans from Banks (refer note (A) below)		
- ₹ Bank Loan	27.15	40.73
- \$ Bank Loan	39.23	58.02
<b>Unsecured</b>		
Non-convertible Debentures (refer note (B) below)	721.81	-
<b>Total</b>	<b>787.39</b>	<b>98.75</b>
<b>Reconciliation of carrying value of Unsecured Non-Current Borrowings:</b>		
Gross carrying value of Unsecured Borrowings	725.00	-
Less: Unamortised cost related call in Borrowings	(3.99)	-
<b>Total</b>	<b>721.81</b>	<b>-</b>

**Notes:****A. Term Loans from Banks**

- ₹ & \$ Term loans have been taken from JPMorgan Chase Bank, N.A., India & Kotak Mahindra Bank respectively during the year ended 31st March, 2022 for purchase of capital equipments for its Mandira manufacturing unit and towards construction of Mandira (Jabalpur) manufacturing facility.
- ₹ Term Loan carries interest to be charged on loan linked to 1.37% over 3M T-Bill Rates as applicable on the date of agreement shall be revised at interval of every 3 months. The loan is repayable in 10 equal installments with in 5 years of disbursement considering 1 year of moratorium period from the first disbursement.
- \$ Term Loan carries interest of 2.25% p.a. and is repayable in 10 equal installments with in 5 years of disbursement considering 1 year of moratorium period from the first disbursement.
- \$ & ₹ Term loans has been secured by hypothecation of first charge on entire fixed assets (Movable fixed assets and immovable fixed assets) (refer note no. 85).
- Purpose of loan and its utilization

Particulars of Loans	Purpose (as per Loan Agreement)	Whether used for the purpose stated in the loan Agreement	If so, mention the purpose for which it is utilized
JPMorgan Chase Bank (₹ loan)	The facility shall be used by the borrower towards Capex at their new plants at Mandira and Jabalpur.	Yes	Not applicable
Kotak Mahindra Bank (USD Loan)	For capex at Mandira, Mandira Mandira, Jabalpur, Madhya Pradesh and Mandira, Mandira, Mandira, Gujarat.	Yes	Not applicable

**f. Repayment schedule for secured loan outstanding:-**

Particulars	As at March 31, 2024		As at March 31, 2023	
	JP Morgan	Kotak Mahindra	JP Morgan	Kotak Mahindra
Currency of Loan	₹	\$	₹	\$
Number of installments	12	12	10	10
Rate of Interest (%)	1.37% over 3M T-Bill rates	2.25%	1.37% over 3M T-Bill rates	2.25%
<b>Borrowings (Current) :-</b>				
Due within one year (refer note no. 28) (₹ in crores)	13.56	10.61	13.56	10.34
<b>Borrowings (Non Current) :-</b>				
Due after one year but not more than 5 years (₹ in crores)	27.15	39.23	40.73	58.02
Due more than 5 years (₹ in crores)	-	-	-	-
	<b>40.71</b>	<b>49.84</b>	<b>54.29</b>	<b>68.36</b>



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## B. Non-Convertible Debentures

a. Rated, Listed, Unsecured, 8.45% Coupon, Non-Convertible Debentures amounting to ₹ 29.63 crore (March 31, 2023: NIL) included within Current maturities of Non-Convertible Debentures as note no. 26 and ₹ 21.07 crore (March 31, 2023: NIL) included within Non-Convertible Debentures in note 22. It bears interest rate of 8.45% and maturity ranges from April 2025 to October 2028.

## b. Terms of Debentures

Particulars of Debenture	STRPP - I	STRPP - II	STRPP - III	STRPP - IV
Face value per debenture (₹)	1,00,000	1,00,000	1,00,000	1,00,000
Date of allotment	October 06, 2023	October 06, 2023	October 06, 2023	October 06, 2023
As at 31st March 2024 (₹ crore)	137.78	187.67	187.64	187.56
As at 31st March 2023 (₹ crore)	NIL	NIL	NIL	NIL
Interest	8.45% p.a payable annually	8.45% p.a payable annually	8.45% p.a payable annually	8.45% p.a payable annually
Terms of Redemption	Due for Redemption on April 04, 2026	Due for Redemption on October 06, 2025	Due for Redemption on April 04, 2025	Due for Redemption on October 06, 2028

c. Funds raised from Non-Convertible Debentures were utilized for the purpose it were obtained.

d. The Company agrees, confirms and undertakes to comply with and maintain the following Financial covenants at a group level, at all times till the final settlement date:-

- Interest service coverage ratio not less than 2.5 times
- Total Net debt / EBITDA less than 3.5 times
- Total Debt / Tangible net worth less than 2 times

As at the end of the reporting year, the above financial covenants has been complied with.

## NOTE 23 : LEASE LIABILITIES

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Lease liabilities (refer note no. 45A)	43.83	14.93
<b>Total</b>	<b>43.83</b>	<b>14.93</b>
Current	7.59	1.27
Non-current	36.24	13.66

## NOTE 24 : OTHER FINANCIAL LIABILITIES (NON CURRENT)

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Deposits from dealers and others	15.68	25.26
Unearned Rent Income	0.13	0.20
<b>Total</b>	<b>15.81</b>	<b>25.46</b>

## NOTE 25 : PROVISIONS

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
<b>Long-term provisions:</b>		
Provision for employee benefits:		
-Compensated absences	5.68	4.27
<b>Other provisions:</b>		
-Provision for warranty (refer note below)	4.76	4.63
<b>Total</b>	<b>10.44</b>	<b>8.90</b>
<b>Short-term provisions:</b>		
Provision for employee benefits:		
-Compensated absences	0.82	0.10
-Gratuity	3.99	4.85
<b>Other provisions:</b>		
-Provision for warranty (refer note below)	6.56	6.10
<b>Total</b>	<b>11.17</b>	<b>11.05</b>



## Steelix Fajm Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## Note

## Provision for warranty:

Provision is recognised for expected warranty claims on mattresses sold, based on past experience of the level of returns and in accordance with the Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets". Assumptions used for the said provision are sales return and based on past warranty claims. The table below gives information about movement in warranty provision:

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	11.23	6.70
Add : Created during the year	9.01	11.76
(Less) : Utilised during the year	(9.93)	(7.32)
At the end of the year	10.31	11.14

## NOTE 26 : OTHER NON CURRENT LIABILITIES

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Deferred capital grant	0.17	0.20
Total	0.17	0.20

The table below gives information about movement in deferred capital grant:

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	0.23	0.26
(Less) : Realised to statement of profit and loss	(0.00)	(0.03)
At the end of the year	0.23	0.23
Non Current	0.17	0.20
Current	0.06	0.03

## NOTE 27 : DEFERRED TAX LIABILITIES (NET)

Particulars	₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities (net)	11.70	3.63
Total	11.70	3.63

## Movement of deferred tax (assets)/liabilities

Particulars	₹ in Crores)			
	Opening balance	Recognised in the statement of profit or loss	Recognised in the other comprehensive income	Closing balance
As at March 31, 2024				
Impact of difference between tax depreciation and depreciation/ amortisation charged for financial reporting purposes	8.03	2.35	-	8.38
Impact of expenditure charged to the statement of profit & loss in the current year/ earlier years but allowable for tax on payment basis	(1.10)	(0.49)	-	(1.59)
Fair value gain/(loss) on financial instruments or fair value through statement of profit or loss (Net)	3.21	7.20	-	9.41
Remeasurements - gain / (loss) of the net defined benefit plans	(0.83)	0.42	0.11	-
MTM loss on forward currency swap contract	(4.20)	0.87	(0.11)	(3.44)
Impact of Lease assets	1.71	(1.98)	-	(0.27)
Others	(0.59)	(0.30)	-	(0.89)
Total	3.83	8.17	-	11.70



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Particulars	(₹ in Crores)			
	Opening balance	Recognised in the statement of profit or loss	Recognised in the other comprehensive income	Closing balance
<b>As at March 31, 2023</b>				
Impact of difference between tax depreciation and depreciation amortization charged for financial reporting purposes	4.14	1.89	-	6.03
Impact of expenditure charged to the statement of profit & loss in the current year/ earlier years but allowable for tax on payment basis	(0.95)	(0.15)	-	(1.10)
Fair value gain/(loss) on financial instruments at fair value through statement of profit or loss (Net)	0.82	1.69	-	2.51
Remeasurement gain / (loss) of the net defined benefit plans	-	(0.68)	(0.46)	(0.88)
MTM loss on forward currency swap contract	-	(3.32)	(0.88)	(4.20)
Impact of Lease assets	3.88	(2.17)	-	1.71
Others	(1.92)	1.33	-	(0.59)
<b>Total</b>	<b>5.77</b>	<b>(8.91)</b>	<b>(1.33)</b>	<b>5.53</b>

## NOTE 28 : BORROWINGS (CURRENT)

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Term Loans from Banks		
- ₹ Bank Loan	13.58	13.58
- \$ Bank Loan	19.61	19.34
Working Capital Loan	79.90	-
Factored Receivables	28.32	-
<b>Unsecured</b>		
Current maturities of Non-Convertible Debentures (including interest)	28.83	-
<b>Total</b>	<b>188.04</b>	<b>32.92</b>

## Note:

- Working capital facility has been taken to meet day to day funds requirement with interest rate for this facilities ranging from 7.32% to 7.48% (March 31, 2023 - Nil) (refer note no. 47).
- Refer note no. 22 for the purpose, interest rate and repayment term for Term Loans from Banks.
- Factored receivables are secured by first charge on trade receivables subject to factoring arrangements.

## NOTE 29 : TRADE PAYABLES

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
<b>Trade payables other than acceptances:</b>		
(i) Total outstanding dues of micro enterprises and small enterprises (refer note no. 58)	21.15	7.20
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	139.94	188.88
<b>Total</b>	<b>161.09</b>	<b>196.08</b>

## Notes:

- Trade payables due to related parties are disclosed in note no. 45.
- Trade payables for micro and small enterprises are non interest bearing and are normally settled on 7 days to 30 days credit terms.
- Trade payables other than micro and small enterprises are non interest bearing and are normally settled on 60 days to 90 days credit terms.
- Ageing Analysis for Trade payables

## As on March 31, 2024

Particulars	(₹ in Crores)						Total
	Unbilled Dues	Payables not due	Less than 1 Year	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	21.15	-	-	-	-	21.15
(ii) Others	8.49	129.43	4.83	0.07	0.08	0.04	139.94
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>8.49</b>	<b>149.58</b>	<b>4.83</b>	<b>0.07</b>	<b>0.08</b>	<b>0.04</b>	<b>161.09</b>

## As on March 31, 2023

Particulars	(₹ in Crores)						Total
	Unbilled Dues	Payables not due	Less than 1 Year	1-2 years	2-3 years	more than 3 years	
(i) MSME	-	7.20	-	-	-	-	7.20
(ii) Others	4.58	175.15	1.00	0.19	-	-	180.99
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>4.58</b>	<b>182.35</b>	<b>1.00</b>	<b>0.19</b>	<b>-</b>	<b>-</b>	<b>188.99</b>



## Shree Feroz Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 20 : OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Creditors for capital goods	4.00	5.00
Deposits from dealers and others	70.68	62.84
Liability towards exercise of share warrants	55.05	-
Employee Liabilities	26.02	18.04
Other financial liabilities	71.94	-
Liability against foreign currency swap contracts	22.25	22.68
Interest accrued but not due on borrowings	-	0.16
Unearned rent income	0.07	0.07
<b>Total</b>	<b>254.01</b>	<b>108.67</b>

## NOTE 21 : OTHER CURRENT LIABILITIES

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Refund liabilities	3.65	2.36
Deferred capital grant (refer note (a))	0.03	0.03
Contract liabilities (refer note (b))	35.90	37.72
Statutory dues (including provident fund, tax deducted at source, Goods and Service Tax and others)	11.06	18.66
Other liabilities (refer note (c))	2.91	2.49
<b>Total</b>	<b>65.55</b>	<b>69.26</b>

## Notes:

a) Refer note no. 20 for the movement in deferred capital grant.

b) Consists of advances received from customers towards supply of products.

c) Consists of liability pertaining to Corporate social responsibility of ₹ 0.29 Crores (March 31, 2023: ₹ 0.00) (refer note no. 57).



## Shakti Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 32 : REVENUE FROM OPERATIONS

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of products (refer note below)	1,070.49	2,027.29
Sale of services	6.56	6.32
	<u>1,077.05</u>	<u>2,033.61</u>
Other operating revenue		
-Income from sale of processed scrap	2.39	4.82
-Other Operating Revenue	0.08	0.14
<b>Total</b>	<u>1,079.52</u>	<u>2,038.57</u>

## Note:

Includes sale of finished goods and semi-finished goods and services to related parties (refer note no. 45).

## Note 32.1 : Disaggregated revenue information

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

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Geographical Revenue</b>		
Type of goods		
Revenue from external customers	1,070.49	2,027.29
Total revenue from contracts with customers	<u>1,051.56</u>	<u>1,988.62</u>
India	18.93	30.77
Outside India	<u>1,079.49</u>	<u>2,027.29</u>
Type of services (IT Support Services)		
Revenue from external customers	6.56	6.32
Total revenue from contracts with customers	<u>6.56</u>	<u>6.32</u>
India	2.34	2.09
Outside India	<u>4.22</u>	<u>4.26</u>
<b>Total revenue from contracts with customers</b>	<u>1,077.05</u>	<u>2,033.61</u>

## Note 32.2 : Contract balances

The following table provides information about receivables and contract liabilities from contract with customers.

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
<b>Contract Liabilities</b>		
Advance from customers (refer note no. 31)	38.90	37.72
<b>Receivables</b>		
Trade Receivables (refer note no. 14)	188.90	138.31

Receivables is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the Company's obligation to transfer goods or services to a customer for which the Company has received consideration from the customer in advance.

## Note 32.3 : Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price (goods and services)	2,999.57	2,232.01
Less: Adjustments:		
Sales return	(16.68)	(11.40)
Rebate and discount	(195.94)	(187.00)
Revenue from contracts with customers	<u>1,077.05</u>	<u>2,033.61</u>

## Note 32.4 : Performance obligations

The performance obligation for sale of product is considered as fulfilled according to the terms agreed with the respective customer. The performance obligation for sale of services is satisfied over the period of time as per contract with customers.



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 35 : OTHER INCOME

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest income from:</b>		
Financial assets at amortised cost		
Bank deposits	0.03	0.34
Loans given to subsidiary companies (refer note no. 45)	3.61	1.44
Inter-corporate deposit	-	0.28
Others	2.97	1.86
Financial assets at fair value		
Currency swap forward contract	4.94	1.35
Bonds (refer note (a) below)	-	26.47
Unwinding of discount of deposits & lease receivable	0.56	0.51
On income tax refund	0.01	1.73
<b>Other non operating income</b>		
Gain on Termination of Lease	1.64	-
Guarantee commission (refer note (b) below & note no. 45)	1.04	1.22
Rental Income (refer note (c) below)	2.09	2.38
Gain on sale/disposal of fixed assets	-	0.49
Leases provisions no longer required written back	0.82	0.12
Income from sale of Mutual fund & MLD - designated at fair value through profit and loss (refer note (d) below)	39.74	6.89
Income from sale of bond - designated at fair value through other comprehensive income (refer note (d) below)	-	9.75
Fair valuation adjustments of investments through profit and loss (refer note (e) below)	29.97	6.73
Subsidy income (refer note (f) below)	0.03	0.03
Sale of non-processed scrap	4.04	5.76
Net gain on foreign currency transactions and transactions (refer note (g) below)	3.74	-
Other miscellaneous income	1.21	0.04
<b>Total</b>	<b>94.68</b>	<b>71.69</b>

## Notes:

## a) Interest Income from Bonds

Interest income from bonds at fair value through profit or loss is disclosed as interest income with other income. Interest income on financial assets at amortised cost is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

## b) Guarantee Commission

The Company earns guarantee commission on the guarantee given to Bank for the credit facility availed by its foreign subsidiaries.

## c) Rental Income

Rental income from operating leases where the Company is a lessor is recognized on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature. It includes rental income of ₹ 1.96 Crores (March 31, 2023: ₹ 2.17 Crores) from investment property (refer note no. 5).

## d) Income from sale of investments

The Company earns profit/loss on sale of mutual funds, bonds, AIF and MLD. When these investments are sold, the cumulative gain or loss previously recognized in statement of profit or loss and recognized in Other Income interest income from these financial assets is included in other income using the effective interest rate method.

## e) Fair valuation adjustments of Investments

Fair value through profit and loss of investments represent fair valuation changes in mutual funds & MLD which includes dividend declared and not distributed (distributed based on record date) as at reporting dates which have not been recognized in financial statements.

## f) Government Grants / Subsidy

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

## g) Foreign Currency Transactions

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).





## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 34 : COST OF MATERIALS CONSUMED

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Raw material</b>		
Opening inventory	100.60	120.10
Add: Purchases	900.80	1,106.36
(Less): Sales/adjustments/return	(50.82)	(47.09)
(Less): Closing inventory (including goods in transit of ₹ 9.38 Crores (March 31, 2023: ₹ 17.24 Crores))	(67.65)	(100.68)
<b>Raw materials consumed</b>	<b>882.93</b>	<b>1,077.44</b>
<b>Packing Material</b>		
Opening inventory	8.34	8.95
Add: Purchases	63.54	76.74
(Less): Sales/adjustments/return	(5.11)	(5.28)
(Less): Closing inventory (including goods in transit of ₹ 0.45 Crores (March 31, 2023: ₹ 0.41 Crores))	(7.11)	(6.34)
<b>Packing materials consumed</b>	<b>69.66</b>	<b>77.07</b>
<b>Cost of materials consumed</b>	<b>₹ 952.59</b>	<b>1,154.51</b>

## NOTE 35 : PURCHASE OF STOCK-IN-TRADE

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Topped Goods - Bed sheets/comforters/PU foam/spring/box mattresses	81.76	136.08
<b>Total</b>	<b>81.76</b>	<b>136.08</b>

## NOTE 36 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Closing stock:</b>		
Finished goods	13.91	11.57
Stock in trade	2.92	28.90
Work-in-progress	45.10	50.78
Right to recover return goods	2.40	1.48
	<b>64.33</b>	<b>89.71</b>
<b>Opening stock:</b>		
Finished goods	11.57	11.36
Stock in trade	25.90	3.40
Work-in-progress	50.78	48.70
Right to recover return goods	1.48	1.86
	<b>89.71</b>	<b>73.12</b>
<b>Changes in inventories of Finished goods, Stock in Trade and work in progress</b>	<b>25.58</b>	<b>(16.69)</b>

## NOTE 37 : OTHER MANUFACTURING EXPENSES

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Power and fuel	9.15	8.70
Repair and maintenance		
- Buildings	1.59	2.41
- Plant and equipment	21.71	9.88
Processing and other charges	22.50	17.66
<b>Total</b>	<b>54.95</b>	<b>38.65</b>
(Less): Transfer to Capital work-in-progress	(1.24)	(0.37)
<b>Total</b>	<b>53.71</b>	<b>38.28</b>

## NOTE 38 : EMPLOYEE BENEFITS EXPENSE

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages, allowance, and other benefits	140.64	129.45
Contribution to gratuity (refer note no. 44)	2.98	2.85
Contribution to provident and other funds (refer note no. 44)	8.48	7.33
Employee share based payment expenses (refer note no. 44)	2.47	-
Workmen and staff welfare	12.65	12.07
<b>Total</b>	<b>167.18</b>	<b>151.71</b>
(Less): Transfer to Capital work-in-progress	(1.30)	(0.61)
<b>Total</b>	<b>165.88</b>	<b>151.10</b>



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 39 : FINANCE COSTS

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense (on financial liabilities measured at amortised cost):		
- On Security deposits	5.29	5.27
- On non-convertible debentures	30.77	-
- On borrowings from banks	7.99	4.20
- On lease liabilities	2.77	1.04
- Others	0.83	0.07
Bank Charges	0.14	0.13
Total	47.79	40.69
(Loss) Transfer to Capital work-in-progress	(4.04)	(2.55)
Total	43.75	38.13

## NOTE 40 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note no. 3)	52.20	38.44
Depreciation on right-of-use assets (refer note no. 4)	6.08	2.44
Depreciation on investment property (refer note no. 5)	0.16	0.20
Total	58.44	41.08

## NOTE 41 : OTHER EXPENSES

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
IT Support services	17.17	16.40
Freight and forwarding	69.80	63.94
Rent and hire	5.23	4.74
Insurance	6.88	6.54
Fines and taxes	0.77	0.63
Legal and professional	11.33	12.82
Other Maintenance	9.14	12.99
Selling and promotion	38.39	73.13
Travelling and conveyance	17.89	16.21
Loss on sale/disposal of fixed assets	0.27	-
Warranty (refer note 4e)	9.91	14.76
Advertisement	83.18	73.19
Net Loss on Foreign Currency Forward Contracts	0.44	13.22
Advances/Balances written off	0.26	0.35
Provision for Doubtful debts	1.09	1.87
Net loss on foreign currency transactions and translations	-	3.53
Contributions towards CSR (refer note no. 87)	4.82	4.78
Miscellaneous	20.96	21.16
Total	328.60	388.65
(Loss) Transfer to Capital work-in-progress	(2.78)	(1.53)
Total	325.82	387.12

## Note:

## a) Provision for Warranty

Warranty provision is determined based on the historical percentage of warranty expense to sales for the same types of goods depending upon the warranty period offered. The percentage to the sales is applied to derive the warranty expenses to be accrued. Actual warranty claims are settled against warranty provision. The warranty claims may not exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. Closing warranty provision is bifurcated into Current and Non-current based on the past settlement trend with the non-current portion being discounted to derive the present value. The assumptions are consistent with prior years.

## Note 41.1 : Auditor's remuneration included in legal and professional (excluding GST)

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit (including limited review)	0.80	0.38
Certification	0.09	0.03
Out of pocket expenses	0.02	0.02
Total	0.91	0.43



## Shree's Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 42. EARNINGS PER SHARE

Particulars	₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year attributable to Equity shareholders	188.23	171.09
Earnings used in the calculation of basic earnings per share	188.23	171.09
Earnings used in the calculation of diluted earnings per share	188.23	171.09

Particulars	For the year ended March 31, 2024 (In Numbers)		For the year ended March 31, 2023 (In Numbers)	
	Weighted average number of equity shares for the purposes of basic earnings per share	10,32,83,564		9,75,65,516
Weighted average number of equity shares for the purposes of diluted earnings per share	10,33,29,194		9,75,85,816	

Particulars	For the year ended March 31, 2024 (₹ per share)		For the year ended March 31, 2023 (₹ per share)	
	Basic earnings per share	18.29		17.54
Diluted earnings per share	18.28		17.64	



**Sheela Foam Limited**

Notes forming part of the standalone financial statements for the year ended March 31, 2024

NOTE 43 : There are no life deeds of Immovable Properties, which are not held in name of the Company.

**NOTE 44 : EMPLOYEE BENEFITS**

**A. Defined contribution plans**

Company's employees are covered by Provident Fund and Employees State Insurance Scheme/Fund and National Pension Scheme, to which the Company makes a defined contribution measured as a fixed percentage of salary. During the year, amount of ₹ 8.46 Crores (Previous Year: ₹ 7.33 Crores) has been charged to the Statement of Profit and Loss towards employee's contribution to these schemes/funds as under:

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employer's contribution towards Provident Fund (PF)	7.21	6.41
Employer's contribution towards Employees State Insurance (ESI)	0.62	0.47
Employer's contribution towards Labour welfare fund (LWF)	-	-
Employer's contribution towards National Pension Scheme (NPS)	0.63	0.45
<b>Total (refer note no. 28)</b>	<b>8.46</b>	<b>7.33</b>

**B. Post employment benefits**

**Defined benefit plans**

**Gratuity**

The employees' gratuity fund scheme, which is a defined benefit plan, is managed by a trust with effect from 2019 and is being maintained by SFL. Employees gratuity trust. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure on 15 days of last drawn salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

This plan is governed by the Payment of Gratuity Act 1972, which requires that each employee who has completed 5 years of service shall be entitled to gratuity which is equal to salary of 15 days for each completed year of service.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.09%	7.36%
Future salary increase/ratary escalation	7.09%	7.00%
Retirement age (years)	60	60
Mortality Tables		
Employee turnover		
18 to 30 years	3.59%	3.40%
From 31 to 45 years	4.29%	3.70%
Above 45 years	1.47%	0.80%

**Notes:**

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

ii. Information given for retirement age is based on India's standard mortality table with modification to reflect expected changes in mortality rates.



## Sheela Foam Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2024

Quantitative sensitivity analysis for significant assumptions as at March 31, 2024 is shown below:

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increases and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year, while holding all other assumptions constant.

Particulars	(£ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Increase / (decrease) on present value of defined benefit obligations at the end of the year		
Discount rate		
Increase by 1.00%	(3.24)	(3.03)
Decrease by 1.00%	3.62	3.64
Salary increases		
Increase by 1.00%	3.99	3.42
Decrease by 1.00%	(3.26)	(3.07)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, Other Comprehensive Income and the funded status and amounts recognised in the Balance Sheet for the gratuity plan. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

Expense recognised in Statement of Profit and Loss and Other Comprehensive Income:

Particulars	(£ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Service cost:		
Current service cost	2.63	2.28
Past service cost and gain/loss from settlements	-	-
Net interest expense	0.35	0.60
Components of defined benefit costs recognised in profit or loss	<u>2.98</u>	<u>2.88</u>
Remeasurement on the net defined benefit liability:		
Actuarial gains and losses arising from changes in demographic assumptions	-	0.01
Actuarial (gains) / losses arising from changes in financial assumptions	-	0.51
Actuarial (gains) / losses arising from experience adjustments	1.12	1.49
Return on Plan Asset (Excluding Interest)	(0.67)	(0.21)
Components of defined benefit costs recognised in other comprehensive income	<u>0.45</u>	<u>1.80</u>
Total	<u>3.43</u>	<u>4.68</u>

The current service cost and the actuarial expense for the year are included in the 'Employee benefits expense' line item in the Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:

Particulars	(£ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Present value of funded defined benefit obligation	33.40	29.55
Fair value of plan assets	(30.47)	(24.70)
Net deficit in funded plan (refer note no. 25)	<u>2.93</u>	<u>4.85</u>



**Sheela Farm Limited**

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Movements in the present value of the defined benefit obligation are as follows:

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	29.58	24.62
Current service cost	2.63	2.29
Interest cost	2.09	1.84
Re-measurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	-	0.01
Actuarial gains and losses arising from changes in financial assumptions	-	0.61
Actuarial gains and losses arising from experience adjustments	1.12	1.49
Benefits paid	(1.93)	(1.16)
Closing defined benefit obligation	33.46	29.56

Change in plan assets are as follows:

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening fair value of plan assets	24.70	18.39
Return on plan assets	1.75	1.25
Employer contribution	4.26	6.08
Actuarial (Gain)/Loss on Asset	0.67	0.21
Benefits paid	(1.93)	(1.16)
Closing fair value of plan assets	29.47	24.70

The major categories of plan assets:

Particulars	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
Insurance products	29.47	24.70
Total	29.47	24.70

Maturity profile of gratuity liability is as follows:

Year	₹ in Crores	
	As at March 31, 2024	As at March 31, 2023
0 to 1 year	2.97	1.26
1 to 2 Year	1.78	1.07
2 to 3 Year	1.50	1.21
3 to 4 Year	1.53	1.57
4 to 6 Year	1.54	1.26
5 Year onwards	25.04	23.18

Expected contribution to the fund in next year (₹ in Crores)

7.77 8.89

**Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**a. Asset volatility:**

The plan liabilities are calculated using a discount rate set with reference to government bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk. A portion of the funds are invested in equity securities. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from this range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

**b. Changes in discount rate:**

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' assets holdings.

**c. Inflation risks**

Gratuity payments are not linked to inflation, so this is a long-term risk.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

A large portion of assets consists of unit linked group insurance plan which further invests in government and corporate bonds, equities, money market instruments & public deposits. The plan asset mix is in compliance with the requirements of the respective local regulations.



## Sheela Foam Limited

Notes forming part of the condensed financial statements for the year ended March 31, 2024

## C. Share based payments

## a) Employee option plan

The establishment of the SHEELA FOAM – Employees Stock Option Plan 2022 ("SF ESOP - 2022") was approved by shareholders at the 2022 annual general meeting. The Employee Option Plan is designed to provide long term incentive for people who are in the employment of the Company, whether working in India or outside India, including Director of the Company, whether Whole time director or not, including a non-executive director, but excluding Promotee, Promotee group and Independent Directors, a director also either himself or through his relative or through any body corporate directly or indirectly, holds more than ten per cent of the outstanding equity shares of the company to deliver long-term shareholder returns. Under the plan, participants are granted options which vest upon completion of upto three years or on satisfaction of market conditions. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Particulars	As at March 31, 2024		As at March 31, 2023	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	-	-	-	-
Granted during the year	5	2,59,652	-	-
Expired/forfeited during the year	-	-	-	-
Closing balance	5	2,59,652	-	-

No options expired during the periods covered in the above table.

Share options outstanding at the end of the year have the following expiry date having exercise price of ₹ 5 each:

Grant date	Expiry Date	Number of options	
		As at March 31, 2024	As at March 31, 2023
02-11-2022	01-11-2027	17,827	-
02-11-2023	01-11-2028	64,785	-
06-02-2024	06-02-2030	7,260	-
06-02-2024	06-12-2028	1,50,800	-
	<b>Total</b>	<b>2,59,652</b>	<b>-</b>

## (i) Fair value of options granted based service vesting period

The fair value at the grant date of options granted during the year ended March 31, 2024 ranges from ₹ 1081.62 to ₹ 1081.63.

The fair value at grant date is independently determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The following table lists the inputs to the Black Scholes Model used :

Particulars	Model inputs		
	02-11-2023	02-11-2023	06-02-2024
Grant Date	02-11-2023	02-11-2023	06-02-2024
Expiry Date	01-11-2027	01-11-2028	06-02-2030
Risk free rate (%)	7.29	7.106	7.309
Expected life of options (no. of years)	1.5	3.6	3.5
Expected volatility (%)	26.81	26.81	26.81
Dividend yield (%)	0	0	0
Exercise price (₹)	5	5	5
Fair value of the option (₹)	1081.62	1081.63	1081.63

The expected price volatility is based on the historic volatility (based on the remaining life of options), adjusted for any expected changes to future volatility due to publicly available information.

## (ii) Fair value of options granted based satisfaction of market conditions

The fair value at the grant date of options granted during the year ended March 31, 2024 was ₹ 2347.47.

The fair value at grant date is independently determined using the Monte Carlo Simulation (MCS) which is used to model the probabilities of different outcomes in a process that cannot easily be predicted due to the intervention of random variables. It is a technique used to understand the impact of risk and uncertainty in prediction and forecasting models. We have forecasted the multiple possibilities of change in share price by using the MCS method for calculating the expected market capitalization.

The following table lists the inputs to the Monte Carlo Simulation Model used :

Particulars	Model inputs
Grant Date	06-02-2024
Expiry Date	06-12-2028
Risk free rate (%)	7.01
Expected life of options (no. of years)	2.83
Expected volatility (%)	21.04
Dividend yield (%)	0
Exercise price (₹)	5
Fair value of the option (₹)	2347.47

The expected price volatility is based on the historic volatility (based on the remaining life of options), adjusted for any expected changes to future volatility due to publicly available information.

## b) Expense arising from Share Based Payments transactions

Total expense arising from share-based payment transactions recognized in profit & loss as a part of employee benefit expense were as follows:

Particulars	₹ in Crores	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employee Option Plan (Para No: 36)	2.42	-
<b>Total</b>	<b>2.42</b>	<b>-</b>



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 45 : RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, Related Party Disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where contract exists and with whom transactions have taken place during reported periods, are provided below.

(A) Names of related parties and nature of relationship are given below .

Relationship	Name of the party
A. Subsidiary companies (wholly owned)	Joyce Foam PTY Limited, Australia Stago Software Private Limited, India (formerly known as Darya Software Solutions Private Limited) Sweepwell Enterprises Private Limited, India International Foam Technologies S.L. Spain Stago World Private Limited, India Kurion Enterprise Limited, India (w.e.f. 20.10.2023) Sheela Foam Trading L.L.C, Dubai (w.e.f. 25.09.2023)
B. Entities in which Key Management Personnel or their Relatives have significant influence	Rangoli Exports Private Limited Sweepwell Foundation (Trust)
C. Key Management personnel	Mr. Rahul Gauram (Executive Chairman) Mrs. Namita Gauram (Whole time Director) Mr. Vivek Gauram (Managing Director) Mr. Rajesh Chuhar (Whole time Director) Mr. Ashi Kumar Gupta (Chief Financial Officer w.e.f. 03.05.2023) Mr. Nilesh Savabnis Macumdar (Chief Executive Officer w.e.f. 01.04.2023)
D. Flag-down Subsidiary	Interstep, S.L. Spain, (Subsidiary of International Foam Technologies SL) Joyce WC NSW PTY Limited (Subsidiary of Joyce Foam PTY Limited) Stago World KB, (Subsidiary of Stago World Private Limited) Stago Incorporated (Subsidiary of Stago World Private Limited) Stago Technologies L.L.C (Subsidiary of Stago World Private Limited) Kurion Retail Limited (Subsidiary of Kurion Enterprise Limited, India (w.e.f. 20.10.2023))  Solvexone International Limited (Subsidiary of Kurion Enterprise Limited, India (w.e.f. 20.10.2023)) Korion Univerge Projects & Services Limited (Subsidiary of Kurion Enterprise Limited, India (w.e.f. 20.10.2023)) Sankha Value Chain and Manufacturing Private Limited (Subsidiary of Kurion Enterprise Limited, India (w.e.f. 20.10.2023)) Kavay Concept Private Limited (Subsidiary of Kurion Enterprise Limited, India (w.e.f. 26.10.2023))
E. Joint Venture	House Of Gauram Private Limited (formerly known as Kurion's Packaging Solutions Private Limited) (Joint Venture) (w.e.f. 28.08.2023)

(B) Disclosure of transactions between the Company and related parties during the year

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Purchase of material / capital goods		
Subsidiaries/flag down Subsidiaries		
Kurion Enterprise Limited	3.71	-
Joyce Foam PTY Limited, Australia	4.17	-
Interstep, S.L. Spain	0.16	-
	<u>8.04</u>	<u>-</u>





## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## Disclosure of transactions between the Company and related parties during the year (Contd.)

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(ii) Sale of material capital goods		
Subsidiaries/step down Subsidiaries		
Kalyan Enterprise Limited	29.30	-
Joyce Foam PTY Limited, Australia	0.58	0.74
Sheela Foam Trading LLC	0.39	-
Interleap, S.L., Spain	0.17	0.55
	<u>30.44</u>	<u>1.29</u>
Joint Ventures		
House Of Karma Private Limited	5.98	-
Related entities		
Sleepwell Foundation (Trust)	0.07	-
	<u>6.05</u>	<u>0.79</u>
(iii) Sale of IT support services		
Subsidiary		
Joyce Foam PTY Limited, Australia	4.22	4.26
	<u>4.22</u>	<u>4.26</u>
(iv) Purchase of IT Support Services		
Subsidiary		
Sleep World Private Limited, India	17.17	16.88
	<u>17.17</u>	<u>16.88</u>
(v) Royalty paid		
Subsidiary		
Sleepwell Enterprises Private Limited, India	0.10	0.10
	<u>0.10</u>	<u>0.10</u>
(vi) Investment made		
Joint ventures		
House Of Karma Private Limited	0.10	-
	<u>0.10</u>	<u>-</u>
(vii) Key management personnel		
Compensation of Key management personnel		
Short-term Employee Benefits	13.21	10.83
Post Employment Benefits	0.29	0.14
	<u>13.50</u>	<u>10.97</u>
(viii) Rent paid		
Subsidiaries		
Sleep Software Private Limited, India	1.98	1.62
Sleepwell Enterprises Private Limited, India	0.33	0.33
	<u>2.31</u>	<u>1.95</u>
(ix) Contributions for CSR to people		
Related entities		
Sleepwell Foundation (Trust)	4.80	3.75
	<u>4.80</u>	<u>3.75</u>
(x) Interest on loan given to subsidiary companies		
Subsidiary		
International Foam Technologies S.L., Spain	3.51	1.44
	<u>3.51</u>	<u>1.44</u>
(xi) Guarantee Commission received		
Subsidiary		
Joyce Foam PTY Limited, Australia	1.34	1.27
	<u>1.34</u>	<u>1.27</u>
(xii) Corporate guarantee utilised (net)		
Subsidiaries		
Joyce Foam PTY Limited, Australia	(11.64)	19.04
International Foam Technologies S.L., Spain	(27.45)	(21.22)
	<u>(39.09)</u>	<u>(1.18)</u>



Sheela Foam Limited  
Notes forming part of the consolidated financial statements for the year ended March 31, 2024

(C) Disclosure of balances outstanding at the end of the reporting year

Particulars	[€ in Crores]	
	At 31 March 31, 2024	At 31 March 31, 2023
<b>Trade receivables</b>		
Subsidiaries		
Joyce Foam PTY Limited, Australia	3.08	2.17
Kurita Enterprise Limited	3.14	-
Sheela Foam Trading LLC	0.41	-
Merplap S.L. Spain	0.09	-
<b>Joint ventures</b>		
House Of Kenya Private Limited	2.80	-
	<u>0.22</u>	<u>2.17</u>
<b>Other receivables</b>		
Subsidiary		
Joyce Foam PTY Limited, Australia	1.02	0.69
	<u>1.32</u>	<u>0.69</u>
<b>Contract Liabilities (Advance from Customer)</b>		
Step down subsidiary		
Merplap, S.L. Spain	0.01	0.01
	<u>0.01</u>	<u>0.01</u>
<b>Investments</b>		
Subsidiary		
Joyce Foam PTY Limited, Australia	23.07	23.07
Sheela Foam Private Limited, India	78.02	76.92
Stangwell Enterprises Pvt. Ltd., India	1.06	1.06
International Foam Technologies SL, Spain	98.39	98.39
Stang World Private Limited, India	0.01	0.01
Sheela Foam Trading LLC	1.14	-
Kurita Enterprise Limited	2,000.03	-
<b>Joint Venture</b>		
House Of Kenya Private Limited	360.70	-
	<u>2,588.85</u>	<u>190.88</u>
<b>Loan to subsidiary companies (refer note no. a below)</b>		
International Foam Technologies SL, Spain	72.17	71.00
	<u>72.17</u>	<u>71.00</u>
<b>Interest accrued on loan given to subsidiary Company</b>		
International Foam Technologies SL, Spain	3.52	2.80
	<u>3.52</u>	<u>2.80</u>
<b>Financial Corporate guarantees (refer note no. b below)</b>		
Joyce Foam PTY Limited, Australia	98.24	98.09
International Foam Technologies SL, Spain	17.64	173.29
	<u>114.78</u>	<u>271.37</u>
<b>Provision for employee benefit plan for the present and employees</b>		
SFL Employee Gratuity Trust	3.28	4.39
Payable to key managerial personnel	4.21	4.89

Notes:

- a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end for trade payables/receivables are unsecured and interest free and loan balances carry interest. Further information occurs in cash. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the stage in which the related party operates.
- b) Details of financial Corporate guarantees given are as below.
- Company has given a Corporate guarantee of AUD 20 million on April 09, 2021 and an additional guarantee on dated December 26, 2022 of AUD 6 Million towards term loan granted by Cit Bank, Australia for its subsidiary Company Joyce Foam PTY Ltd., Australia.
  - Company has given financial guarantee of EUR 20 million on September 23, 2019 towards term loan granted by Cit Bank, Spain for its subsidiary company International Foam Technologies SL, Spain and the same was reduced to EUR 10.75 million at the year ending March 31, 2024.



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 48 : DISCLOSURES AS PER IND AS 119 'LEASES'

## (A) Company as lessee

(i) The Company's significant leasing arrangements are in respect of the following assets:

The Company has leases of land and buildings for offices, warehouses and service centers. Right of Use Assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The lease terms for leasehold buildings ranges between 3 years to 10 years and leasehold land ranges between 2 to 47 years.

(ii) The carrying amounts of lease liabilities and the movements during the year:

Particulars	₹ In Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Liabilities	18.93	20.17
Additions	43.16	0.41
Accrual of Interest	2.77	1.01
Repayment of Lease liabilities	(5.74)	(2.69)
Cancellation / adjustments	(13.28)	(1.97)
Closing Liabilities	<u>43.85</u>	<u>16.93</u>
Current	7.59	1.27
Non-current	<u>36.24</u>	<u>15.66</u>
	<u>43.85</u>	<u>16.93</u>

(iii) Maturity analysis of the lease liabilities:

Contractual undiscounted cash flows	₹ In Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
3 months or less	2.73	0.83
3-12 months	3.30	1.68
1-2 years	11.29	2.55
2-5 years	23.51	8.33
More than 5 years	24.06	26.81
Total undiscounted lease liability	<u>74.89</u>	<u>39.99</u>
Less: Impact of discounting and other adjustments	<u>31.11</u>	<u>22.07</u>
Lease liabilities at the year end	<u>43.85</u>	<u>16.93</u>

(iv) The following are the amounts recognised in the Statement of Profit and Loss

Particulars	₹ In Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Finance cost	2.77	1.01
Depreciation and amortisation expense	8.08	2.44
Expenses relating to short term leases	6.23	4.74

(v) The following are the amounts disclosed in the Statement of Cash Flows:

Particulars	₹ In Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash outflow from leases	5.74	2.69

(vi) There are no variable lease payments considered in the initial measurement of the lease liability and asset.

(vii) Extension and termination options held are exercisable based on mutual agreement of the Company and the lessors.



**Steel Form Limited**

Notes forming part of the standalone financial statements for the year ended March 31, 2020

**(B) Company as lessor**

(i) The Company has entered into lease agreements to lease the following properties which have been treated as "Investment Property".

Land & Factory Building situated at Sitli In	The lease agreement was executed on 1st December, 2016. The said lease is for a term of 10 years with a clause to enable upward revision of the rental charge after every 3 years. The total rent recognized as income during the year is ₹ 1.74 Crores (Previous year ₹ 1.61 Crores).
Residential Flat situated at Greater Noida	The lease agreement was executed w.e.f. 15th September, 2019. The said lease was initially for a term of 11 months with a clause of subsequent renewal by mutual consent and the same being ongoing renewed. The total rent recognized as income during the year is ₹ 0.10 Crores (Previous year: ₹ 0.09 Crores).
Land & Factory Building situated at Sitwasa	The lease agreement was executed w.e.f. 31st August, 2020. The said lease is for an initial period of 3 years with a clause of automatically renewal for year-on-year basis until receive termination from party. Lease rent will be increased by 5% if both parties agreed on year-on-year basis. The total rent recognized as income during the year is ₹ 0.12 Crores (Previous year- ₹ 0.47 Crores). The said property has been disposed off during the year.



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

**NOTE 47 : FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value:

1. The Company has disclosed financial instruments such as loans, trade receivables, cash and cash equivalents, other bank balances, trade payables, other financial assets and liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and creditworthiness of the counter party. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.

**NOTE 48 : FAIR VALUE HIERARCHY**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

-Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

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

-Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for other investments, loans receivables and lease receivables included in level 3.

**Valuation Processes**

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The team reports directly to the chief financial officer (CFO) including board of directors. Discussions of valuation processes and results are held between the CFO and the valuation team every month. The Company takes the help of independent valuers for valuation purposes.

**Fair Valuation Technique**

The carrying amounts of trade receivables, trade payables, creditors towards capital goods, cash and cash equivalents, other investment and other bank balances are considered to be the same as their fair values, due to their short-term nature.

The fair values financial assets and liabilities consisting of loans receivable, lease receivable, lease liabilities, security deposits receivable and security deposit payable were calculated based on cash flows discounted using estimated borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

**Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2024****Fair Value measurement hierarchy of Assets:**

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(₹ in Crores)					
Financial Assets measured at fair value through profit and loss					
Other Investments	March 31, 2024	540.00	-	540.00	-
Financial Assets measured at amortized cost					
Loans	March 31, 2024	73.24	-	-	73.24
Trade receivables	March 31, 2024	188.90	-	-	188.90
Cash and cash equivalents	March 31, 2024	12.61	-	-	12.61
Bank balances other than cash and cash equivalents	March 31, 2024	0.28	-	-	0.28
Other financial assets	March 31, 2024	17.18	-	-	17.18

**Assets for which Fair Values are disclosed:**

	March 31, 2024	March 31, 2023
Investment Property	88.25	28.85

**Fair Value measurement hierarchy of Liabilities:**

Particulars	Date of Valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(₹ in Crores)					
Financial liabilities measured at amortized cost					
Borrowings	March 31, 2024	255.45	-	-	255.45
Lease liabilities	March 31, 2024	43.83	-	-	43.83
Trade payables	March 31, 2024	164.09	-	-	164.09
Other financial liabilities	March 31, 2024	268.82	-	-	268.82



## Shree Path Limited

These forming part of the standalone financial statements for the year ended March 31, 2024

## Qualitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023

Fair Value measurement hierarchy of Assets:					(₹ In Crores)
Particulars	Date of Valuation	Total	Fair value measurement using		Significant unobservable inputs (Level 3)
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	
<b>Financial Assets measured at fair value through profit and loss</b>					
Other investments	March 31, 2023	762.69	708.58	55.41	-
<b>Financial Assets measured at amortized cost</b>					
Loans	March 31, 2023	72.41	-	-	72.41
Trade receivables	March 31, 2023	138.31	-	-	138.31
Cash and cash equivalents	March 31, 2023	12.71	-	-	12.71
Bank balances other than cash and cash equivalents	March 31, 2023	0.27	-	-	0.27
Other financial assets	March 31, 2023	7.95	-	-	7.95

Fair Value measurement hierarchy of Liabilities:					(₹ In Crores)
Particulars	Date of Valuation	Total	Fair value measurement using		Significant unobservable inputs (Level 3)
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	
<b>Financial liabilities measured at amortized cost</b>					
Borrowings	March 31, 2023	131.67	-	-	131.67
Lease liabilities	March 31, 2023	16.93	-	-	16.93
Trade payables	March 31, 2023	186.10	-	-	186.10
Other financial liabilities	March 31, 2023	135.15	-	-	135.15

## NOTE 46 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of borrowings, lease liabilities, deposits from dealers, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. Further, the Company has financial risk / exposure of financial guarantees given to the banks towards security against the loans taken by its subsidiaries, however, considering that there is no expected credit losses, there is no financial liability as at the year end on this account. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents and other bank balances that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The management reviews and agrees policies for managing each of these risks which are summarized as below:

## a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise these types of risk- currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include deposits from dealers, investments and foreign currency receivables and payables.

The sensitivity analysis in the following sections refers to the position as at March 31, 2024 and March 31, 2023.

The analysis exclude the impact of movements in market variables on the carrying value of gratuity and other post-employment obligations, provisions, and the non-financial assets and liabilities.

The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024 and March 31, 2023.

## (i) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (sales revenue or expenses is denominated in foreign currency). The Company mitigates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. The Company is exposed to foreign currencies such as "USD", "AUD", "GBP" and "EUR".

The carrying amount of the foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ In Crores)				
Particulars	Currency	As at		
		March 31, 2024	March 31, 2023	
Trade payables	USD	(11.66)	(23.99)	
	EUR	(0.60)	(0.33)	
	GBP	(2.22)	(0.20)	
	AED	(0.37)	-	
	AUD	(0.39)	(0.00)	
Trade receivables	USD	2.33	8.18	
	AUD	4.41	2.88	
	AED	6.17	2.26	
	EUR	0.04	-	
Creditors for Capital goods	EUR	-	(0.08)	
Invoice Account	EUR	3.52	2.40	
Loan to Subsidiary Company	EUR	72.17	71.85	
Term Loan (including interest accrued)	USD	(59.11)	(77.38)	



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended 31 March 2024

## Foreign currency sensitivity analysis

The Company is widely exposed to USD, EURO, GBP, AED and AUD. The following table demonstrates the sensitivity to a reasonably possible change in respective exchange rates, with all other variables held constant.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items as disclosed above and adjusts their contribution at the period end for sensitivity change in foreign currency rates. A positive number below indicates an increase in profit or equity and vice-versa.

## Foreign currency sensitivity

Currency	%	As at		%	As at	
		March 31, 2024			March 31, 2023	
USD	2%	(1.37)	2%	(1.85)		
USD	-2%	1.37	-2%	1.85		
EUR	3%	2.25	3%	2.20		
EUR	-3%	(2.25)	-3%	(2.20)		
GBP	2%	(0.04)	2%	(0.00)		
GBP	-2%	0.04	-2%	0.00		
AUD	4%	0.16	4%	0.11		
AUD	-4%	(0.16)	-4%	(0.11)		
AED	2%	0.12	2%	0.04		
AED	-2%	(0.12)	-2%	(0.04)		

## (M) Interest risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's financial liabilities comprise mainly of interest-bearing deposits with dealers. However, these are not exposed to risk of fluctuation in market interest rate as the rates are fixed at the time of contract/agreement and do not change for any interest fluctuation.

## (N) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of bedding articles, home comfort products, furniture cushioning and specialized foam and therefore require a continuous supply of raw materials i.e. TDI and Polyol being the major input used in the manufacturing. Due to the significantly increased volatility of the price of the TDI and Polyol, the Company has entered into various purchase contracts for these material for which there is an active market. The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company partly mitigated the risk of price volatility by entering into the contract for the purchase of these material and further the Company increases prices of its products as and when appropriate to minimize the impact of increase in raw material prices.

## (O) Credit risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (generally trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factor.

## (i) Trade receivables

Customer credit risk is managed by the Company through its established policies and procedures which involve setting up credit limits based on credit profiling of individual customers, credit approvals for enhancement of limits and regular monitoring of important developments viz. payment history, change in credit limits, regulatory changes, industry outlook etc. Outstanding receivables are regularly monitored and an impairment analysis is performed at each reporting date on an individual basis for each major customer. In accordance with Ind AS 108, the Company uses expected credit loss model to assess the impairment loss or reversal thereof. Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on monthly basis.

## (ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits, bonds, debentures and mutual funds. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts which are given below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>Non-current assets</b>		
- Other investments	510.00	58.41
- Loans	72.44	71.80
- Other non-current financial assets	8.28	4.53
<b>Current assets</b>		
- Other investments	-	708.58
- Trade receivables	186.50	130.31
- Cash and cash equivalents	12.61	12.11
- Bank balances other than cash and cash equivalents	0.28	0.27
- Loans	0.80	0.01
- Other current financial asset	10.90	3.42
<b>Total</b>	<b>822.21</b>	<b>984.44</b>



## Shree Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## (c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to set an times appropriate optimal levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short-term bank deposits and short term investments. Procedures and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company also assesses the concentration of risk with respect to its debt and concluded it to be very low.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

Particulars			(₹ in Crores)
	Less than 1 Year	More than 1 Year	Total
<b>As at March 31, 2024</b>			
Trade payables	161.00	-	161.00
Other financial liabilities	254.01	15.81	269.82
Lease Liabilities	7.90	36.24	44.14
Borrowings	100.00	707.39	807.39
	<u>522.91</u>	<u>859.44</u>	<u>1,382.35</u>
<b>As at March 31, 2023</b>			
Trade payables	188.10	-	188.10
Other financial liabilities	100.07	25.48	125.55
Lease Liabilities	1.27	15.06	16.33
Borrowings	32.92	98.75	131.67
	<u>322.36</u>	<u>139.29</u>	<u>461.65</u>

## NOTE 30: CAPITAL MANAGEMENT

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital and 2) Other Reserves comprising of General Reserve and Retained Earnings.

The Company's capital structure is based on the Management's assessment of the balances of its statements to secure strategic decisions and day-to-day activities.

Particulars			(₹ in Crores)
		As at March 31, 2024	As at March 31, 2023
Equity		54.35	48.70
Other Equity		2,619.94	1,313.33
Total equity		<u>2,674.29</u>	<u>1,362.03</u>
Borrowings (including lease liabilities)	(i)	1,000.26	148.00
Less: cash and cash equivalents		12.61	12.71
Total debt	(ii)	<u>987.65</u>	<u>160.71</u>
Overall financing	(i) + (ii)	<u>1,661.94</u>	<u>1,522.74</u>
Gearing ratio (in %)	(i)/(i+ii)	27%	9%

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. The capital structure of the Company is managed with a view of the overall macro economic conditions and the risk characteristics of the underlying assets. The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholders, vendor and creditor confidence and sustain continuous growth and development of the Company. The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.





## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 51 : COMMITMENTS FOR EXPENDITURE

Particulars	(₹ In Crores)	
	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances of ₹ 5.56 Crores ( March 31, 2023 ₹ 33.57 Crores))	29.31	28.34
Other Commitment (Corporate Guarantee given to banks and financial institution against credit facilities availed by Subsidiary Companies, Entities under common control and others) (also refer note 45)	174.78	211.87
	<u>199.89</u>	<u>236.21</u>

## NOTE 52 : CONTINGENT LIABILITIES

Particulars	(₹ In Crores)	
	As at March 31, 2024	As at March 31, 2023
Claims against the Company not acknowledged as debts (refer note below)		
Disputed liabilities not adjusted as expenses in the Accounts for various years being in appeal towards:		
Sales tax:	4.40	4.40
Entry tax:	1.94	1.94
Income tax:	5.46	5.85
Excise Duty:	2.69	4.11
Goods and Service Tax:	2.54	-

## Note:

The Company is contesting these demands and the management including its advisors are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of operations. The Company does not expect any reimbursement in respect of these contingent liabilities, and it is not practicable to estimate the timing of cash outflows, if any in respect of these matters, pending resolution of the appellate proceedings.

## NOTE 53 DISCLOSURE REQUIRED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Name of the investee	Nature of Transaction	Purpose for which it is utilized Interest, fee and loans	2023-24		2022-23	
			During the Year	Outstanding Balance	During the Year	Outstanding Balance
<b>Wholly Owned Subsidiaries</b>						
Joyce Foam PTY Ltd, Australia	Investment in equity shares	Manufacturing of technical foam supplied to Business to Business customers (mattress and furniture manufacturers) in Australia.	-	23.07	-	23.07
	Financial Guarantee given	Corporate guarantee given to CITI Bank for security towards long term working capital facility availed by the said Subsidiary	(11.54)	85.94	18.08	98.58
Siego Software Private Limited, India (formerly known as Onyx Software Solutions Private Limited)	Investment in equity shares	Engaged in Software development and related ancillary activities	-	78.02	-	78.02
Sleepwell Enterprises Private Limited, India	Investment in equity shares	The Company, which is holding ownership of Sleepwell and other brands related to foam, mattress & other products.	-	1.09	-	1.09
International Foam Technologies S.L, Spain	Investment in equity shares	To invest in a running Company in Spain, engaged in manufacturing of Polyurethane Foam.	-	98.39	-	98.39
	Financial Guarantee	Corporate guarantee given to CITI Bank for security towards long term availed by the said Subsidiary.	(25.45)	87.84	(21.22)	(113.29)



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

(₹ in Crores)

Name of the Investee	Nature of Transaction	Purpose for which it is utilized	2023-24		2022-23	
			During the Year	Outstanding Balance	During the Year	Outstanding Balance
International Foam Technologies & L. Spain (IFTS)	Loans	Manufacturer of technical foam supplied to Business to Business customers (mattress and furniture manufacturers) Interest charged - 4.24 % to 5.22% (1.25 % to 3.34% in March 31, 2023) Tenure of Loan - To be repaid over the next 2 years after the repayment of CRR bank loan by them (CRR bank loan to be repaid by Company with in 6 years from the date of disbursement.)	0.48	72.17	5.96	71.00
Stapo World Pvt. Ltd., India	Investment in equity shares	To carry on business of insulation technology and related ancillary services.	-	0.01	-	0.01
Sheela Foam Trading LLC, India Wholly Owned Subsidiary	Investment in equity shares	Home Furniture and Mattresses trading	-	1.11	-	-
Kurton Enterprise Limited	Investment in equity shares	Engaged in the business of manufacturing/trading in rubberized cork, latex foam, polyurethane foams, bonded foam, pillows spring mattresses, furniture, furnishings, sofas etc.	2,000.03	2,000.03	-	-
<b>Joint Venture</b>						
House Of Kenya Pvt. Ltd India	Investment in equity shares, preference shares and stock warrants	Involved in Parting of other machinery and equipment	360.70	360.70	-	-

For above investment in equity shares, preference shares and warrants, refer note no. 5.



## Sharda Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 54 : SEGMENT INFORMATION

## Operating segment information

The Company is engaged in the manufacturing of the products of same type/class and has no overseas operations/units and as such there is no reportable segment as per Indian Accounting Standard (Ind AS-108) dealing with the operating segments. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors of the Company.

## Geographical information

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from external customers		
Within India	1,856.37	1,985.54
Outside India	23.45	43.03
Total revenue	1,879.82	2,028.57

The revenue information is based on location of customers and excluding other operating revenue.

## Non-current operating assets

The Company has common non-current operating assets for domestic as well as overseas market. Hence, separate figures for these assets are not required to be disclosed.

## NOTE 55 : TRANSFER PRICING

The Company has appointed an independent consultant for conducting a Transfer Pricing Study to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arm's length basis". The Transfer Pricing study under the Income Tax Act, 1961 in respect of transaction with the group companies for the financial year ended March 31, 2024 is not yet complete. Adjustments, if any, arising from Transfer Pricing study shall be accounted for as and when the study is completed. The management confirms that all international transactions with associate enterprises are undertaken at negotiated contracted prices on equal commercial terms. During the current year, the Transfer Pricing certificate under section 92B of Income Tax Act, 1961 for the year ended March 31, 2023 has been obtained and there are no adverse comments requiring adjustments.

## NOTE 56 : EXPOSURE TOWARDS MICRO, SMALL AND MEDIUM ENTERPRISES

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
(i) The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company are as under:		
(a) The principal amount and the interest due thereon remaining unpaid to any supplier:		
Principal amount:	21.15	7.20
Interest:	-	-
(b) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day for the year ending:	-	-
(c) The amount of interest due and payable for the period of delay in making payment (beyond the appointed day during the year):	-	-
(d) The amount of interest accrued and remaining unpaid for the year ended:	-	-
(e) The amount of further interest remaining due and payable for the earlier years:	-	-

The information has been given in respect of such suppliers to the extent they could be classified as "Micro and Small" enterprises on the basis of information available with the Company. Further, the amount payable to these parties is not overdue hence no interest is required to provided/received as at March 31, 2024 and March 31, 2023.

(ii) The credit period for purchase of goods and services are normally up to 30 days. No interest is chargeable on trade payables.



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 57 : CORPORATE SOCIAL RESPONSIBILITY

As per provisions of Section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation and rural development projects as per the Schedule VII of the Companies Act, 2013.

Particulars	(₹ In Crores)	
	As at March 31, 2024	As at March 31, 2023
a) Gross amount required to be spent as per section 135 of the Act Add: Amount Unspent from previous years TOTAL Gross amount required to be spent during the year	4.82 - 4.82	4.78 - 4.78
b) Amount approved by the Board to be spent during the year	4.82	5.23
c) Amount spent during the year on i) Construction/acquisition of an asset ii) Other purposes other than i) above	- 4.06	- 5.23
d) Details related to amount spent : Contribution to Sheepwell Foundation Trust Spent on Health Support , Promoting education including employment enhancing vocational skills	4.00 0.06 4.06	2.78 2.48 5.23
e) Details of CSR expenditure in respect of ongoing projects Balance (Short) / Excess as at opening Amount required to be spent during the year Amount spent during the year Balance (Short) / Excess Spent at end of the year*	0.47 (4.82) 4.06 0.71	- (4.78) 5.23 0.47
f) Reason for shortfall	Pertains to ongoing projects	Not applicable
g) Corporate social responsibility expenses of Company are managed by related entity -Sheepwell foundation (refer note no. 45)		

\* The Company has transferred unspent CSR amount, in respect of ongoing projects, as at the end of the financial year, to a special bank account within a period of 90 days from the end of the financial year in compliance with provision of Section 135(6) of the Companies Act, 2013.



## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 58 : DERIVATIVES AND HEDGING

## (i) Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss. Information about the derivatives used by the Company and outstanding as at the end of the financial year is provided below:

Particulars	(₹ in Crores)			
	Financial Assets		Financial Liabilities	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Derivatives designated as Hedging Instruments:</b>				
Cross-currency interest rate swap	-	-	6.38	0.46
Principal and Interest Swap	-	-	0.21	-
<b>Derivatives not designated as Hedging Instruments:</b>				
Principal Only Swap	-	-	13.68	18.22

## (ii) Hedging activities

## Foreign Currency Risk

The Company designates derivative contracts or non-derivative financial assets/liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposures on highly probable future cash flows attributable to a recognized asset or liability or forecast cash transactions.

Derivatives designated as hedging instruments are accounted for as cash flow hedges.

## (iii) Hedge Effectiveness

For derivatives designated as hedging instruments, there is an economic relationship between the hedged items and the hedging instruments as the terms of the hedge contracts match the terms of hedge items. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and interest rate are identical to the hedged risk components. To test the hedge effectiveness, the Company compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risk.

## (iv) Source of Hedge Ineffectiveness

For derivatives designated as hedging instruments, in case of foreign currency risk and interest rate risk, the main source of hedge ineffectiveness is the effect of the counterparty's credit risk on the fair value of hedge contracts, which is not reflected in the fair value of the hedged items. The effect of this is not expected to be material.

## (v) Disclosures of effects of Cash Flow Hedge Accounting:

## Hedging Instruments

The Company has taken derivatives to hedge its loan given to its related party and loan taken by the Company from Bank.

Particulars	(₹ in Crores)		
	Less than 1 year	1 to 5 year	More than 5 Years
<b>As at March 31, 2024</b>			
Cross-currency interest rate swap			
Nominal Amount (on financial asset)	-	64.17	-
Principal and Interest Swap			
Nominal Amount (on financial liability)	-	72.39	-
<b>As at March 31, 2023</b>			
Cross-currency interest rate swap			
Nominal Amount (on financial asset)	-	64.17	-

## (vi) The effect of the cash flow hedge in the Statement of Profit or Loss and Other Comprehensive Income is as follows:

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Cash flow Hedge Reserve at the beginning of the year	(2.60)	-
Total hedging gain/(loss) recognised in Other Comprehensive Income	0.45	(3.48)
Income tax on above	0.11	0.88
Ineffectiveness recognised in statement of profit or loss	(0.44)	(13.22)
		Net Loss on Foreign Currency Forward Contracts in "Other expenses"
Line item in the statement of profit or loss that includes the recognised ineffectiveness		-
Amount reclassified from OCI to profit or loss		-
Income tax on above		-
Cash flow Hedge Reserve at the end of the year	(2.76)	(2.60)
Line item in the statement of profit or loss that includes the reclassification adjustments	Not Applicable	Not Applicable



## Sheela Fares Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2024

(vi) The outstanding position of derivative instrument is as under:

Nature	Currency	Purpose	As at March 31, 2024		As at March 31, 2023	
			(₹ in crores) (nominal value)	Foreign Currency (in crores) (nominal value)	(₹ in crores) (nominal value)	Foreign Currency (in crores) (nominal value)
Cross currency interest rate swap	EUR	Hedging of Foreign Currency Loan given	64.17	0.60	64.17	0.60
Principal and Interest Swap	USD	Hedging of Foreign Currency term loan taken (Principal & Interest)	57.91	0.71	-	-
Principal Only Swap	EUR	Hedging of equity investment in foreign subsidiary	93.90	1.20	93.90	1.20

Exchange rates used for conversion of foreign currency exposure:

Currency	As at March 31, 2024	As at March 31, 2023
EUR	90.22	99.61
USD	83.37	NA

(vii) The impact of the hedging instruments on the statement of financial position is as under:

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Nominal Amount (on financial asset)	94.17	94.17
Nominal Amount (on financial liability)	72.36	-
Carrying Amount (financial Asset)	72.17	71.69
Carrying Amount (financial Liability)	59.14	-
Line item in the statement of financial position that includes Hedging Instruments	Other current financial liabilities	
Change in fair value of the hedge that exceeds the tests for recognizing hedge ineffectiveness for the year - gain / (loss)	0.34	(2.60)

(viii) Hedge Reserves

The impact of the Hedged Items on the statement of financial position is as follows:

Particulars	(₹ in Crores)	
	As at March 31, 2024	As at March 31, 2023
Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax)	(2.26)	(2.60)
Change in value of the hedged item used for measuring ineffectiveness for the year	0.34	(2.60)

(ix) Particulars of unhedged foreign currency (FC) exposure as at balance sheet date:

Particulars	Currency	As at March 31, 2024		As at March 31, 2023	
		FC in Crores	₹ in Crores	FC in Crores	₹ in Crores
Trade payables	USD	(0.14)	(11.68)	(0.29)	(20.56)
	EUR	(0.01)	(0.69)	-	(0.33)
	GBP	(0.02)	(2.22)	-	(0.20)
	AED	(0.02)	(0.37)	-	-
	AUD	(0.01)	(0.31)	(0.00)	(0.00)
Trade receivables	USD	0.03	2.33	0.10	8.16
	AUD	0.06	4.41	0.05	2.85
	AED	0.27	5.17	0.09	2.06
	EUR	0.00	0.09	-	-
Creditors for Capital goods	EUR	-	-	(0.01)	(0.50)
Interest Accrued	EUR	0.04	3.52	0.03	2.49
Term Loan	USD	-	-	(0.64)	(171.34)



## Sreebh Footwear Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2020

## NOTE 66 : INCOME TAX RECOGNISED IN PROFIT OR LOSS

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of current year	16.00	62.19
Tax expenses related to earlier years	-	1.74
	<u>16.00</u>	<u>63.93</u>
Deferred tax		
Origination and reversal of temporary differences including Tax impact on other comprehensive income	6.17	(2.24)
	<u>6.17</u>	<u>(2.24)</u>
Total income tax expense recognised in the current year including tax impact on other comprehensive income	<u>22.17</u>	<u>61.69</u>

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(₹ in Crores)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax (including Other comprehensive income)	222.36	228.83
Income tax expense calculated at 25.168%	55.96	57.99
Effect of income that is exempt from taxation	(2.04)	(0.18)
Effect of expenses that are not deductible in determining taxable profit	2.40	4.06
Effect of difference in tax rates	(0.87)	(0.32)
Others	(0.95)	(1.22)
	<u>54.50</u>	<u>59.86</u>
Adjustments recognised in the current year in relation to tax of prior years	-	1.74
Income tax expense recognised in the Statement of Profit and Loss	<u>54.50</u>	<u>61.60</u>
Effective Tax Rate	24.50%	26.93%

## NOTE 68 : THE CODE ON SOCIAL SECURITY 2020

The Code on Social Security 2020 (the Code) relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.



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## Steel Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## NOTE 41 : DISCLOSURE FOR SPECIFIC RATIOS

Particulars	Formula	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	Variance	Reasons for variances
Current Ratio	Current Assets / Current Liabilities	Numerator				
		Current Assets = Inventories + Financial assets - Current tax assets + Other current assets	Denominator	0.63	2.90	-77%
Debt to Equity Ratio	Debt / Equity	Debt = Borrowings + Lease Liabilities	0.37	0.71	-47%	Increase in Debt due to issue of Non-convertible debentures
Trade payable turnover Ratio	Net Credit Purchases / Average Trade Payables	Net credit purchases = Purchase of raw material and packing material + Purchase of traded goods + Other manufacturing expenses	4.88	7.04	-3%	-
Net capital turnover Ratio	Revenue / Working Capital	Revenue = Revenue from operations	(7.33)	2.67	-317%	Decrease in working capital due to reduction in current investments
Debt Service coverage ratio	Net Operating Income / Debt Service	Net Operating Income = Profit before tax for the year + Finance costs + Depreciation and amortisation expense	1.29	6.89	-78%	Increase in Debt due to issue of Non-convertible debentures
Net Profit Ratio	Net Profit / Net Sales	Net Profit = Profit for the year (after exceptional items)	0.09	0.09	7%	-
Return on Equity Ratio	Total comprehensive Income / Shareholder's Equity	Total comprehensive Income for the year	0.05	0.12	-49%	Increase in Shareholders equity due to fresh issue of shares
Return on capital employed	EBIT / Capital Employed	EBIT = Profit before tax + Finance costs	0.07	0.16	-56%	Increase in Capital employed due to fresh issue of shares
Inventory turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of goods sold = Cost of material consumed + Purchase of traded goods + Other manufacturing expenses + Change in inventories of finished goods, traded goods & work in progress	6.61	6.39	4%	-
Return on Investment	Net Profit / Net Investment	Net Profit = Profit before tax + Finance costs	0.08	0.18	-48%	Increase in Net Investment due to fresh issue of shares
Trade receivables turnover ratio	Net Credit Sales / Average Trade Receivables	Net Credit sales = Revenue from operations	11.49	14.94	+22%	-





## Sheela Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

**NOTE 62 : SCHEME OF AMALGAMATION BETWEEN THE COMPANY AND INTERNATIONAL COMFORT TECHNOLOGIES PRIVATE LIMITED (ICTPL)**

The Board of Directors of the Company and its wholly owned subsidiary, International Comfort Technologies Private Limited (ICTPL) (Transferor Company) have in their respective board meetings held on November 06, 2022 have considered and approved the Scheme of Amalgamation of ICTPL with the Company, subject to all the necessary statutory / regulatory approvals. As per the said scheme, the undertaking of the transferor company shall stand transferred and vested in the Company (transferee company) on a going concern basis without and further act, deed or matter. As a result, the transaction has been accounted in accordance with "Pooling of Interest Method" laid down by Appendix C (Business Combinations of Entities under Common Control) of Indian Accounting Standard 103 (Ind AS 103), notified under the Companies Act, 2013.

The scheme envisaged transfer of all properties, rights, assets, interests and claims of the Transferor Company to the Transferee Company. Pursuant to the scheme coming into effect, all the equity shares held by the Transferee Company in the Transferor Company shall stand cancelled automatically. Hon'ble National Company Law Tribunal (NCLT), New Delhi bench vide its order dated February 09, 2024 approved the Scheme of Amalgamation of ICTPL with the Company under Sections 239 and 232 of Companies Act, 2013. The Scheme became effective upon filing of the aforesaid order with Registrar of Companies (ROC) on January 01, 2022. The amalgamation has been accounted for under section 138 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) rules, 2014.

In accordance with Appendix C of Ind AS 103, the difference between the carrying value of the investment in the books of transferee company and the amount of net assets of the transferor company has been adjusted in capital reserves as per the scheme. The current accounting period and comparative accounting period presented in the financial statements of the Company and accompanying Notes have been prepared by including the accounting effects of the acquisition of the business, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements, i.e. April 01, 2022.

Following are the assets & liabilities taken over by the Company on April 01, 2022:

Particulars	(₹ in Crores)	
		Amount
<b>Assets</b>		
Property Plant & equipment		96.83
Right to use assets		23.61
Capital Work in progress		31.66
Other financial assets		-
Deferred tax assets (Net)		1.49
Non current tax assets (net)		6.01
Other non current assets		23.04
<b>Total Non-current assets - (a)</b>		<b>118.64</b>
<b>Inventories</b>		<b>5.49</b>
<b>Financial asset</b>		
(i) Trade receivables		4.12
(ii) Cash and Cash equivalents		0.31
(iii) Investments		-
(iv) Loans		0.01
(v) Other financial assets		0.02
<b>Other current assets</b>		<b>8.03</b>
<b>Total Current assets - (b)</b>		<b>14.96</b>
<b>Total Assets (a)+(b) = (A)</b>		<b>133.60</b>
<b>Liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings		78.00
(ii) Lease liabilities		15.62
<b>Provisions</b>		<b>0.23</b>
<b>Non-Current Liabilities (c)</b>		<b>92.06</b>
<b>Financial liabilities</b>		
(i) Borrowings		12.00
(ii) Lease liabilities		1.03
(iii) Trade payables		-
- MSME		0.61
- Other than MSME		4.28
(iv) Other financial liabilities		2.34
<b>Other current liabilities</b>		<b>0.54</b>
<b>Provisions</b>		<b>-</b>
<b>Current Liabilities (d)</b>		<b>20.80</b>
<b>Total Liabilities (c)+(d) = (B)</b>		<b>112.86</b>
<b>Net assets taken over (C = A - B)</b>		<b>22.74</b>
<b>Reserves of ICTPL, verified in SPL</b>		
Retained earnings		(7.21)
<b>Total Reserves (D)</b>		<b>(7.21)</b>
<b>Cancellation of investments in equity of ICTPL held by the Company (E)</b>		<b>30.00</b>
<b>Capital reserve on amalgamation (C - D - E)</b>		<b>-</b>



## Sheets Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Restated Balance sheet as at March 31, 2023

₹ in Crores

Particulars	Before effect of Business combination	Effect of Business combination	Forward balance post effect of Business combination
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	237.10	32.65	269.75
Right-of-use assets	18.31	21.36	37.67
Capital work-in-progress	1.89	101.51	103.40
Investment property	3.43	-	3.43
Equity investments in Subsidiaries and Joint venture company	188.57	(10.08)	178.49
<b>Financial assets</b>			
(i) Investment in preference shares	28.30	(28.90)	-
(ii) Other investments	58.44	-	58.44
(iii) Loans	122.28	(50.46)	71.82
(iv) Other financial assets	18.98	(12.45)	6.53
Deferred Tax Asset	-	11.74	11.74
Non-current tax assets (net)	0.71	(6.71)	-
Other non-current assets	3.24	32.18	35.42
<b>Total non-current assets</b>	<b>698.93</b>	<b>99.88</b>	<b>798.81</b>
<b>Current assets</b>			
Inventories	188.94	17.84	206.78
<b>Financial assets</b>			
(i) Investments	706.48	0.10	706.58
(ii) Trade receivables	164.00	(25.89)	138.11
(iii) Cash and cash equivalents	10.43	2.26	12.69
(iv) Bank balances other than cash and cash equivalents	0.27	-	0.27
(v) Loans	0.59	0.02	0.61
(vi) Other financial assets	5.40	(2.98)	2.42
Other current assets	37.04	20.86	57.90
<b>Total current assets</b>	<b>1,114.15</b>	<b>12.12</b>	<b>1,126.27</b>
<b>Total assets</b>	<b>1,813.08</b>	<b>112.00</b>	<b>1,925.08</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	48.78	-	48.78
Other equity	1,347.02	(33.69)	1,313.33
<b>Total equity</b>	<b>1,395.80</b>	<b>(33.69)</b>	<b>1,362.11</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	-	98.75	98.75
(ii) Lease liabilities	14.88	0.78	15.66
(iii) Other non-current financial liabilities	25.48	-	25.48
Provisions	8.85	0.12	9.10
Other non-current liabilities	0.29	-	0.29
Deferred tax liabilities (net)	1.83	1.64	3.53
<b>Total non-current liabilities</b>	<b>49.33</b>	<b>101.29</b>	<b>150.62</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	-	32.92	32.92
(ii) Lease liabilities	1.27	-	1.27
(iii) Trade payables	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	6.31	0.88	7.20
- Total outstanding dues of creditors other than micro enterprises and small enterprises	175.45	4.44	180.00
(iv) Other financial liabilities	103.59	5.08	108.67
Provisions	10.88	0.46	11.34
Current tax liabilities (net)	1.18	(1.16)	-
Other current liabilities	38.17	0.89	39.06
<b>Total current liabilities</b>	<b>257.88</b>	<b>44.82</b>	<b>302.70</b>
<b>Total liabilities</b>	<b>407.21</b>	<b>146.11</b>	<b>553.32</b>
<b>Total equity and liabilities</b>	<b>1,806.59</b>	<b>112.12</b>	<b>1,918.71</b>



## Sheets Foam Limited

Notes forming part of the standalone financial statements for the year ended March 31, 2024

## Restated Statement of Profit &amp; Loss for the year ended March 31, 2023

(₹ in Crores)

Particulars	Before effect of Business combination	Effect of Business combination	Revised amount post effect of Business combination
<b>Income</b>			
Revenue from operations	2,016.82	18.76	2,035.57
Other income	78.61	(3.52)	75.09
<b>Total income</b>	<b>2,095.43</b>	<b>15.23</b>	<b>2,110.66</b>
<b>Expenses</b>			
Cost of materials consumed	1,133.14	24.37	1,157.51
Purchase of stock-in-trade	(48.08)	(10.80)	(58.88)
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(3.00)	(12.89)	(15.89)
Other manufacturing expenses	30.78	1.89	32.67
Employee benefits expense	145.19	6.91	152.10
Finance costs	6.37	4.76	11.13
Depreciation and amortisation expense	33.76	7.92	41.68
Other expenses	337.79	27.93	365.72
<b>Total Expenses</b>	<b>1,637.78</b>	<b>44.79</b>	<b>1,682.57</b>
<b>Profit before tax and Exceptional items</b>	<b>260.67</b>	<b>(29.56)</b>	<b>231.11</b>
Exceptional items	-	-	-
<b>Profit before tax</b>	<b>260.67</b>	<b>(29.56)</b>	<b>231.11</b>
Income Tax expense			
Current tax	88.16	(8.87)	79.29
Tax expenses related to earlier years	(6.70)	2.44	(4.26)
Deferred tax (net)	(1.65)	0.74	(0.91)
<b>Total income tax expense</b>	<b>80.81</b>	<b>(6.69)</b>	<b>74.12</b>
<b>Profit for the year</b>	<b>179.86</b>	<b>(22.77)</b>	<b>157.09</b>
<b>Other comprehensive income (net of tax)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements - gains / (loss) of the net defined benefit plans	(1.68)	(0.14)	(1.82)
Income tax on above items	0.42	0.03	0.45
<i>Items that will be reclassified to profit or loss</i>			
Fair value gain / (loss) on investments and other financial instruments	(3.48)	-	(3.48)
Income tax on above items	0.88	-	0.88
<b>Total Other comprehensive income / (loss) (net of tax)</b>	<b>(3.96)</b>	<b>(0.11)</b>	<b>(4.07)</b>
<b>Total comprehensive income for the year</b>	<b>175.90</b>	<b>(22.88)</b>	<b>153.02</b>

## Restated cash flow statement for the year ended March 31, 2023

(₹ in Crores)

Particulars	Before effect of Business combination	Effect of Business combination	Revised amount post effect of Business combination
<b>A. Cash flow from operating activities</b>			
Profit before tax	260.67	(29.56)	231.11
Adjustments for:			
Depreciation and amortisation expense	-	41.08	41.08
Finance costs	-	10.68	10.68
Gain on termination of Lease	-	(0.13)	(0.13)
Liabilities/Provisions no longer required written back	-	(0.13)	(0.13)
Provision for doubtful receivables	-	1.87	1.87
Provision for warranty	-	11.76	11.76
Expenses on employee stock option scheme	-	-	-
Investment Subsidy income	(0.03)	-	(0.03)
Advances / balances written off	0.36	-	0.36
Fair value gain on investments (net)	(8.73)	-	(8.73)
Profit on sale of investments (net)	(18.65)	0.31	(18.34)
(Profit) / Loss on sale of property, plant and equipment (net)	(0.49)	-	(0.49)
Net loss on foreign currency forward contracts	-	13.22	13.22
Unrealised foreign exchange (gain) / loss (net)	-	4.05	4.05
Rental Income (Short term lease)	(2.51)	0.12	(2.39)
Interest income	(37.10)	2.96	(34.14)
<b>Operating profit before working capital changes</b>	<b>(92.82)</b>	<b>68.34</b>	<b>(24.48)</b>
<b>Changes in working capital:</b>			
Decrease / (Increase) in inventories	14.52	(12.15)	2.37
(Increase) / Decrease in loans and trade receivables	(24.26)	20.85	(3.41)
Decrease / (Increase) in other financial and non-financial assets	(12.84)	(15.25)	(28.09)
(Decrease) / Increase in trade payables	(11.08)	0.42	(10.66)
(Decrease) / Increase in other financial liabilities, non-financial liabilities and prov	(9.33)	1.05	(8.28)
<b>Cash generated from operations</b>	<b>(85.91)</b>	<b>64.44</b>	<b>(21.47)</b>
Income tax paid (net of refunds)	(88.55)	(0.21)	(88.76)
<b>Net cash flow from operating activities (A)</b>	<b>(174.46)</b>	<b>64.23</b>	<b>(110.23)</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant and equipment and change in capital work in progress	(17.53)	(73.91)	(91.44)
Proceeds from Sale of property, plant and equipment	1.73	0.03	1.76



**Shree Foam Limited**

Notes forming part of the standalone financial statements for the year ended March 31, 2024

Increase / (Decrease) in creditors for capital goods (net of capital advances)	0.43	(5.97)	(5.54)
Investment in shares of Subsidiary Companies (net)	-	-	-
Investment made in Joint venture (net)	-	-	-
Investment in debentures and mutual funds (net)	(128.34)	(0.71)	(127.05)
Loans given to Subsidiary Company	(42.00)	42.00	0.00
Repayment of loans by Subsidiary Company	3.50	(3.50)	-
Proceeds from bank deposits	0.05	-	0.05
Interest and principal received on lease receivable	2.06	(2.06)	-
Rental income (short term lease)	2.51	(0.12)	2.39
Interest income received	52.78	(0.44)	52.34
Net cash (used in) investing activities (B)	(143.41)	(43.98)	(100.00)
<b>C. Cash flow from financing activities</b>			
Proceeds from long term borrowings	-	50.78	50.78
Payment of lease liabilities (principal and interest)	(2.84)	(0.08)	(2.69)
Fees paid for increase in authorized share capital	(0.50)	-	(0.50)
Finance costs	(5.83)	(4.05)	(9.61)
Net cash flow from Financing Activities (C)	(8.87)	46.65	38.08
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(69.84)</b>	<b>67.92</b>	<b>(1.92)</b>
Cash and cash equivalents at the beginning of the year	14.31	0.32	14.63
Cash and cash equivalents at the end of the year	(55.53)	68.24	(12.71)



Shree Foam Limited  
Notes forming part of the standalone financial statements for the year ended March 31, 2024

#### NOTE 63 : ACQUISITION OF KURLON ENTERPRISE LIMITED

(a) The Company has entered into a business transfer agreement dated July 17, 2023 for the acquisition of the Kurlon Enterprise Limited (KEL). In terms of the business transfer agreement, the business has been acquired by the Company with effect from October 29, 2023 (date of acquisition) and the fair value of assets and liabilities acquired have been determined by the Company and accounted for in accordance with Ind AS 103 – Business Combination. Subsequently, the Company gained control of Kurlon Enterprise Limited (KEL) as a subsidiary for a consideration of ₹ 1,840.78 Crores.

##### Details of purchase consideration

Details of the purchase consideration are as follows:

	(₹ in Crores)
Purchase Consideration	Amount
Cash Paid	1,839.78
Heldback amount	71.00
<b>Total Purchase Consideration</b>	<b>1,910.78</b>

(b) The Scheme of Amalgamation of the subsidiary of the Company, i.e., Kurlon Enterprise Limited ("KEL" or "Transferor Company") with Shree Foam Limited ("SFL" or "Transferee Company") and their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme") is subject to necessary statutory and regulatory approvals including the approval of National Company Law Tribunal, Bench at Mumbai ("NCLT"). The same will be accounted for in the books of accounts, in accordance with Appendix C to Ind AS-103 on the approval from NCLT.

#### NOTE 64 : INTEREST IN JOINT VENTURE

During the year, the Company has entered into an agreement with shareholders of Tricouac Karyya Private Limited ("Tricouac") to acquire 35% stake on fully diluted basis w.e.f. August 29, 2023. Accordingly, the Company has invested ₹ 360.70 Crores (including acquisition cost of ₹ 4.75 Crores) to acquire equity stake of 17.70%. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of Business	% of ownership interest	Relationship	Accounting method	Carrying Amount	
					March 31, 2024	March 31, 2023
House of Karyya Private Limited ("HOK")	India	17.70	Joint venture	Equity Method	360.70	-
<b>Total equity accounted investments</b>					<b>360.70</b>	<b>-</b>

##### a. Liabilities recognized in respect of Joint venture

Pursuant to shareholder agreement, the Company has recognized liability against uncalled capital on share warrants (payable in 12 months from the date of acquisition i.e. August 29, 2023) amounting to ₹ 55.85 Crores (refer note no. 30).

#### NOTE 66 : ASSET PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	(₹ in crores)	
	As at March 31, 2024	As at March 31, 2023
<b>Current Assets</b>		
Inventories	149.59	-
Trade receivables	186.90	-
	<u>336.49</u>	<u>-</u>
<b>Non-Current assets</b>		
Leasehold land	10.57	7.30
Property, plant and equipment	260.74	117.44
Capital work in progress	83.26	103.90
	<u>354.57</u>	<u>228.64</u>

Note based on the terms and conditions written on sanction letters by bank:

- Term loan with JP Morgan & Kotak Mahindra Bank in the Company has been secured by hypothecation of first charge on entire fixed assets (movable fixed assets and nonmovable fixed assets) for Mandagram and Jabelour Plant.
- Company owned fixed assets (movable and immovable) at manufacturing plants located at Jajpagan (West Bengal), Sahibabad (Uttar Pradesh), Rajpura (Punjab) and Erode (Tamilnadu) has been pledged as security against the financial guarantee of EURO 20 million on September 25, 2019 towards term loan granted by Citibank, Spain for its subsidiary Company International Foam Technologies S.L. Spain and the same was reduced to EURO 10.75 million at the year ending March 31, 2024.
- Working capital loan and Factored receivables are secured by first charge on inventories and trade receivables subject to factoring arrangements.

#### NOTE 68: EXCEPTIONAL ITEMS

- During the year, a fire broke out at the Silvassa location on June 28, 2023, resulting in the loss of inventory and fixed assets (including dismantling costs) amounting to ₹ 11.56 crores. The Company has recognized this loss as an 'Exceptional item' in the statement of profit and loss. The Company has filed an insurance claim; however, due to the absence of reasonable certainty regarding its collection, the potential recovery has not been accounted for in these financial statements.
- During the year, the Company has accounted the sale deeds in respect of certain land and building for a consideration of ₹ 29.90 Crores and has recognized gain of ₹ 29.38 Crores as exceptional item.



Sheela Form Limited

Form forming part of the Standalone financial statements for the year ending March 31, 2024

## NOTE 47: RECONCILIATION OF QUARTERLY RETURNS OR STATEMENTS OF CURRENT ASSETS FILED WITH BANKS OR FINANCIAL INSTITUTIONS

As at March 31, 2024

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account (₹ in Crores)**	Amount as reported in the quarterly statement (₹ in Crores)	Amount of difference	Reason for material discrepancies
Jun-23	CITI BANK, KOTAK MAHINDRA BANK & YES BANK	Book Debts ( Net of advances customers) Inventories	249.47	249.17	-	-
Sep-23	CITI BANK, KOTAK MAHINDRA BANK & YES BANK	Book Debts ( Net of advances customers) Inventories	289.68	289.69	-	-
Dec-23	CITI BANK, KOTAK MAHINDRA BANK & YES BANK	Book Debts ( Net of advances customers) Inventories	234.61	234.61	-	-
Mar-24	CITI BANK, KOTAK MAHINDRA BANK & YES BANK	Book Debts ( Net of advances customers) Inventories	229.06	229.09	-	-

\*\* These numbers up to December 31, 2023 are without impact of the merger of International Comfort Technologies Private Limited with the Company

As at March 31, 2023

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account (₹ in Crores)**	Amount as reported in the quarterly statement (₹ in Crores)	Amount of difference	Reason for material discrepancies
Jun-22	CITI BANK, KOTAK MAHINDRA BANK & YES BANK	Book Debts ( Net of advances customers) Inventories	287.47	287.47	-	-
Sep-22	CITI BANK, KOTAK MAHINDRA BANK & YES BANK	Book Debts ( Net of advances customers) Inventories	313.59	313.59	-	-
Dec-22	CITI BANK, KOTAK MAHINDRA BANK & YES BANK	Book Debts ( Net of advances customers) Inventories	244.90	244.90	-	-
Mar-23	CITI BANK, KOTAK MAHINDRA BANK & YES BANK	Book Debts ( Net of advances customers) Inventories	292.74	292.74	-	-

\*\* These numbers are without impact of the merger of International Comfort Technologies Private Limited with the Company.

## NOTE 48: THE FOLLOWING DISCLOSURES SHALL BE MADE WHERE LOANS OR ADVANCES OF THE NATURE OF LOANS ARE GRANTED TO PROMOTERS, DIRECTORS, KMPs AND THE RELATED PARTIES (AS DEFINED UNDER COMPANIES ACT, 2013) EITHER SEVERALLY OR JOINTLY WITH ANY OTHER PERSON, THAT ARE:

Type of Borrower	Particulars			March 31, 2024		March 31, 2023	
	Loans/Advances granted Individually or Jointly with other (₹ in crores)	Payable on demand (Yes/No)	Terms/Period of repayment is specified (Yes/No)	Amount outstanding (₹ in crores)	% of Total	Amount outstanding (₹ in crores)	% of Total
Related Parties (Subsidiary Company)	0.46	NO	Yes	72.17	100.00%	71.69	100.00%

## NOTE 49: REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

A brief description of the charges or satisfaction	The location of the Registrar	The period (in days or months) by which such charge had to be registered as on March 31, 2024	The period (in days or months) by which such charge had to be registered as on March 31, 2023	Reason for delay in registration
The floating charge is created on current assets including book debt & on immovable property of any interest therein.	ROC-DELHI	30 days from the certified copy of hypothecation deed execute between bank & Company	30 days from the certified copy of hypothecation deed execute between bank & Company	There is no delay in registration of Charge.



**Sheela Food Limited**  
 Notes forming part of the standalone financial statements for the year ended March 31, 2024

**NOTE 70: UTILIZATION OF BORROWED FUNDS**

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

**NOTE 71: EVENTS AFTER THE REPORTING PERIOD**

There are no significant adjusting events after the reporting period.

**NOTE 72: DETAILS OF CRYPTO-CURRENCY OR VIRTUAL CURRENCY**

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

**NOTE 73: UNDISCLOSED INCOME**

The Company does not have any undisclosed income which is not recorded in the books of account but has been surmised 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 retrieval provisions of the Income Tax Act, 1961).

**NOTE 74: DETAILS OF BENEFIT PROPERTY HELD**

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

**NOTE 75: RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956**

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

**NOTE 76 : COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES**

The Company has complied with the number of layers prescribed under clause (b) of section 2 of the Act and with the Companies (Restriction on number of Layers) Rules, 2017.

**NOTE 77**

The Company has not been declared as a defaulter by any bank or financial institution or government or any governmental authority.

**NOTE 78: REGROUPING/RECLASSIFICATION**

Previous years figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date  
**MS&A Associates**  
 Chartered Accountants

Firm Registration No. 109047H

*Nigam Gupta*  
**Nigam Gupta**  
 Partner  
 Membership No. 502905



Place: Gurugram  
 Date: May 21, 2024

For and on behalf of the Board of Directors of  
**Sheela Food Limited**

CIN: L74990GJ1975PLC005675

*Rohit Gautam*  
**Rohit Gautam**  
 Executive Chairman  
 DIN: 00492999

*Tushar Gautam*  
**Tushar Gautam**  
 Managing Director  
 DIN: 0046487

*Anur Kumar Gupta*  
**Anur Kumar Gupta**  
 Group Chief  
 Financial Officer

*M. Iqbal Ahmed*  
**M. Iqbal Ahmed**  
 Company Secretary  
 Membership No. : A20521

Place: Gurugram  
 Date: May 21, 2024



ADVISORY / VALUATION REPORT TO RECOMMEND FAIR EXCHANGE RATIO UPON  
MERGER BETWEEN

-Amalgamated Company –

SHEELA FOAM LIMITED

-Transferee Company/ Amalgamating Company –

KURLON ENTERPRISE LIMITED

**Transferor Companies**

1. BELVEDORE INTERNATIONAL LIMITED
2. KANVAS CONCEPTS PRIVATE LIMITED
3. KURLON RETAIL LIMITED
4. KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED
5. STARSHIP VALUE CHAIN AND MANUFACTURING PRIVATE LIMITED

**Arunesh Kumar Dubey**  
Registered Valuer-Securities or Financial Assets  
IBBI Registration No. IBBI/RV/03/2020/12786



Ref. No. FY 2023-24/2nd half/88

Date: 28.03.2024

To,  
**The Board of Director**  
**Sheela Foam Limited**  
**604 Ashadeep, 9 Hailey Road,**  
**New Delhi, India, 110001**

**The Board of Directors**  
**Kurlon Enterprise Limited**  
**#1002/1006, The Avenue, International A**  
**Opp. Hotel Leela, Andheri (East),**  
**Mumbai, Maharashtra,**  
**India, 400059**

Subject: Recommendation of share exchange ratio

Dear Sir,

In accordance with the terms of our engagement, we have prepared a valuation report to recommend the fair share exchange ratio (the "Share Exchange Ratio") for the proposed amalgamation of Kurlon Enterprise Limited ("KEL") with Sheela Foam Limited ("SFL") on a going concern basis with effect from the appointed date (as defined in the scheme) ("**Proposed Amalgamation**"), as more particularly provided for the in the Composite Scheme of Arrangement Belvedere International Limited ("**BIL**" or "**Transferor Company 1**"), Kanvas Concepts Private Limited ("**KCPL**" or "**Transferor Company 2**"), Kurlon Retail Limited ("**KRL**" or "**Transferor Company 3**"), Komfort Universe Products And Services Limited ("**KUPSL**" or "**Transferor Company 4**"), Starship Value Chain and Manufacturing Private Limited ("**SVC MPL**" or "**Transferor Company 5**"), Kurlon Enterprise Limited ("**KEL**" or "**Transferee Company**" or "**Amalgamating Company**") and Sheela Foam Limited ("**SFL**" or "**Amalgamated Company**" or "**Company**") and their respective shareholders and creditors (the "**Scheme**") as per the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013, as explained below.

**Sheela Foam Limited ("SFL")** is engaged in the business of manufacture flexible, semi-flexible and rigid Poly-Urethane Foam slabs and allied products and processing and fabrication thereof and mattresses and cushions upholstery material, manufacture of furniture, packing material and insulation material, molding of rigid Poly- Urethane for various shapes and size and manufacture of jackets and such other items by way of lamination of Poly-Urethane Foam with fabric and manufacture of products that may be allied or may be usefully combined with manufacture of any of the material mentioned above.

**Kurlon Enterprise Limited ("KEL")** is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.

Pursuant to the Proposed Amalgamation and subject to necessary approvals, KEL (the "Transferee Company") is proposed to be merged into SFL (the "Amalgamated Company") with effect from **20<sup>th</sup> October, 2023 ("Appointed Date")**.

For this report, Transferee Company and Amalgamated Company are collectively referred to as the "Companies" (as of the valuation date).



We have been appointed by the management of "Sheela Foam Limited" or the "Amalgamated Company" and "Kurlon Enterprise Limited" or the "Amalgamating Company" as the Registered Valuer on **24th February 2024** to carry out equity share valuation of companies and to recommend the fair Share Exchange Ratio for the Proposed Amalgamation for the compliance of the requirements of Securities Exchange Board of India and the Companies Act, 2013.

For this valuation, we have carried out relative valuations of the Companies and the valuation is based on 'going concern' premise.

Our analysis and report are in conformity with the "**International Valuation Standards**" (IVS), in addition to the general standards/ guidelines issued by the ICSI RVO.

The report sets out our recommendation of the fair Share Exchange Ratio and discusses the methodologies and approach considered in the computation of the relative fair values of the Companies.

This report must be considered in the above-mentioned context only and is not an advisory document for any other purpose. The report may not be distributed, reproduced, or used, without our express written consent for any purpose other than mentioned above.

In rendering the advisory services, we reviewed and relied upon various materials/ information provided by the management and its advisors. Our report is based on the historical financial information provided to us by the management. Because of the limited purpose of this report, the financial information presented in this report may be incomplete and contain departures from generally accepted accounting principles. We have not audited, reviewed, or compiled the financial information provided by the management and express no assurance on it.

Based on our study and analytical review procedures, and subject to the limitations expressed within this report, the recommended fair Share Exchange Ratio for the Proposed Amalgamation of KEL with SFL, is:

***"52 equity shares of SFL of INR 5 each fully paid up for every 100 equity shares of KEL of INR 5 each fully paid up."***

We have no present or contemplated financial interest in SFL, KEL, and their subsidiaries and/or associate companies. Our fees for this valuation are based upon our normal billing rates and are in no way contingent upon the results of our findings. We have no responsibility to update this report for events and circumstances occurring subsequent to the date of this report. This report is not to be copied or made available to any persons without the express written consent.



(Arunesh Kumar Dubey)  
Registered Valuer (Securities or Financial Assets)  
IBBI Registration No. IBBI/RV/03/2020/12786

## ENGAGEMENT OVERVIEW

**Arunesh Kumar Dubey**, Valuer registered with Insolvency and Bankruptcy Board of India under Securities or Financial Assets class, has been engaged to prepare and deliver a report for recommendation of share exchange ratio (hereinafter referred to as "Fair Equity Share Exchange Ratio") for the Proposed Amalgamation of Kurlon Enterprise Limited into Sheela Foam Limited (hereinafter jointly referred to as "Companies") on going concern basis. Accordingly, Registered Valuer has prepared the report on the recommendation of fair equity share exchange ratio for Proposed Amalgamation.

### A. PURPOSE AND SCOPE

The purpose of this report is to arrive at the proposed Share Exchange Ratio to be computed based on the relative valuation of the equity shares of the Companies as of the Valuation Date to comply with the valuation requirements of Securities Exchange Board of India and the Companies Act, 2013 with respect to the Proposed Amalgamation of the Companies.

The scope of services includes conducting relative valuation (not absolute valuation) of the equity shares of the Companies without considering the effect of Proposed Amalgamation and to provide a recommendation on Shares Exchange Ratio.

### B. PREMISE OF VALUE

The present valuation of the company is undertaken by **Going Concern** (the company will continue to operate in future and earn cash flows).

### C. RELEVANT DATE AND VALUATION DATE

For Sheela Foam Limited Relevant date is 28<sup>th</sup> March, 2024  
For Kurlon Enterprise Limited Valuation date is 31<sup>st</sup> December, 2023.

### D. CONFLICT OF INTEREST

The Valuer is not related to the Company or its promoters or its director or their relatives, the valuer has not any interest or conflict of interest with respect to the valuation under consideration.

### E. VALUATION STANDARD

We have prepared our report as per the **International Valuation Standards (IVS)**.

### F. SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. Further our report on recommendation of fair equity share exchange ratio is in accordance with International Valuation Standards.



- This report has been prepared for board of directors of the Companies solely for the purpose of recommending a fair Share Exchange Ratio for the Proposed Amalgamation.
- Valuation is not a precise science, and the conclusions arrived at will be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While we have provided an assessment of value by applying certain formulae which are based on the information available, others may place a different value.
- The Management has represented that the Companies have clear and valid title of assets. No investigation on the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid.
- The draft of the present report (excluding the recommended fair equity share exchange ratio) was circulated to the management to confirm the facts stated in the report and to confirm that the information or facts stated are not erroneous.
- For this exercise, we were provided with both written and verbal information including information detailed in the section 'Sources of Information' of this report. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies/auditors/consultants is that of the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies, or misstatements by the Management may materially affect our valuation analysis/conclusions.
- Our work does not constitute an audit, due diligence or certification of the information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and the consequential impact on the present exercise. However, nothing has come to our attention to indicate that the information provided/obtained was materially misstated/incorrect or would not afford reasonable grounds upon which to base the report.
- Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report as agreed with the Management.
- Our recommendation is based on the estimates of future financial performance as projected by the Management, which represents their view of reasonable expectation at the point of time when they were prepared, after giving due considerations to commercial and financial aspects of the Companies and the industry in which the Companies operate. But such information and estimates are not offered as assurances that a particular level of income or profit will be achieved, or events will occur as predicted. As part of our evaluation process, we have evaluated the reasonableness of the projections prepared by the Management and had discussion with the Management to understand the basis and assumptions for the preparation of projections. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as being associated with or a party to such projections.
- A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other



matter, which may have an impact on our opinion, on the fair value of the shares of the Companies including any significant changes that have taken place or are likely to take place in the financial position of the Companies. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.

- The fee for the engagement and this report is not contingent upon the results reported. We have no present or contemplated financial interest in any of the Companies.
- Our report is not, nor should it be construed as opining or certifying the compliance of the proposed transaction with the provisions of any law including companies, competition, taxation (including transfer pricing) and capital market related laws or as regards any legal implications or issues arising in India or abroad from such Proposed Amalgamation.
- Any person/party intending to provide finance/invest in the shares/convertible instruments/business of the Companies shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.
- The decision to carry out the transaction (including consideration thereof) lies entirely with the Management and our work, and our finding shall not constitute a recommendation as to whether or not the Management should carry out the transaction.
- This report is meant only for the purpose mentioned in the report and should not be used for any purpose other than the purpose mentioned therein. It is exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law. This report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- Neither valuer, nor our partners and employees make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information based on which the valuation is carried out. All such parties expressly disclaim any and all liability for/or based on or relating to any such information contained in the valuation.

#### G. SCOPE OF ANALYSIS

Our expression of the recommendation of the fair Share Exchange Ratio based on the relative fair values of the Companies is supported by all procedures that we deem to be relevant. We have obtained sufficient information and relied on the data, facts, information, documents; and explanations as authenticated, and provided to us by the Management. Our recommendation is based on the information listed below.

- Proposed Scheme of Arrangement
- Consolidated Provisional financial statements of Kurlon Enterprise Limited (Amalgamating Company) for the period 01st April 2023 to 31st December 2023 and next ten years consolidated projections and
- Other information provided as well as discussions held with the management and other personnel of the Companies; and
- Published and secondary sources of data whether or not made available by the Companies.



- Representations given by the management are either written or oral from time to time.
- Supporting data, copies of source documents and other pertinent information supporting our opinion of value are maintained in our files.
- The Company has been provided with an opportunity to review the draft report as part of my standard practice to make sure the factual inaccuracies/ omissions are avoided in my report.

#### H. COMPANIES OVERVIEW:

1. **Sheela Foam Limited ("SFL")** was incorporated as a public limited company on June 18, 1971, under the provisions of the Companies Act, 2013 with corporate identification number L74899DL1971PLC005679 and having its registered office situated at 604 Ashadeep, 9 Hailey Road, New Delhi, India, 110001 ("hereinafter referred to as '**Amalgamated Company**').

The equity shares of SFL are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (collectively hereinafter referred to as "Stock Exchanges").

SFL is engaged in the business of manufacture flexible, semi-flexible and rigid Poly-Urethane Foam slabs and allied products and processing and fabrication thereof and mattresses and cushions upholstery material, manufacture of furniture, packing material and insulation material, molding of rigid Poly- Urethane for various shapes and size and manufacture of jackets and such other items by way of lamination of Poly-Urethane Foam with fabric and manufacture of products that may be allied or may be usefully combined with manufacture of any of the material mentioned above.

#### Shareholding Pattern

The shareholding pattern of SFL as on the Valuation Date is provided in the table below.

Sheela Foam Limited Shareholding Pattern as on Valuation Date		
Name of shareholders	Category	No. of Shares
Tushaar Gautam	Promoter	34172628
Rahul Gautam	Promoter	12418970
Namita Gautam	Promoter Group	11431758
Rangoli Resorts Private Limited	Promoter	13150818
Public	Public	37523167



2. **Kurlon Enterprise Limited ("KEL")** was incorporated as a public limited company on October 03, 2011, under the provisions of the Companies Act, 2013 with corporate identification number U36101MH2011PLC222657 and having its registered office situated at #1002/1008, The Avenue, International A Opp. Hotel Leela, Andheri (East), Mumbai, Maharashtra, India, 400059 ("hereinafter referred to as **Transferee Company**" or the "**Amalgamating Company**") KEL is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.

Kurlon Enterprise Limited Shareholding Pattern as on Valuation Date		
Name of shareholders	Category	No. of Shares
Sheela Foam Limited	Listed Company	35545951
Public	Public	1006310

3. **Belvedere International Limited ("BIL")** was incorporated as a public limited company on December 21, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U52520KA2020PLC142418 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 1**"). BIL is a wholly owned subsidiary of KEL. BIL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, manufacturing, or supplying, trading, dealing in any manner whatsoever in all type of goods including mattresses, pillows, furniture and other related products and services of international brands on retail and B2B basis in India.
4. **Kanvas Concepts Private Limited ("KCPL")** was incorporated as a private limited company on September 22, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U74999KA2020PTC138867 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 2**"). KCPL is a wholly owned subsidiary of KEL. KCPL is engaged in the business of interiors & exteriors of Homes, stage designer, furnishing, designing, decorating, renovating and remodeling of bungalows, houses, shops, show rooms, complexes, apartments, offices, hotels, restaurants and other commercials and residential houses and for the purpose to act as organizer, consultant, advisor, trader, buyer, seller, supervisor, surveyor, broker, agent and to do all other incidental acts and things necessary for the attainment of the above objects.



5. **Kurlon Retail Limited ("KRL")** was incorporated as a public limited company on August 31, 2012, under the provisions of the Companies Act, 2013 with corporate identification number U36104KA2012PLC065664 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 3**"). KRL is a wholly owned subsidiary of KEL. KRL is engaged in the business of buying, selling, storing, promoting, marketing, supplying, trading, and dealing in mattresses, pillow, sofa, and furniture on retail in India.
  
6. **Komfort Universe Products and Services Limited ("KUPSL")** was incorporated as a public limited company on January 18, 2021, under the provisions of the Companies Act, 2013 with corporate identification number U52520KA2021PLC143244 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 4**"). KUPSL is a wholly owned subsidiary of KEL. KUPSL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, supplying, dealing, and trading of semi-finished goods (SFG), foam products, RC Pads, EPE Products and other related products and services on B2B basis in India and outside India.
  
7. **Starship Value Chain and Manufacturing Private Limited ("SVC MPL")** was incorporated as a private limited company on October 09, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U36900KA2020PTC139535 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 5**"). SVC MPL is a wholly owned subsidiary of KEL. SVC MPL is engaged in the business as manufacturer, designers, buyers, sellers, importers, exporters, workers, transporters, suppliers of all types of home comfort products, home décor items including furniture, mattresses, pillows, cushions, perfumers on retail and manufacture of all types of furniture equipment appliances for domestic, office, industrial as well as on wholesale basis in India as well as outside India.





## I. SCHEME OVERVIEW

**Composite Scheme of Arrangement ("Scheme") provides for:**

- (i) Amalgamation of Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, Transferor Company 5 (collectively hereinafter referred to as the Transferor Companies), respectively into Transferee Company, with effect from the Appointed Date (as mentioned in the scheme) and the consequent dissolution of the Transferor Companies without being wound up and (ii) Amalgamation of Amalgamating Company with Amalgamated Company with effect from the Appointed Date (as mentioned in the scheme) and the consequent dissolution of the Amalgamating Company without being wound up; and issuance of the shares New Equity Shares to the equity shareholders of Amalgamating Company in accordance with Share Exchange Ratio, pursuant to section 230-232, and other relevant provisions of the Companies Act, 2013.

### **Rational of Scheme:**

The rationale for the Composite Scheme of Amalgamation is set out below:

- (a) The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer, with leadership position in southern and eastern parts of the country, apart from sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.

The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further strengthen the leadership position in the mattress and foam segments across the country.

The intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.

The Scheme would *inter-alia* have the following benefits:

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;
- (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;



- (c) Rationalization of logistic costs considering the combined volume;
  - (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;
  - (e) Structured, sharper and better management focusing on holistic growth of the businesses;
  - (f) Optimum and efficient utilization of resources and sharing of ancillary facilities;
  - (g) Common governance structure and effective management of compliances;
  - (h) Enhancing shareholder value and leveraging on synergies in doing the business, and
  - (i) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.
- (b) Given the above, and similarity in nature of businesses of the Transferor Companies, the Amalgamating Company and the Amalgamated Company, it is proposed to merge the Transferor Companies with Amalgamating Company (pursuant to Part C of this Scheme) and (post Part C comes into effect) merge the Amalgamating company with Amalgamated Company (pursuant to Part D of this Scheme). The merger shall result in greater business synergies and reduced administrative and other costs.

#### J. VALUATION APPROACH AND METHODOLOGY

To value the Companies, we considered three approaches to valuation, as provided under the IVS - Valuation Approaches and Methods: the market approach, the income approach, and the asset approach. We have reviewed and analyzed several methods and their results to determine which methods would generate the most reasonable opinion of value of their operations as on the Valuation Date. A description of the approaches used, and the approaches considered but not used are included within this report.

There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties.



Both internal and external factors which influence the value of the Companies have been reviewed, analyzed, and interpreted. Internal factors included the financial position and results of operations. External factors included, among other things, the status of the economy and the position of the Companies relative to the industry.

The objective of the valuation process is to make the best reasonable judgement of the value of the shares of the Company.

**A brief explanation of each valuation approach is provided below.**

#### **Income Approach:**

The income approach provides an estimate of the present value of the monetary benefits expected to flow to the owners of the business. It requires the projection of the cash flows that the business is expected to generate. These cash flows are then converted to their present value by means of discounting, using a rate of return that accounts for the time value of money and the appropriate degree of risk in the investment. The value of the business is the sum of the discounted cash flows.

#### **Market Approach**

The market approach considers actual arm's-length transactions for which the market value of investments alternative to the subject company can be observed. The value of a company or an ownership interest in the company can be estimated by developing relevant multiples for the comparative companies that relate value to underlying revenue, earnings, or cash flow variable, and then applying these multiples to the comparable underlying revenue, earnings, or cash flow variable for the subject company. The value multiples can be derived from guideline public company and guideline transactions of the publicly traded company or private companies.

#### **Cost (Asset-Based) Approach**

The asset-based (net underlying assets) approach is a form of the cost approach. The values of the individual assets (i.e., current, fixed, and intangible) of the business are estimated. The sum of the individual asset values represents the total asset value of the enterprise. The enterprise's liabilities related to working capital are deducted to arrive at an indication of value for the invested capital of the business. Because the cost approach does not always reflect the full value of intangible assets, it is often not appropriate to value an operating business completely on the basis of this approach without giving weights to other valuation methods. The cost approach may be relevant to the value of an operating business that is not sufficiently profitable and whose "breakup" values may be greater than its going concern value.



## K. RECOMMENDATION OF FAIR EQUITY SHARE EXCHANGE RATIO

As on the valuation date, as per Composite Scheme of Arrangement ("Scheme") of Amalgamation of Amalgamating Company with Amalgamated Company with effect from the Appointed Date (as mentioned in the scheme) and the consequent dissolution of the Amalgamating Company without being wound up; and issuance of the shares New Equity Shares to the equity shareholders of Amalgamating Company in accordance with Share Exchange Ratio, pursuant to section 230-232, and other relevant provisions of the Companies Act, 2013.

The fair basis for recommending the Share Exchange Ratio for the Proposed Amalgamation of KEL with SFL is dependent upon various factors and considerations mentioned here in this report. Though different values have been arrived at under different methods, for the purpose of recommending a ratio of exchange it is necessary to arrive at a single value for the shares of the companies. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of shares of the Companies to facilitate the determination of the fair Share Exchange Ratio.

For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.

We have independently applied approaches / methods discussed above, as considered appropriate and arrived at their assessment of the relative values per equity share of the Companies. To arrive at the fair share exchange ratios for the Proposed Amalgamation, suitable minor adjustments / rounding off have been made in the relative values arrived.

The fair equity share exchange ratio has been arrived based on a relative valuation of equity shares of the Companies based on the approaches explained herein and various qualitative factors relevant to the companies and the business dynamics and growth potential of the businesses, having regard to information base, management representation and perceptions, key underlying assumptions, and limitations.

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgement considering all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments, etc. which are not evident from the face of the balance sheets, but which will strongly influence the worth of a share.



In light of the above and on consideration of all the relevant factors and circumstances as discussed and outlined hereinabove in this report, we recommend the following fair equity share exchange ratio for the Proposed Amalgamation, whose computation as required is as under:

The calculation of fair Share Exchange Ratio of SFL and KEL is presented in Exhibit I.

Exhibit 1  
SHEELA FOAM LIMITED  
KURLON ENTERPRISE LIMITED  
Computation of Fair Share Exchange Ratio

Valuation Approaches	Sheela Foam Limited (1)		Kurion Enterprise Limited (2)	
	Value per Share	Weight	Value per Share	Weight
Asset Approach	NA	0%	NA	0%
Income Approach	NA	0%	591.80	100%
Market Approach	1137.99	100%	NA	0%
Relative fair Value Per Share	1137.99	100%	591.80	100%
Exchange Ratio Rounded			0.52	

#### L. CONCLUSION

Based on our study and analytical review procedures, and subject to the limitations expressed within this report, the recommended fair Share Exchange Ratio for the Proposed Amalgamation of KEL with SFL, is:

*"52 equity shares of SFL of INR 5 each fully paid up for every 100 equity shares of KEL of INR 5 each fully paid up."*

  
  
 (Arunesh Kumar Dubey)  
 Registered Valuer (Securities and Financial Assets)  
 IBBI Registration No. IBBI/RV/03/2020/12726

**NOTES TO EXHIBIT 1:****(1) Sheela Foam Limited:****Asset Approach:**

As of the Valuation Date, SFL is intended to be continued on a going concern basis and there is no intention to dispose-off the assets/business. Accordingly, the asset approach was not used for the valuation of SFL.

**Income Approach:**

As SFL is listed on BSE and NSE under the ticker "SFL" and is frequently traded therefore Income approach was not used for the valuation of SFL.

**Market Approach:**

As previously discussed, SFL is listed on BSE and NSE under the ticker "SFL". As of the Valuation Date, SFL is actively traded on stock exchanges.

According to Section 164(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("ICDR") for issuers that have been listed on a recognized stock exchange for a period of 90 days or more as on the relevant date, the price of equity shares to be allotted pursuant to the preferential issue shall not be less than higher of the following:

- The 90 trading days' Volume Weighted Average Price ("VWAP") of related equity shares quoted on the recognized stock exchange preceding the relevant date.
- The 10 trading days' VWAP of related equity shares quoted on the recognized stock exchange preceding the relevant date.

Based on the guidance given in the ICDR regulations for determining the share price, we have calculated the per share value of SFL based on the formula of 90 days / 10 days VWAP.

As presented above, only the market approach is considered.



**(2) Kurlon Enterprise Limited:**

**Asset Approach:**

As of the Valuation Date, KEL is intended to be continued on a going concern basis and there is no intention to dispose of the assets/business. Accordingly, an asset approach was not used for the valuation of KEL.

**Income Approach:**

Given the nature of the business of KEL and based on the multi-year projections provided by the Management, we have applied an income approach to compute the fair value of KEL.

**Market Approach:**

Company not listed on any stock exchange and also due to the non-existence of comparable listed companies at this stage therefore Market Approach has not been considered by us.



## APPENDIX A

## VALUATION OF EQUITY SHARE OF SHEELA FOAM LIMITED

For Sheela Foam Limited (Amalgamated Company) valuation has been done based on following methodologies

SHEELA FOAM LIMITED			
Valuation Approach	Value per Share	Weight	Weightage Value per share
Asset Approach	---	0%	0.00
Income Approach	---	0%	0.00
Market Approach	1137.99	100%	1137.99
Total			1137.99

## APPENDIX B

## VALUATION OF EQUITY SHARE OF KURLON ENTERPRISE LIMITED

For Kurlon Enterprise Limited (Amalgamating Company) valuation has been done based on following methodologies

KURLON ENTERPRISE LIMITED			
Valuation Approach	Value per Share	Weight	Weightage Value per share
Asset Approach	---	0%	0
Income Approach	591.80	100%	591.80
Market Approach	---	0%	0
Total			591.80





## APPENDIX C

COMPUTATION OF ISSUE PRICES AND HISTORICAL TRADED VOLUME OF  
SHEELA FOAM LIMITED

Valuation using the Market Price ("MP") method - Market Approach of Sheela Foam Limited			
Relevant date	28-Mar-24		
Relevant Exchange	NSE		
<u>Particulars</u>	<u>Reference</u>	<u>Unit</u>	<u>Price INR</u>
Average of 90 trading days volume weighted average price ("VWAP") preceding the relevant date	A	INR per share	1137.99
Average of 10 trading days volume weighted average price ("VWAP") preceding the relevant date	B	INR per share	944.99
Market price as per ICDR	C = Higher of A and B	INR per share	1137.99



## Reference "A"

Average of 90 trading days volume weighted average price ("VWAP") preceding the relevant date

Days	Date	Number of shares traded	Daily turnover (INR)	Days	Date	Number of shares traded	Daily turnover (INR)
1	17-Nov-23	18814	20808333	46	23-Jan-24	36085	41222863
2	20-Nov-23	222260	253331675	47	24-Jan-24	27337	30937546
3	21-Nov-23	155870	182399482	48	25-Jan-24	16842	19118559
4	22-Nov-23	88381	101754742	49	29-Jan-24	66999	76458646
5	23-Nov-23	57685	67022866	50	30-Jan-24	41818	47397277
6	24-Nov-23	71872	84238190	51	31-Jan-24	98600	114354857
7	28-Nov-23	51053	59716800	52	01-Feb-24	70560	80871974
8	29-Nov-23	42065	48723656	53	02-Feb-24	27181	30848847
9	30-Nov-23	125714	144128069	54	05-Feb-24	47265	53872219
10	01-Dec-23	62869	72869279	55	06-Feb-24	53562	61843563
11	04-Dec-23	50751	59197261	56	07-Feb-24	107932	121928467
12	05-Dec-23	193467	228649673	57	08-Feb-24	52847	59600524
13	06-Dec-23	53414	62096029	58	09-Feb-24	43754	48275191
14	07-Dec-23	36010	41841758	59	12-Feb-24	38567	41809549
15	08-Dec-23	37637	43571176	60	13-Feb-24	57437	62339896
16	11-Dec-23	65550	76100139	61	14-Feb-24	90372	98984478
17	12-Dec-23	44295	51780488	62	15-Feb-24	23109	25143920
18	13-Dec-23	275344	332548116	63	16-Feb-24	34966	38341416
19	14-Dec-23	322375	400242398	64	19-Feb-24	38408	41632332
20	15-Dec-23	448553	573577249	65	20-Feb-24	30722	33199762
21	18-Dec-23	203587	257459146	66	21-Feb-24	24172	25953193
22	19-Dec-23	85421	107899919	67	22-Feb-24	18475	19756636
23	20-Dec-23	184243	230040078	68	23-Feb-24	42931	45487925
24	21-Dec-23	57524	69989914	69	26-Feb-24	21601	22655392
25	22-Dec-23	90354	109381017	70	27-Feb-24	20239	21138552
26	26-Dec-23	22777	27749053	71	28-Feb-24	99710	103465013
27	27-Dec-23	36505	44316120	72	29-Feb-24	41807	43153979
28	28-Dec-23	88680	109911206	73	01-Mar-24	20890	22030256
29	29-Dec-23	48520	60232666	74	02-Mar-24	1920	2023154
30	01-Jan-24	51567	64282566	75	04-Mar-24	17652	18426623
31	02-Jan-24	50750	62963650	76	05-Mar-24	25029	25745363
32	03-Jan-24	29447	36168986	77	06-Mar-24	41589	42117521
33	04-Jan-24	41320	50774277	78	07-Mar-24	38052	38737838
34	05-Jan-24	39263	48282797	79	11-Mar-24	38832	39091660
35	08-Jan-24	88123	105878778	80	12-Mar-24	37080	36900610
36	09-Jan-24	185573	228722038	81	13-Mar-24	60547	58580704
37	10-Jan-24	34095	40909281	82	14-Mar-24	127887	124100595
38	11-Jan-24	78301	96725524	83	15-Mar-24	63406	60816884
39	12-Jan-24	58032	71238243	84	18-Mar-24	40030	38444555
40	15-Jan-24	88564	107707287	85	19-Mar-24	42684	40492490
41	16-Jan-24	58899	71007381	86	20-Mar-24	71027	66451248
42	17-Jan-24	78320	92125211	87	21-Mar-24	106970	100735235
43	18-Jan-24	76447	89370963	88	22-Mar-24	192425	183074715
44	19-Jan-24	58436	67689124	89	26-Mar-24	102673	95856202
45	20-Jan-24	59525	68858038	90	27-Mar-24	457863	427351533
<b>Total</b>						7078108	8054850386



VWAP of 90 trading days volume weighted average price ("VWAP") preceding the relevant date	1137.99
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## Reference "B"

Average of 10 trading days volume weighted average price ("VWAP") preceding the relevant date

Days	Date	Number of shares traded during the day	Daily turnover (INR)
1	13-Mar-24	60,547	5,85,80,704.15
2	14-Mar-24	1,27,887	12,41,00,594.85
3	15-Mar-24	63,408	6,08,16,884.30
4	18-Mar-24	40,030	3,84,44,554.60
5	19-Mar-24	42,684	4,04,92,490.25
6	20-Mar-24	71,027	6,64,51,248.45
7	21-Mar-24	1,06,970	10,07,35,235.20
8	22-Mar-24	1,92,425	18,30,74,714.90
9	26-Mar-24	1,02,673	9,58,56,201.60
10	27-Mar-24	4,57,863	42,73,51,533.4
<b>Total</b>		<b>12,65,514</b>	<b>1,19,59,04,162</b>
VWAP of 10 trading days volume weighted average price ("VWAP") preceding the relevant date			<b>944.99</b>

Historical Traded Quantity during the 240 trading days preceding the relevant date

Days	Date	Number of shares traded	Days	Date	Number of shares traded	Days	Date	Number of shares traded
1	13-Apr-23	20200	46	19-Jun-23	37215	91	23-Aug-23	32,568
2	17-Apr-23	22825	47	20-Jun-23	60958	92	24-Aug-23	38,764
3	18-Apr-23	12840	48	21-Jun-23	36679	93	25-Aug-23	37,012
4	19-Apr-23	15089	49	22-Jun-23	22143	94	28-Aug-23	40,798
5	20-Apr-23	7016	50	23-Jun-23	174350	95	29-Aug-23	45,951
6	21-Apr-23	9351	51	26-Jun-23	38,164	96	30-Aug-23	41,069
7	24-Apr-23	11804	52	27-Jun-23	19,141	97	31-Aug-23	42,152
8	25-Apr-23	4448	53	28-Jun-23	10,29,276	98	01-Sep-23	89,511
9	26-Apr-23	12285	54	30-Jun-23	2,29,208	99	04-Sep-23	44,925
10	27-Apr-23	4095	55	03-Jul-23	64,771	100	05-Sep-23	37,438
11	28-Apr-23	15574	56	04-Jul-23	41,830	101	06-Sep-23	28470
12	02-May-23	35779	57	05-Jul-23	39,051	102	07-Sep-23	45708
13	03-May-23	64370	58	06-Jul-23	57,071	103	08-Sep-23	65678
14	04-May-23	6449	59	07-Jul-23	30,229	104	11-Sep-23	79837
15	05-May-23	13912	60	10-Jul-23	59,783	105	12-Sep-23	88934



16	08-May-23	9537	61	11-Jul-23	1,33,025	106	13-Sep-23	37577
17	09-May-23	7199	62	12-Jul-23	52,984	107	14-Sep-23	32810
18	10-May-23	10776	63	13-Jul-23	1,24,361	108	15-Sep-23	35862
19	11-May-23	5923	64	14-Jul-23	53,701	109	18-Sep-23	143507
20	12-May-23	9299	65	17-Jul-23	6,62,618	110	20-Sep-23	308250
21	15-May-23	4783	66	18-Jul-23	27,88,004	111	21-Sep-23	352695
22	16-May-23	6388	67	19-Jul-23	3,36,473	112	22-Sep-23	77989
23	17-May-23	8638	68	20-Jul-23	1,39,328	113	25-Sep-23	88941
24	18-May-23	31485	69	21-Jul-23	2,70,126	114	26-Sep-23	151095
25	19-May-23	11703	70	24-Jul-23	69,469	115	27-Sep-23	51936
26	22-May-23	8212	71	25-Jul-23	81,174	116	28-Sep-23	201248
27	23-May-23	6324	72	26-Jul-23	1,30,953	117	29-Sep-23	709121
28	24-May-23	16380	73	27-Jul-23	68,368	118	03-Oct-23	834644
29	25-May-23	37978	74	28-Jul-23	60,250	119	03-Oct-23	78051
30	26-May-23	28821	75	31-Jul-23	1,20,544	120	04-Oct-23	108652
31	29-May-23	23010	76	01-Aug-23	71,097	121	05-Oct-23	255719
32	30-May-23	10383	77	02-Aug-23	1,04,933	122	06-Oct-23	37059
33	31-May-23	25953	78	03-Aug-23	1,85,068	123	09-Oct-23	85680
34	01-Jun-23	13356	79	04-Aug-23	1,71,607	124	10-Oct-23	60855
35	02-Jun-23	16186	80	07-Aug-23	73,083	125	11-Oct-23	36567
36	05-Jun-23	14146	81	08-Aug-23	42,186	126	12-Oct-23	29956
37	06-Jun-23	22127	82	09-Aug-23	30,314	127	13-Oct-23	121636
38	07-Jun-23	22764	83	10-Aug-23	38,364	128	16-Oct-23	66240
39	08-Jun-23	12058	84	11-Aug-23	41,779	129	17-Oct-23	101114
40	09-Jun-23	9352	85	14-Aug-23	25,216	130	18-Oct-23	73057
41	12-Jun-23	935051	86	16-Aug-23	35,905	131	19-Oct-23	38847
42	13-Jun-23	902566	87	17-Aug-23	39,819	132	20-Oct-23	200196
43	14-Jun-23	199491	88	18-Aug-23	49,756	133	23-Oct-23	63242
44	15-Jun-23	73892	89	21-Aug-23	69,820	134	25-Oct-23	94608
45	16-Jun-23	79121	90	22-Aug-23	36,259	135	26-Oct-23	54312

Days	Date	Number of shares traded	Days	Date	Number of shares traded	Days	Date	Number of shares traded
136	27-Oct-23	39944	171	18-Dec-23	203587	206	07-Feb-24	107932
137	30-Oct-23	55531	172	19-Dec-23	85421	207	08-Feb-24	52847
138	31-Oct-23	50096	173	20-Dec-23	184243	208	09-Feb-24	43754
139	01-Nov-23	42015	174	21-Dec-23	57524	209	12-Feb-24	38567
140	02-Nov-23	39392	175	22-Dec-23	90354	210	13-Feb-24	57437
141	03-Nov-23	134218	176	26-Dec-23	22777	211	14-Feb-24	90372
142	06-Nov-23	32120	177	27-Dec-23	36505	212	15-Feb-24	23109
143	07-Nov-23	21520	178	28-Dec-23	88680	213	16-Feb-24	34966
144	08-Nov-23	30544	179	29-Dec-23	48520	214	19-Feb-24	38408
145	09-Nov-23	33117	180	01-Jan-24	51567	215	20-Feb-24	30722
146	10-Nov-23	80655	181	02-Jan-24	50750	216	21-Feb-24	24172
147	12-Nov-23	16708	182	03-Jan-24	29447	217	22-Feb-24	18475
148	13-Nov-23	27736	183	04-Jan-24	41320	218	23-Feb-24	42931
149	15-Nov-23	19141	184	05-Jan-24	39263	219	26-Feb-24	21601
150	16-Nov-23	54646	185	08-Jan-24	88123	220	27-Feb-24	20239
151	17-Nov-23	18814	186	09-Jan-24	185573	221	28-Feb-24	99710
152	20-Nov-23	222260	187	10-Jan-24	34095	222	29-Feb-24	41807
153	21-Nov-23	155870	188	11-Jan-24	78301	223	01-Mar-24	20890
154	22-Nov-23	88381	189	12-Jan-24	58032	224	02-Mar-24	1920



155	23-Nov-23	57685	190	15-Jan-24	88564	225	04-Mar-24	17652
156	24-Nov-23	71872	191	16-Jan-24	58899	226	05-Mar-24	25029
157	28-Nov-23	51053	192	17-Jan-24	78320	227	06-Mar-24	41589
158	29-Nov-23	42065	193	18-Jan-24	76447	228	07-Mar-24	38052
159	30-Nov-23	125714	194	19-Jan-24	58436	229	11-Mar-24	38832
160	01-Dec-23	62869	195	20-Jan-24	59525	230	12-Mar-24	37080
161	04-Dec-23	50751	196	23-Jan-24	36085	231	13-Mar-24	60547
162	05-Dec-23	193467	197	24-Jan-24	27337	232	14-Mar-24	127887
163	06-Dec-23	53414	198	25-Jan-24	16842	233	15-Mar-24	63408
164	07-Dec-23	36010	199	29-Jan-24	66999	234	18-Mar-24	40030
165	08-Dec-23	37637	200	30-Jan-24	41818	235	19-Mar-24	42684
166	11-Dec-23	65550	201	31-Jan-24	98600	236	20-Mar-24	71027
167	12-Dec-23	44295	202	01-Feb-24	70560	237	21-Mar-24	106970
168	13-Dec-23	275344	203	02-Feb-24	27181	238	22-Mar-24	192425
169	14-Dec-23	322375	204	05-Feb-24	47265	239	26-Mar-24	102673
170	15-Dec-23	448553	205	06-Feb-24	53562	240	27-Mar-24	457863
<b>Total Traded Quantity during the 240 trading days preceding the relevant date</b>								23912966
<b>Total number of shares outstanding Weighted Average</b>								103409772
<b>% of shares traded during the 240 trading days preceding the relevant date</b>								23.12%





<p><b>To</b>  <b>The General Manager</b>  <b>Department of Corporate Services</b>  <b>BSE Limited</b>  <b>P.J. Towers, Dalal Street</b>  <b>Mumbai - 400001</b></p>	<p><b>To,</b>  <b>Manager - Listing Compliance</b>  <b>National Stock Exchange of India Limited</b>  <b>'Exchange Plaza', C-1, Block G,</b>  <b>Bandra Kurla Complex,</b>  <b>Bandra (E), Mumbai - 400051</b></p>
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Dear Sir,

**Sub: Confirmation by the Company Secretary**

I, Md. Iqbal Ahmad, being the Company Secretary of Sheela Foam Limited hereby confirms that:

- a) No material event impacting the valuation has occurred during the intervening period of filing the Scheme documents with Stock Exchange and period under consideration for valuation.
- b) There have been no past defaults of listed debt obligations of the entities forming part of the Scheme.

Yours faithfully

For Sheela Foam Limited

**Md. Iqbal Ahmad**  
**Company Secretary**

Date: April 04, 2024  
Place: New Delhi

**SHEELA FOAM LTD.**

#14, Sleepwell Tower, Sector 105, Noida-201301  
Ph: Int-91(0)-120-4866400 • Fax: Int-91-(0)-120-4162262, 4162283 • Email: [contactus@sheelafoam.com](mailto:contactus@sheelafoam.com)  
Regd. Office: 604 Ashadeep, 9 Halley Road, New Delhi-110001, India Ph: Int-91(0)-11-23316875-76  
Toll Free: 1800 103 6664 • [www.sleepwellproducts.com](http://www.sleepwellproducts.com) • [www.sheelafoam.com](http://www.sheelafoam.com)  
CIN-L74699OL1971PLC005679

Annexure 10

**FAIRNESS OPINION REPORT ON VALUATION FOR THE PROPOSED SCHEME  
OF ARRANGEMENT**

**OF**

**BELVEDORE INTERNATIONAL LIMITED, KANVAS CONCEPTS PRIVATE  
LIMITED, KURLON RETAIL LIMITED, KOMFORT UNIVERSE PRODUCTS AND  
SERVICES LIMITED, STARSHIP VALUE CHAIN AND MANUFACTURING AND  
KURLON ENTERPRISE LIMITED**

**WITH**

**SHEELA FOAM LIMITED**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**By**



**Navigant**

**Navigant Corporate Advisors Limited**

804, Meadows, Sahar Plaza Complex,

J.B. Nagar, Andheri Kurla Road,

Andheri East, Mumbai-400 059

Email Id- [navigant@navigantcorp.com](mailto:navigant@navigantcorp.com)

Web: [www.navigantcorp.com](http://www.navigantcorp.com)

**28<sup>th</sup> March, 2024**

**SEBI Registered Category I Merchant Banker**

**SEBI Registration No. INM000012243**

Page 1 of 10



## Notice to Reader

Navigant Corporate Advisors Limited ("Navigant" / "NCAL" or "Authors of the Report") is a SEBI registered Category I Merchant Banker in India and was engaged by Board of Directors of **SHEELA FOAM LIMITED ("SFL" or "Amalgamated Company")** to prepare an Independent Fairness Opinion Report ("**Report**") with respect to providing an independent opinion and assessment as to Fairness of Valuation Report and Swap Ratio determined by **Arunesh Kumar Dubey, Registered Valuer (SFA) ("Valuer" / "Independent Valuer")** an Independent Valuer for the purpose of intended proposed Merger of Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurlon Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVC MPL" or "Transferor Company 5"), respectively into Kurlon Enterprise Limited ("KEL" or "Transferee Company" or "Amalgamating Company"), with effect from the Appointed Date (as defined in the Scheme) and the consequent dissolution of the Transferor Companies without being wound up and (ii) Amalgamation of Amalgamating Company with Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") with effect from the Appointed Date (as defined in the Scheme) and the consequent dissolution of the Amalgamating Company without being wound up; and issuance of the New Equity Shares (as defined in the Scheme) to the equity shareholders of Amalgamating Company in accordance with Share Exchange Ratio (as defined in the Scheme), pursuant to section 230-232, and other relevant provisions of the Companies Act, in the matter provided for in this Scheme.

SFL and BIL, KCPL, KRL, KUPSL, SVC MPL, KEL are collectively referred to as "Companies".

The Report has been prepared on the basis of the review of information provided to Navigant and specifically the Report on Swap Ratio (hereinafter referred as Valuation Report) prepared by Valuer as an Independent Valuer. The Report does not give any valuation or suggest any Swap Ratio; however, this Report is limited to provide its Fairness Opinion on the Valuation Report.

The information contained in this Report is selective and is subject to updations, expansions, revisions and amendments. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent.





This Report is based on data and explanations provided by the Management and certain other data culled out from various websites believed to be reliable. Navigant has not independently verified any of the information contained herein. Neither the Company nor Navigant, nor affiliated Bodies Corporate, nor the Directors, Shareholders, Managers, Employees or Agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information contained in the Report. All such Parties and Entities expressly disclaim any and all liability for or based on or relating to any such information contained in, or errors in or omissions from, this Report or based on or relating to the Recipients' use of this Report.



**Date: 28<sup>th</sup> March, 2024**

To,  
**SHEELA FOAM LIMITED**  
 604 Ashadeep, 9 Hailey Road, New Delhi, New Delhi, Delhi, India, 110001

Dear Members of the Board,

### Engagement Background

We understand that the Board of Directors of Belvedere International Limited ("BIL"), Kanvas Concepts Private Limited (KCPL), Kurlon Retail Limited (KRL), Komfort Universe Products And Services Limited (KUPSL), Starship Value Chain And Manufacturing Private Limited (SVC MPL), Kurlon Enterprise Limited (KEL) and **SHEELA FOAM LIMITED ("SFL" or "Amalgamated Company")** are considering a Scheme of Arrangement between BIL, KCPL, KRL, KUPSL, SVC MPL, KEL and SFL and their respective Shareholders and Creditors ("the Scheme") under the provisions of Sections 230 to 232 of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as may be applicable, for Merger of BIL, KCPL, KRL, KUPSL, SVC MPL, KEL into SFL on a going concern basis.

We understand that the Valuation as well as the Swap Ratio thereof is based on the Valuation Report dated 28<sup>th</sup> March, 2024 issued by Arunesh Kumar Dubey, **Registered Valuer (SFA) ("Valuer"/ "Independent Valuer")** (IBBI Registration No. **IBBI/RV/03/2020/12786**).

We, Navigant Corporate Advisors Limited, a SEBI registered Category-I Merchant Banker, have been engaged by SFL to give a Fairness Opinion ("Opinion") on Valuation Report dated 28<sup>th</sup> March, 2024 issued by Arunesh Kumar Dubey, **Registered Valuer (SFA) ("Valuer"/ "Independent Valuer")** (IBBI Registration No. **IBBI/RV/03/2020/12786**).

### Background of the Companies

Belvedere International Limited ("**BIL**") was incorporated as a public limited company on December 21, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U52520KA2020PLC142418 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company I**"). BIL is wholly owned subsidiary of KEL. BIL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, manufacturing or supplying, trading, dealing in any manner whatsoever in all type of goods including mattresses, pillows, furniture and other related products and services of international brands on retail and B2B basis in India.



Kanvas Concepts Private Limited ("**KCPL**") was incorporated as a private limited company on September 22, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U74999KA2020PTC138867 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 2**"). KCPL is wholly owned subsidiary of KEL. KCPL is engaged in the business of interiors & exteriors of Homes, stage designer, furnishing, designing, decorating, renovating and remodeling of bungalows, houses, shops, show rooms, complexes, apartments, offices, hotels, restaurants and other commercials and residential houses and for the purpose to act as organizer, consultant, advisor, trader, buyer, seller, supervisor, surveyor, broker, agent and to do all other incidental acts and things necessary for the attainment of the above objects.

Kurlon Retail Limited ("**KRL**") was incorporated as a public limited company on August 31, 2012, under the provisions of the Companies Act, 2013 with corporate identification number U36104KA2012PLC065664 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 3**"). KRL is wholly owned subsidiary of KEL. KRL is engaged in the business of buying, selling, storing, promoting, marketing, supplying, trading and dealing in mattresses, pillow, sofa and furniture on retail in India.

Komfort Universe Products and Services Limited ("**KUPSL**") was incorporated as a public limited company on January 18, 2021, under the provisions of the Companies Act, 2013 with corporate identification number U52520KA2021PLC143244 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 4**"). KUPSL is wholly owned subsidiary of KEL. KUPSL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, supplying, dealing and trading of semi-finished goods (SFG), foam products, RC Pads, EPE Products and other related products and services on B2B basis in India and outside India.

Starship Value Chain and Manufacturing Private Limited ("**SVC MPL**") was incorporated as a private limited company on October 09, 2020, under the provisions of the Companies Act, 2013 with corporate identification number U36900KA2020PTC139535 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **Transferor Company 5**"). SVC MPL is wholly owned subsidiary of KEL. SVC MPL is engaged in the business as manufacturer, designers, buyers, sellers, importers, exporters, workers, transporters, suppliers of all types of home comfort products, home décor items including furniture, mattresses, pillows, cushions, perfumers on retail and manufacture of all types of furniture equipment appliances for domestic, office, industrial as well as on wholesale basis in India as well as outside India.



Kurlon Enterprise Limited ("KEL") was incorporated as a public limited company on October 03, 2011, under the provisions of the Companies Act, 2013 with corporate identification number L74899DLI971PLC005679 and having its registered office situated at N-301, 3rd Floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Bangalore, Karnataka, India, 560042 ("hereinafter referred to as **"Amalgamating Company"**). KEL is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.

Sheela Foam Limited ("SFL") was incorporated as a public limited company on May 18, 1971, under the provisions of the Companies Act, 2013 with corporate identification number L74899DLI971PLC005679 and having its registered office situated at 604 Ashadeep, 9 Hailey Road, New Delhi, New Delhi, Delhi, India, 110001 ("hereinafter referred to as **"Amalgamated Company"**). The equity shares of SFL are listed on BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") (collectively hereinafter referred to as "**Stock Exchanges**"). SFL is engaged in the business of manufacture flexible, semi-flexible and rigid Poly-Urethane Foam slabs and allied products and processing and fabrication thereof and mattresses and cushions upholstery material, manufacture of furniture; packing material and insulation material, moulding of rigid Poly- Urethane for various shapes and size and manufacture of jackets and such other items by way of lamination of Poly-Urethane Foam with fabric and manufacture of products that may be allied or may be usefully combined with manufacture of any of the material mentioned above.

### Transaction Overview and Rational

It is proposed to amalgamate BIL, KCPL, KRL, KUPSL, SVC MPL, KEL into SFL. This arrangement would inter alia have the following benefits:

- Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;
- Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;
- Rationalization of logistic costs considering the combined volume;
- Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;
- Structured, sharper and better management focusing on holistic growth of the businesses;
- Optimum and efficient utilization of resources and sharing of ancillary facilities;
- Common governance structure and effective management of compliances;
- Enhancing shareholder value and leveraging on synergies in doing the business; and
- Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.



### Information relied upon:

We have prepared the Fairness Opinion Report on the basis of the information provided to us and inter alia the following:

- Share Exchange Ratio Report by Arunesh Kumar Dubey, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") (IBBI Registration No. IBBI/RV/03/2020/12786) dated 28<sup>th</sup> March, 2024;
- Other information and explanations as provided by the Management.

Further, we had discussions on such matters which we believe are necessary or appropriate for the purpose of issuing the Valuation Report.

We assume no responsibility for the legal, tax, accounting or structuring matters including, but not limited to, legal or title concerns. Title to all subject business assets is assumed to be good and marketable and we would urge the Company to carry out the independent assessment of the same prior to entering into any transaction, after giving due weightage to the results of such assessment.

We have been informed that all information relevant for the purpose of issuing the Fairness Opinion Report has been disclosed to us and we are not aware of any material information that has been omitted or that remains undisclosed.

Our Opinion and Analysis is limited to the extent of review of the Valuation Report by the Valuer and the Draft Scheme Document. In connection with the opinion, we have

- A) Reviewed the Draft Scheme Document and the Valuation Report by the Valuer dated 28<sup>th</sup> March, 2024.
- B) Provisional financial statements of KEL for the period ended 31<sup>st</sup> December, 2023;
- C) Reviewed Draft Scheme of Arrangement;
- D) Held discussions with the Valuer, in relation to the approach taken to Valuation and the details of various methodologies utilized by them in preparing the Valuation Report and recommendations;
- E) Reviewed historical Stock Prices and Trading Volumes of SFL at BSE and NSE;
- F) Reviewed such other information and explanations as we have required and which have been provided by the Management of BIL, KCPL, KRL, KUPSL, SVC MPL, KEL and SFL.



This Opinion is intended only for the sole use and information of SFL and in connection with the Scheme, including for the purpose of obtaining Judicial and Regulatory Approvals for the Scheme or the purpose of complying with the SEBI Regulations and requirement of Stock Exchanges on which the Company is listed, and for no other purpose. We are not responsible in any way to any Person/Party/Statutory Authority for any decision of such Person or Party or Authority based on this opinion. Any Person/Party intending to provide finance or invest in the Shares/Business of either BIL and/or SFL or their Subsidiaries /Joint Ventures/Associates shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision.

For the purpose of this Assignment, Navigant has relied on the Valuation Certificate for the proposed "Scheme of Arrangement" of BIL, KCPL, KRL, KUPSL, SVC MPL, KEL and SFL and their respective Shareholders and information and explanation provided to it, the accuracy whereof has not been evaluated by Navigant. Navigant's work does not constitute certification or due diligence of any past working results and Navigant has relied upon the information provided to it as set out in working results of the aforesaid reports.

Navigant has not carried out any physical verification of the Assets and Liabilities of the Companies and takes no responsibility on the identification and availability of such Assets and Liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the Board /General Meetings of BIL, KCPL, KRL, KUPSL, SVC MPL, KEL and SFL and to the Stock Exchanges and to the Registrar of Companies. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of Arrangement with the provisions of any Law including Companies, Taxation and Capital Market related Laws or as regards any Legal implications or issues arising thereon.

The information contained in this Report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The Report has been prepared solely for the purpose of giving a Fairness Opinion on Valuation Certificate issued for the proposed Scheme of Arrangement between BIL, KCPL, KRL, KUPSL, SVC MPL, KEL and SFL and their respective Shareholders, and may not be applicable or referred to or quoted in any other context.



Our opinion is dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing Audit tests for the purpose of expressing an Opinion on the Fairness or Accuracy of any Financial or Analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any Opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to this date.

We have assumed that the Final Scheme will not differ in any material respect from the Draft Scheme Document shared with us.

We do not express any Opinion as to any tax or other consequences that might arise from the Scheme on BIL, KCPL, KRL, KUPSL, SVC MPL, KEL and SFL and their respective Shareholders, nor does our Opinion address any legal, tax, regulatory or accounting matters, as to which we understand that the respective Companies have obtained such advice as they deemed necessary from qualified Professionals. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, government investigation or other contingent liabilities to which BIL, KCPL, KRL, KUPSL, SVC MPL, KEL and SFL and/or their Associates/ Subsidiaries, are or may be Party.

The Company has been provided with an opportunity to review the Draft Opinion as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Final Opinion.

Our Opinion is not intended to and does not constitute a recommendation to any Shareholder as to how such holder should vote or act in connection with the Scheme or any matter thereto.



### Our Fairness Opinion:

Based upon Valuation work carried out by Arunesh Kumar Dubey, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") we are of the Opinion that the purpose of the proposed Merger of BIL, KCPL, KRL, KUPSL, SVCMP, KEL into SFL are fair, from a financial point of view.

The fairness of the Proposed Merger is tested by:

- (1) Considering whether the Valuation Methods adopted by Arunesh Kumar Dubey, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") depict a correct picture on the value of shares of all companies;
- (2) Calculating the Fair Market Value of Companies;
- (3) Considering qualitative factors such as economies of scale of operations, synergy benefits that may result from the proposed Merger of BIL, KCPL, KRL, KUPSL, SVCMP, KEL into SFL .

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined in the valuation report, dated 28<sup>th</sup> March, 2024 issued by Arunesh Kumar Dubey, it has been recommended by the Valuer that the fair exchange ratio for the proposed Arrangement shall be as follows:

"52 (Fifty-two) Equity Shares of Rs. 5 each fully paid up of SFL for every 100 (One hundred) equity shares of Rs. 5/- each fully paid up of KEL.

The rationale for Share Exchange Ratio as explained above, will be issued as assumed by Arunesh Kumar Dubey, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") is justified.

We are in opinion that, Arunesh Kumar Dubey, Registered Valuer (SFA) ("Valuer"/ "Independent Valuer") is justified by taking the Fair Value of Companies, and covers each aspect of valuation.

This being of our best of professional understanding, we hereby sign the Fairness Opinion Report on Valuation.

### For Navigant Corporate Advisors Limited



**Sarthak Vijlani**  
**Managing Director**  
**Place: Mumbai**



DCS/AMAL/AK/R37/3414/2024-25

November 25, 2024

The Company Secretary,  
**Sheela Foam Ltd**  
 1002 to 1006,  
 The Avenue International Airport Road,  
 Opp Hotel Leela Sahar,  
 Andheri East, Mumbai,  
 Maharashtra, 400069

Dear Sir,

**Sub: Scheme of Arrangement between Belvedere International Limited (Transferor Company 1) and Kanvas Concepts Private Limited (Transferor Company 2) and Kurlon Retail Limited (Transferor Company 3) and Komfort Universe Products and Services Limited (Transferor Company 4) and Starship Value Chain and Manufacturing Private Limited (Transferor Company 5) and Kurlon Enterprise Limited (Transferee Company / Amalgamating Company) and Sheela Foam Limited (Amalgamated Company) and their respective shareholders**

We are in receipt of the Scheme of Arrangement between Belvedere International Limited (Transferor Company 1) and Kanvas Concepts Private Limited (Transferor Company 2) and Kurlon Retail Limited (Transferor Company 3) and Komfort Universe Products and Services Limited (Transferor Company 4) and Starship Value Chain and Manufacturing Private Limited (Transferor Company 5) and Kurlon Enterprise Limited (Transferee Company / Amalgamating Company) and Sheela Foam Limited (Amalgamated Company) and their respective shareholders as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 37 & 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS Div/P/CIR/2022/000000103 dated July 29, 2022 (SEBI Circular) and Regulation 59A & 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated November 25, 2024 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- a. "The Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "The Company shall ensure compliance with SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the SEBI master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company."
- e. "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval, if applicable."



Page 1 of 4

- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old, if applicable."
- g. "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice sent to shareholders."
- h. "Company is advised that proposed equity shares proposed to be issued as part of the "Scheme" shall mandatorily be in demat form only."
- i. "Company shall ensure that the "Scheme" shall be acted upon subject to the complying with the relevant clauses mentioned in the scheme document."
- j. "Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- k. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- l. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- m. "Company is advised that the "Scheme" shall be acted upon subject to the applicant complying with the Para 10 (a) & (b) of Part I of SEBI Master Circular issued on June 20, 2023 and relevant clauses mentioned in the scheme document."
- n. "The entities involved in the proposed scheme shall not provide any misstatements or furnish false information with regards to disclosures to be made in the draft scheme of amalgamation as per provisions of chapter XII of the operational circular dated May 21, 2024 and comply with other requirements of the aforesaid Operational Circular."
- o. "The listed entity involved in the proposed scheme shall include information pertaining to the unlisted entities, if any in the format specified for abridged prospectus as provision as provided in the Part B of Schedule I of SEBI (Issue and Listing of Non-Convertible Securities) Regulations 2021, in the notice or proposal to be sent to the holders of NCDs/NCRPs while seeking approval for the scheme. The accuracy and adequacy of such disclosures shall be certified by the SEBI registered Merchant Banker after following the due diligence process."
- p. "The listed entity involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchanges on its website within 24 hours of receiving the same."
- q. "The entities involved in the scheme shall ensure to comply with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars."
- o. "Company is advised to disclose the following as a part of the Explanatory Statement or Notice or Proposal accompanying resolution to be passed to be forwarded by the Company to its shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013, to enable them to take an informed decision;
  - l. Need, rationale and synergies of the scheme along with its impact of the scheme on the shareholders

*JP* *SV*

- ii. Details of assets, liabilities, net worth and revenue of the Companies involved in the scheme for both pre and post scheme of arrangement.
  - iii. A writeup on the history of transferor companies.
  - iv. Latest Net Worth Certificate along with statement of Assets and Liabilities of all companies involved in the Scheme of arrangement for both pre and post scheme of arrangement
  - v. Comparison of revenue and net worth of the Transferor Companies with the total revenue and net worth of the Transferee Company in the last three financial years.
  - vi. Justification for 'appointed date' significantly ante-dated beyond a year from the date of filing with Hon'ble NCLT, and how the same is in the interest of public shareholders, in terms of General Circular 09/2019 (F. NO 7/12/2019/CL-I), issued by Ministry of Corporate Affairs ON August 21, 2019.
  - vii. Company shall ensure that applicable additional information, if any to be submitted to SEBI along with the draft scheme of arrangement as per Exchange queries dated April 22, 2024 shall form a part of disclosures to shareholders.
- o. "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders; while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Byelaws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order

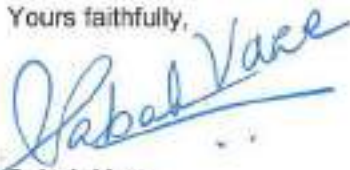


passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

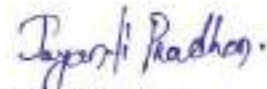
In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



**Sabah Vaze**  
Senior Manager



**Jayanti Pradhan**  
Assistant Manager

**National Stock Exchange Of India Limited**

Ref: NSE/LIST/41153

November 26, 2024

The Company Secretary  
Sheela Foam Limited  
604 Ashadeep, 9 Hailey Road,  
New Delhi- 110001

**Kind Attn.: Mr. Md. Iquebal Ahmad**

Dear Sir,

**Sub: Observation Letter for draft scheme of arrangement between Belvedere International Limited (Transferor Company 1) and Kanvas Concepts Private Limited (Transferor Company 2) and Kurlon Retail Limited (Transferor Company 3) and Komfort Universe Products and Services Limited (Transferor Company 4) and Starship Value Chain and Manufacturing Private Limited (Transferor Company 5) and Kurlon Enterprise Limited (Transferee Company / Amalgamating Company) and Sheela Foam Limited (Amalgamated Company) and their respective shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013.**

We are in receipt of captioned draft scheme of arrangement filed by Sheela Foam Limited.

Based on our letter reference no. NSE/LIST/41153 dated September 10, 2024, submitted to SEBI pursuant to SEBI Master Circular dated June 20, 2023 read with Regulation 59A, 94(2) and 94A(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) and SEBI Operational Circular No. SEBI/HO/DDHS/DDHS\_PoD-1/P/CIR/2024/48 dated May 21, 2024, SEBI vide its letter dated November 25, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters, and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the listed Companies and the Stock Exchanges.*
- c) *The Company shall ensure compliance with the SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*

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- d) *The Company shall ensure that the information pertaining to all the Unlisted Companies, if any, involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval, if applicable.*
- e) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old, if applicable.*
- f) *The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.*
- g) *The Company shall ensure that the proposed equity shares, if any, to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- h) *The Company shall ensure that the "Scheme" shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.*
- i) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.*
- j) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- k) *The Company shall ensure to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- l) *The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the Para 10 (a) and (b) of Part I of SEBI Master Circular issued on June 20, 2023 and relevant clauses mentioned in the scheme document.*

This Document is Digitally Signed



Signer: KHYATI NANDAN VIDWANS  
Date: Tue, Nov 26, 2024 13:56:27 IST  
Location: NSE



Ref: NSE/LIST/41153

November 26, 2024

- m) *The entities involved in the proposed scheme shall not provide any mis-statement or furnish false information with regard to disclosures to be made in the draft scheme of amalgamation as per provisions of Chapter XII of the Operational Circular issued on May 21, 2024 and comply with other requirements of the aforesaid Operational Circular.*
- n) *The listed entities involved in the proposed scheme shall include information pertaining to unlisted entities, if any, in the format specified for abridged prospectus as provided in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 in the notice or proposal to be sent to the holders of NCDs/NCRPS while seeking approval for the scheme. The accuracy and adequacy of such disclosures shall be certified by the SEBI registered Merchant Banker after following the due diligence process.*
- o) *The listed entity involved in the proposed scheme shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.*
- p) *The Company shall ensure that the entities involved in the proposed scheme have complied with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars.*
- q) *The Companies shall disclose the following additional disclosure to the public shareholders as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to take an informed decision:*
- i. *Need, rationale and synergies of the scheme along with its impact on the shareholders.*
  - ii. *Details of assets, liabilities, net worth, revenue of the companies involved in the scheme, for both pre and post scheme of arrangement.*
  - iii. *A write up on the history of the transferor companies.*
  - iv. *Latest Net Worth certificate along with statement of assets and liabilities of all the companies involved in the scheme of arrangement for both pre and post the scheme of arrangement.*
  - v. *Comparison of revenue and net worth of transferor companies with the total revenue and net worth of the transferee company for last three financial years.*

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Signer: KHYATI NANDAN VIDWANS  
 Date: Tue, Nov 26, 2024 13:56:27 IST  
 Location: NSE



Ref: NSE/LIST/41153

November 26, 2024

- vi. *Justification for “appointed date” significantly ante-dated beyond a year from the date of filing with NCLT, and how the same is in the interest of public shareholders in terms of General Circular 09/2019 (F. No. 7/12/2019/CL-I), issued by Ministry of Corporate Affairs on August 21, 2019.*
  - vii. *The Companies shall ensure that all the applicable additional information, if any, shall form part of disclosures to the shareholders, which was submitted by the Company to the Stock Exchange as per Annexure M of Exchange checklist.*
- r) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*

**It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.**

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

The Listed entities involved in the proposed Scheme shall disclose the No-Objection Letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

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Location: NSE





Ref: NSE/LIST/41153

November 26, 2024

The validity of this “Observation Letter” shall be six months from November 26, 2024, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

**The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.**

Yours faithfully,  
For National Stock Exchange of India Limited

Khyati Vidwans  
Senior Manager

*P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:* <https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

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Date: Tue, Nov 26, 2024 13:56:27 IST  
Location: NSE

Poe Arrangement with PAN



Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	
1.	Name of Listed Entity: Sheela Foam Limited
2.	Scrp Code/Name or Scrip/Class of Security: 540203
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c)
	a. If under 31(1)(b) then indicate the report for quarter ending
	b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

Particulars		Yes*	No*
1.	Whether the Listed Entity has issued any partly paid up shares?		No
2.	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3.	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4.	Whether the Listed Entity has any shares in locked-in?		No
5.	Whether any shares held by promoters are pledge or otherwise encumbered?		No

\* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.



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 CIN-L74900DL1974PLC005679



**Sheela Foam Limited**  
Table 1 - Summary Statement holding of specified securities

Category	Category of shareholders	No. of shares held	No. of fully paid up shares held	No. of Partly paid up shares held	No. of shares underlie	Total nos. shares held	Shareholding as % of total nos. of shares (calculated as per SCSS, 2002)	Number of Voting Rights held by each class of securities		No. of shares held by the company	Shareholding, excluding all convertible securities (including warrants)	Percentage of shareholding		Number of shares pledged or otherwise encumbered	Number of equity shares held by promoter/related parties
								Class 'a'	Class 'b'			Class 'a'	Class 'b'		
(A)	Promoter & Promoter Group	0	211,982,743	0	0	211,982,743	65.47%	0	0	0	65.47%	0	0	0	0
(B)	Public	3,000	31,528,012	0	0	31,528,012	9.32%	3,000	0	0	9.32%	0	0	0	0
(C)	Non Promoter - Non Public	0	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0
(D)	SHARES UNDERLYING TS	0	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0
(E)	SHARES HELD BY EMPLOYEES TRUST	0	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	0
	Total	3,000	243,510,755	0	0	243,510,755	74.79%	3,000	0	0	74.79%	0	0	0	0



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Regd. Office: 80/4, Anandapuri, 9, Hailey Road, New Delhi-110001, India • Ph: Int-91-011-1-23316675-78  
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CIN: I74899DL1071PLC005679









**Sheela Foam Limited**  
**Table A - Statement showing if existing pattern of the Non Promoter Non Public Shareholder**

Category & Name of the shareholder	Form	No. of Shares Held	No. of Fully paid up Shares Held	Partly paid up Shares Held	No. of Shares Deposited & Amount held	Total nos. Shares held	Market Value calculated as per SCRR, 1957 As a % of (A+B+C)	No. of Voting Rights			Total nos. of (A+B+C)	No. of Shares held as Depositor	No. of Shares held as Debtor	No. of Shares held as Creditor	No. of Shares held as Debtor	No. of Shares held as Creditor					
								Class	Class	Total							No. of Shares held as Depositor	No. of Shares held as Debtor	No. of Shares held as Creditor	No. of Shares held as Debtor	No. of Shares held as Creditor
<b>Category (I) Holder</b>		(A)	(B)	(C)	(D)	(E)	(F)	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)						
1. Mr. Anand Kumar Singh (Proprietor) (100%)		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0						
<b>Total Non Promoter Non Public Shareholding (I):</b>		0	0	0	0	0	0.00%	0	0	0	0	0	0	0	0						

(1) (A) to (I) are in respect of all shares of the company.  
 (2) The above figures are to be adjusted along with the shares of the shareholder holding 1% or more than 1% of blocks of the company. (3) (A) to (I) are applicable to the shares of the company.  
 (4) Where there is a change in the shareholding pattern, the same may be updated in the table by the revised information table.



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 Toll Free: 1800 103 8854 + [www.sleepwellproducts.com](http://www.sleepwellproducts.com) + [www.sheelafoam.com](http://www.sheelafoam.com)  
 CIN: L74899DL1971PLC002679

## Bc Arrangement without PANI



Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	
1.	Name of Listed Entity: Sheela Foam Limited
2.	Script Code/Name of Scrip/Class of Security: 560203
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c)
	a. If under 31(1)(b) then indicate the report for Quarter ending
	b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The listed entity is required to submit the following declaration to the extent of submission of information-

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

\* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.



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CIN-L74899DL1971PLC005679





**Sheela Foam Limited**  
Table 1 - Summary Statement holding of specified securities

Category	Category of Shareholder	Hrs. of shareholding	No. of shares held as equity	No. of Fully paid up shares held	No. of shares including Depositor's Shares held	Shareholding as % of Total No. of Shares calculated as on 31.03.2022	Number of Voting Rights			No. of Shares Entitled to Dividend (including Warrants)	Shareholding, as % assuming full conversion of convertible securities (if any) (As a % of diluted share capital)	Number of Locked Shares		Number of Shares pledged or otherwise encumbered		Number of Shares held - demat/other than
							No. of Voting Rights					No. (a)	As a % of Total Shares held (b)	No. (c)	As a % of Total Shares held (d)	
							Class	Class	Total							
(A)	Promoter & Promoter Group	0	2117474	0	0	2117474	2117474	0	2117474	85.47%	0	0.00%	0	0.00%	2117474	
(B)	Public	0	0	0	0	0	0	0	0	0.00%	0	0.00%	0	0.00%	0	
(C)	Non-Promoter, Non Public	0	0	0	0	0	0	0	0	0.00%	0	0.00%	0	0.00%	0	
(D)	Shares Underlying JS	0	0	0	0	0	0	0	0	0.00%	0	0.00%	0	0.00%	0	
(E)	Shares held by (in) Depositor Trust	0	0	0	0	0	0	0	0	0.00%	0	0.00%	0	0.00%	0	
Total		0	2117474	0	0	2117474	2117474	0	2117474	85.47%	0	0.00%	0	0.00%	2117474	



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 CIN: I74698DL1971PLC005679



Table 4: Shareholdings of the Company  
 Table 4: Shareholdings of the Company of the Parent and its Subsidiary

Category & Name of the shareholder	Type of Share	No. of Shares	No. of Fully Paid up Shares	Family Pledge	No. of Shares Held by Promoters	Total no. of Shares	No. of Shares Held by the Company	No. of Shares Held by the Company	Percentage of Voting Rights held by each category of shareholders			No. of Shares Held by the Company	No. of Shares Held by the Company	No. of Shares Held by the Company	No. of Shares Held by the Company	No. of Shares Held by the Company	No. of Shares Held by the Company	No. of Shares Held by the Company
									Class	Class	Total							
1. Indian		100	100	0	0	100	0	0	100	0	0	0	0	0	0	0	0	0
2. Individuals / Hindu Undivided Family		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Promoters		1	1	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0
4. Public Deposits		1	1	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0
5. Financial Institutions		1	1	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0
6. Central Government / State Government		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7. Financial Institutions / Banks		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Any Other (Specify)		1	1	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0
9. Other Deposits		1	1	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0
10. Foreign Deposits		1	1	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0
11. Sub Total (A)(1)		4	4	0	0	4	0	0	4	0	0	0	0	0	0	0	0	0
12. Foreign		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Individuals (Non Resident Individuals / Foreign Individuals)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14. Government		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15. Financial		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16. Foreign Deposits		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17. Any Other (Specify)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18. Sub Total (A)(2)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19. Total (A)(1) + (A)(2)		4	4	0	0	4	0	0	4	0	0	0	0	0	0	0	0	0

None of the Shareholders holds substantial equity long term debt securities of the Company constituting 10% or more of the Paid-up Capital of the Company.

Notes:  
 (1) All shares are not being displayed on website of the Company.  
 (2) The term "Government" includes any organization established by or under the provisions of any law for the time being in force in India.



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 CIN: 748900DL1571P\_C005673







## Sheela Foam Limited

Table IV - Statement of long shareholding pattern of the Non Promoter - Non Public shareholders

Category & Name of the shareholder	No. of Shares Held	No. of Fully Paid up equity shares held	Partly Paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (Based on 50,00,000 Equity Shares, ₹15/- as a Nil (Anex-2) (RS. In Lacs)	Number of Voting Rights of Shareholder			No. of Shares Underlying convertible securities (including Warrants)	Shareholding % (Based on 50,00,000 convertible securities) (RS. In Lacs)	Number of Shares Held		Number of equity shares held in dematerialized form
							No of Voting Rights					As a % of Total Shares held	As a % of Total Shares held	
							Carrying	Dividend	Total					
1. Custodian/DI Provider	0	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	
2. Employees Welfare Trust under Section 13(1)(c) of Employees Welfare Provisions, 1947	0	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	
Total Non Promoter - Non Public Shareholding (2+3)	0	0	0	0	0	0.00%	0	0	0	0.00%	0	0	0	

Note:

(1) Figures may not be reconciled on account of Stock Exchange(s)

(2) The above figures are subject to be corrected along with the statement of the shareholding pattern if it is found that 2% of shares of the company are held by the promoters and 1% of the shares are held by the promoters.

(3) As per the latest available information, the company is not listed in the relevant category of the listed companies.



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## Post Arrangement with PAN



## Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of Listed Entity: Sheela Foam Limited
2.	Scrp Code/Name of Scrip/Class of Security: 540203
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c)
	a. If under 31(1)(b) then indicate the report for Quarter ending
	b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

	Particulars	Yes*	No*
1.	Whether the Listed Entity has issued any partly paid up shares?		No
2.	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3.	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4.	Whether the Listed Entity has any shares in locked-in?		No
5.	Whether any shares held by promoters are pledge or otherwise encumbered?		No

\* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.



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SHEELA Foam Limited

Table I - Summary Statement holding of specified securities

Category (A)	Category of shareholder (B)	Max. of shares held (C)	No. of fully paid up equity shares held (D)	No. of partly paid-up equity shares held (E)	May 27 shares held (F)	Total No. of Shares/Partly paid-up shares held (G)	Shareholding pattern as on 31.03.2022 (H)	Number of Voting Rights held in each class of securities			Shareholding pattern of Depository holding convertible securities including Depository holding (I)	Shareholding pattern of Depository holding convertible securities including Depository holding (J)	Number of Locked In shares		Number of Shares pledged/announced		Number of equity shares held/convertible shares (K)		
								No of Voting Rights					Total No. of Shares (L)	As % of Total Shares (M)	No. (N)	As % of total Shares held (O)		No. (P)	As % of total Shares held (Q)
								Class of securities	By way of	Total									
(A)	Promoter & Promoter Group		731,74,124	0	0	731,74,124	85.2955	731,74,124	0	0	0	0	0	0	0	0	0	731,74,124	
(B)	Public	0	38,34,443	0	0	38,34,443	4.4240	38,34,443	0	0	0	0	0	0	0	0	0	38,34,443	
(C)	Non Promoter - Non Paid Up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(D)	Shares Underlying Debt	0	0	0	0	0	0.0000	0	0	0	0	0	0	0	0	0	0	0	
(E)	Shares Held By Employee Trust	0	0	0	0	0	0.0000	0	0	0	0	0	0	0	0	0	0	0	
(F)	Total	0	73,17,41,24	0	0	73,17,41,24	85.2955	73,17,41,24	0	0	0	0	0	0	0	0	0	73,17,41,24	



## SHEELA FOAM LTD

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CIN-L71899DL1971PLC005875







**Sheela Foam Limited**  
Table 12 - Statement showing shareholding pattern of the Public shareholder

Category & Name of the Shareholder	Pan	No. of Shares held	No. of Locked in Shares	No. of Shares held by Depositories	No. of Shares held by Mutual Funds	Shareholding % (as on 31.03.2024)	Number of Voting Rights held in each class of shares			No. of Shares Underlying Outstanding convertible Securities (ECS)	Shareholding % (as on 31.03.2024)	Number of Locked in Shares		Number of Demat/Registered in Depository		Shareholding % of shares		
							Total Voting Rights					No. of Locked in Shares	No. of Demat/Registered in Depository	Shareholding % of shares				
							Class X	Class Y	Total					Category	Sub-category	Category	Sub-category	Category
<b>1 Institutional Shareholders</b>																		
(a) Mutual Fund		11	286041	0	286041	31.85%	286041	0	0	286041	31.85%	0	0	0	0	0	0	0
(b) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(c) Banks		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(d) Pension Funds		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(e) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(f) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(g) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(h) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(i) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(j) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(k) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(l) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(m) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(n) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(o) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(p) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(q) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(r) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(s) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(t) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(u) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(v) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(w) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(x) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(y) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(z) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(aa) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(ab) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(ac) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(ad) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(ae) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(af) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(ag) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(ah) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(ai) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(aj) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(ak) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(al) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(am) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(an) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(ao) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(ap) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(aq) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(ar) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(as) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(at) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(au) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(av) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(aw) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(ax) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(ay) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(az) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(ba) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bb) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bc) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(bd) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(be) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(bf) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bg) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bh) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bi) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(bj) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(bk) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(bl) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bm) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bn) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bo) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(bp) Mutual Development Banks		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(bq) Other		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(br) Insurance Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bs) Other Financial Institutions		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bt) Non-Banking Financial Companies		1	100000	0	100000	11.11%	100000	0	0	100000	11.11%	0	0	0	0	0	0	0
(bu) Venture Capital Funds		0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0
(bv) Mutual Development Banks		0	0	0	0	0.00%	0</											





## Sheela Foam Limited

Table IV - Statement showing shareholding pattern of the Non Promoter-Non Public shareholder

Category & Name of the shareholder	PAN	No. of sharehold-ers	No. of fully paid up shares held	Partly paid-up equity shares held	No. of shares in demat/ Depository Receipts	Total no. shares held	Sharehold- ing % calculated as per Section 87(1)(c)	Number of Voting Rights Aggregating each class of securities			Shares Underly- ing Outstanding convertible securities (including securities convertible into securities)	Assuming full conversion of convertible securities	Number of votes in shares		Number of shares owned/encumbered		Number of equity shares held in demat/record form	
								No. of Voting Rights					Total vote % of (A+B+C)	No. (a)	As a % of total shares held (b)	No. (c)		As a % of total shares held (d)
								Class 'a'	Class 'g'	Total								
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii) (A+B+C)	(ix)	(x)	(xi)	(xii)	(xiii)	(xiv)	(xv)	(xvi)	(xvii)	(xviii)	
1. Custodian/DI Holder (In respect of ESOP & Employee Welfare Trust under SOI (Share based employee benefit and saving Equity) Regulations, 2007)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0		
2. Non-Promoter - Res. Partner (Sugandha Singh, C-13-B-11-BKT)		0	0	0	0	0	0.0000	0	0	0	0.0000	0	0.0000	NA	NA	0		

- Note:
- (1) Particular not to be displayed in website of Stock exchange(s).
  - (2) The above information needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Section no. 201(1) is not applicable in the above format.
  - (3) Where the information pertaining to Depository Receipts, the same may be disclosed in the respective columns to the extent information is available.



## SHEELA FOAM LTD

Plot 14, Sleepwell Tower, Sector 135, Noida - 201301

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 CIN-L74899DL1971PLC006679

## Post Arrangement without PAN



## Shareholding Pattern under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1.	Name of Listed Entity: Sheela Foam Limited
2.	Script Code/Name of Scrip/Class of Security: 540203
3.	Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg. 31(1)(b)/Reg.31(1)(c)
	a. If under 31(1)(b) then indicate the report for Quarter ending
	b. If under 31(1)(c) then indicate date of allotment/extinguishment
4.	Declaration: The Listed entity is required to submit the following declaration to the extent of submission of information:-

	Particulars	Yes*	No*
1	Whether the Listed Entity has issued any partly paid up shares?		No
2	Whether the Listed Entity has issued any Convertible Securities or Warrants?		No
3	Whether the Listed Entity has any shares against which depository receipts are issued?		No
4	Whether the Listed Entity has any shares in locked-in?		No
5	Whether any shares held by promoters are pledge or otherwise encumbered?		No

\* If the Listed Entity selects the option 'No' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed Entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.



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 CIN-L74892D, 1971PLC036879



Sheela Foam Limited

Table I - Summary Statement holding of specified securities

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depositor Shares	Total No. of shares held	Shareholding (as % of total no. of shares) calculated as per Annex 1B(C)	Number of Voting Rights held as per class of securities			Shareholding (as % of total no. of shares) calculated as per Annex 1B(C)	Shareholding, as a % of voting rights securities percentage of diluted capital	Number of shares held		Number of shares pledged or otherwise encumbered	Number of equity shares held as per Annex 1B(C)	
								No. of Voting Rights					Total as a % of (Annex C)	No. (i)			As a % of total Shares held (ii)
								Percentage	Class	Total							
(A)	Promoter & Promoter Group	4	71174174	0	0	71174174	65.1615	71174174	0	71174174	65.1615	0	0	0	0	71174174	
(B)	Public	43826	38046449	0	0	38046449	34.8385	38046449	0	38046449	34.8385	0	0	0	0	38046449	
(C)	Non Promoter - Non Public	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0	0	
(D)	Shareholders - In Custody	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0	0	
(E)	Shareholders - With share Transfer	0	0	0	0	0	0.0000	0	0	0	0.0000	0	0	0	0	0	
(F)	Total	48230	109220623	0	0	109220623	100.0000	109220623	0	109220623	100.0000	0	0	0	0	109220623	



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 CIN: L74899DL1971PLC006679



## Sheela Foam Limited

Table II – Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Name of Shareholders	Entity Type	No. of shares held	No. of fully paid up equity shares held	Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % (Based on 41,287,766 Equity Shares of Rs. 10/- each)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding % (Based on convertible share capital)	Number of shares held		Number of shares pledged or otherwise encumbered	Number of equity shares held – Demat	
									No. of Voting Rights					Total no. of Voting Rights	No. (a)			No. (b)
									Class 'X'	Class 'Y'	Total							
			0	0	0	0	0	0.00%						0	0	0	0	
(A)	1) Asha S. / Asha S. (Individual Promoter)	Promoter	1	9801399	0	0	9801399	23.73%	9801399	0	0	9801399	23.73%	0	0	0	9801399	
	2) Asha S. (Individual Promoter)	Promoter	1	1413255	0	0	1413255	3.42%	1413255	0	0	1413255	3.42%	0	0	0	1413255	
	3) Asha S. (Individual Promoter)	Promoter	1	124870	0	0	124870	0.30%	124870	0	0	124870	0.30%	0	0	0	124870	
	4) Asha S. (Individual Promoter)	Promoter	1	145179	0	0	145179	0.35%	145179	0	0	145179	0.35%	0	0	0	145179	
(B)	Original Government / State / Government / Public / Financial Institutions / Banks		0	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	
(C)	1) Asha S. (Individual Promoter)		1	135000	0	0	135000	3.27%	135000	0	0	135000	3.27%	0	0	0	135000	
	2) Asha S. (Individual Promoter)		1	135000	0	0	135000	3.27%	135000	0	0	135000	3.27%	0	0	0	135000	
	3) Asha S. (Individual Promoter)		1	135000	0	0	135000	3.27%	135000	0	0	135000	3.27%	0	0	0	135000	
	Sub Total (A+B)		4	1151773	0	0	1151773	27.77%	1151773	0	0	1151773	27.77%	0	0	0	1151773	
(D)	Foreign		0	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	
(E)	1) Asha S. (Individual Promoter)		1	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	
(F)	Overseas		0	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	
(G)	1) Asha S. (Individual Promoter)		0	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	
(H)	Foreign Portfolio Investor		0	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	
(I)	Any Other (Specify)		0	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	
	Sub Total (A-I)		0	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	
	Total (A+B+C+D+E+F+G+H+I)		4	1151773	0	0	1151773	27.77%	1151773	0	0	1151773	27.77%	0	0	0	1151773	

Details of Shares which either are, or may be, pledged along with this is such as number of shareholders, possessing interest in the securities, voting rights which are provided.

Note:

1) PAN was not available on website of Sleepwell Limited.

2) The term "Overseas" has the same meaning as given in regulation 2(B) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.



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Sl. No.	Particulars	Qty.	Rate	Value	Particulars	Qty.	Rate	Value	Particulars	Qty.	Rate	Value	Particulars	Qty.	Rate	Value
11	Director Education and Protection Fund (DEPF)															
12	Director Education and Protection Fund (DEPF)															
13	Director Education and Protection Fund (DEPF)															
14	Director Education and Protection Fund (DEPF)															
15	Director Education and Protection Fund (DEPF)															
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97	Director Education and Protection Fund (DEPF)															
98	Director Education and Protection Fund (DEPF)															
99	Director Education and Protection Fund (DEPF)															
100	Director Education and Protection Fund (DEPF)															

Total of the shareholders acting as promoter in Consortium of all Shareholders: 100%

Total of Shares which are not held may be given: 0%

- (i) PAN would not be displayed on website of Stock Exchange(s).
- (ii) The above names shall be disclosed along with the names of the shareholders holding 1% or more than 1% of shares of the listed entity. Call details of IEPF and applicable to the above names.
- (iii) Where the information pertaining to Depository Receipts, in some may be disclosed in the respective columns to the extent information available and the same shall be disclosed in Part B as per.
- (iv) Categorization and disclosure of each shareholder category should be considered as per the order provided in the above format, if a shareholder (B) falls under more than one category, then the same shall be categorized in the category having first in the order of mention in the above format.
- (v) Sub-categorization of shares under column aa.(iii) will be based on shareholder(s), of share under the following sub-categories:
  - (A) Shareholder who are represented by a nominee Director on the board of the listed entity or have the right to nominate a representative(s);
  - (B) Shareholder who have entered into shareholder agreement with the listed entity;
  - (C) Shareholder acting in person, in liaison with promoters.







## Sheela Foam Limited

Table IV - Statement showing shareholding pattern of the Non Promoter- Non-Public shareholder

Category & name of the shareholder	Nos. of shareholders	No. of fully paid up shares held	Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total shares held	Shareholding % calculated as per SCRR, 1957 i.e. % of (A+B+C2)	Number of voting rights held if each class of securities			Shares Underlying Outstanding convertible securities (including	No. in % accounting full conversion of convertible securities	Number of Locked in shares		Number of shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
							No of voting rights					Total as a % of (A+B+C)	As a % of total Shares held (b)	As a % of total Shares held (b)	As a % of total Shares held (b)	
							Class eg: X	Class eg: Y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) As a % of	(X)	(Y)	(Z)	(A)	(B)	(C)	(D)	(E)	(F)	
1. Custodian/DR Holders				0	0	0.0000	0	0	0	0.0000	0	0.0000	0	0.0000	0	0
2. Employee Benefit Fund / Employee Welfare Trust under SEBI (Share based Employee Benefit and Stock Equity) Regulations, 2001				0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0
<b>Total Non-Promoter- Non-Public Shareholding (1)-(K)+(L)+(M)</b>				0	0	0.0000	0	0	0.0000	0	0.0000	0	0.0000	0	0.0000	0

- Note:
- (1) PAN would not be reported on website of Stock Exchange(s).
- (2) The above format needs to be disclosed along with the names of the shareholders holding 1% or more than 1% of share of the listed entity. Column no. (K) is not applicable in the above format.
- (3) W.r.t. the information pertaining to Depository Receipts, the same may be disclosed in the respective volumes to the extent information available.



## SHEELA FOAM LTD.

#14, Sleepwell Tower, Sector 135, Noida-201301

Ph. Int-91(0)-120-4868400 - Fax: Int-91(0)-120-4162282-4162263 - Email: [contactus@sheelafoam.com](mailto:contactus@sheelafoam.com)  
 Regd. Office: 50A Ashok, # Hauz Khas, New Delhi-110021, India - Ph. Int-91(0)-11-23516675-76  
 Toll Free: 1800-103-8854 - [www.sleepwellproducts.com](http://www.sleepwellproducts.com) - [www.sheelafoam.com](http://www.sheelafoam.com)  
 CIN-L74893DL1971PLC006678

**DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS**

This is an Abridged Prospectus (Abridged Prospectus / Document) containing salient features pertaining to the unlisted public Company, BELVEDORE INTERNATIONAL LIMITED (BIL) which is a party to the Composite Scheme of Amalgamation between Belvedere International Limited (BIL) (Transferor/ Applicant Company No. 1), Kanvas Concepts Private Limited (KCPL) (Transferor/ Applicant Company No. 2), Kurlon Retail Limited (KRL) (Transferor/ Applicant Company No. 3), Komfort Universe Products and Services Limited (KUPSL) (Transferor/ Applicant Company No. 4), Starship Value Chain and Manufacturing Private Limited (SVCMP) (Transferor/ Applicant Company No. 5), (collectively hereinafter referred to as the "Transferor Companies"), respectively into Kurlon Enterprise Limited (KEL) (hereinafter referred to as the "Transferee / Amalgamating / Applicant Company No. 6") and amalgamation of KEL into Sheela Foam Limited (SFL) ("Amalgamated / Applicant Company No.7") and their respective shareholders and Creditors (hereinafter referred to as the "Scheme").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/POD-2/P/CLR/2023/93 dated June 20, 2023 ("SEBI Circular"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 9 (Nine) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of SFL i.e. [www.sheelafoam.com / \(https://www.sheelafoam.com/arrangement.html\)](http://www.sheelafoam.com/) or the website of the stock exchanges where the equity shares of SFL are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE together hereinafter referred to as the "Stock Exchanges")

(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)

**BELVEDORE INTERNATIONAL LIMITED**

**CIN: U52520MH2020PLC428938, Date of Incorporation: December 21, 2020**

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Saliar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Saliar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	Anil Kumar Gupta, Director	E-mail: <a href="mailto:secretary@kurlon.com">secretary@kurlon.com</a> Telephone: +91-9910160773	Not Applicable

**PROMOTER(S) OF THE COMPANY:  
KURLON ENTERPRISE LIMITED**

**Details of Offer to Public:**

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (By no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (By no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RH
NA	NA	NA	NA	NA	NA	NA	NA

**Details of DFS by Promoter(s)/ Promoter Group/ Other Selling  
Shareholders:  
(up to a maximum of 10 selling shareholders)**

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines <sup>^</sup>	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of Allottees	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus:

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price-Highest Price (in Rs.)
Trailing Eighteen Month from the date of Abridged Prospectus	NA	NA	NA

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.

#### RISKS IN RELATION TO THE FIRST OFFER

Not applicable as the offer is not for public at large

#### GENERAL RISKS

Investment in equity & equity-related securities involve a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or this Document.

Transferor Company would be amalgamated with and into the Transferee Company. Specified attention of the Investors is invited to the section "Internal Risk Factors" at page 8 of this Abridged Prospectus.

#### PROCEDURE

The procedure with respect to public issue/offer would not be applicable as this issue as share are proposed to be issued only to the shareholders of the Transferor Company, pursuant to the Scheme of Arrangement, without any cash consideration. Hence, the procedure with respect to a General Information Document would not be applicable.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM's or download it from the websites of the Stock Exchanges i.e. [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com); and the BRLM's (websites to be specified).

#### PRICE INFORMATION OF BRLM'S

Issuer Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark)-30th calendar days from listing.	+/- % change in closing price, (+/- % change in closing benchmark)-90th calendar days from listing.	+/- % change in closing price, (+/- % change in closing benchmark)-180th calendar days from listing.
		+1% (+5%)	-2% (-5%)	

\*Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

Name of BRLM and contact details (telephone and email id) of each BRLM	
Name of Syndicate Members	

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included

Name of BRLM and contact (telephone and email id)	
Name of Statutory Auditor	M/s. S P Srivastava & Associates (FRN: 0256635) N-306, Manpal Centre, 47, Dickenson Road, Bangalore, 560042 Tel No: +91 88842 00801 Email: <a href="mailto:sksubramanian@audit-sg.com">sksubramanian@audit-sg.com</a>
Name of Credit Rating Agency and the rating or grading obtained, if any	
Name of Debenture trustee, if any.	
Self-Certified Syndicate Banks	
Non-Syndicate Registered Brokers	
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)	

NAMES OF PROMOTER(S) OF THE COMPANY			
Sr. No.	Name	Individual/Corporate	Details of Corporate Promoter
1.	<b>Kurlon Enterprise Limited</b>	Corporate	<p>Kurlon Enterprise Limited was incorporated as an unlisted public limited company on October 3, 2011. KEL is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.</p> <p><b>Presently Kurlon Enterprise Limited hold 100% equity shares of BEL.</b></p> <p><b>Board of Directors:</b></p> <ol style="list-style-type: none"> <li>1. Rahul Gautam - Non-Executive Director</li> <li>2. Tushar Gautam - Managing Director</li> <li>3. Ravindra Dhariwal - Independent Director</li> <li>4. Meena Jagtani - Independent Director</li> <li>5. Jyothi Ashish Pradhan - Non-Executive Director</li> </ol>

BUSINESS OVERVIEW AND STRATEGY	
<b>Company Overview:</b> BIL is a company incorporated under the provisions of Companies Act, 2013 having its registered office at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059.	
BIL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, manufacturing or supplying, trading, dealing in any manner whatsoever in all type of goods including mattresses, pillows, furniture and other related products and services of international brands on retail and B2B basis in India.	
BIL is a wholly owned subsidiary of Kurlon Enterprise Limited (Transferee Company).	
<b>Product/Service Offering:</b> BIL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, manufacturing or supplying, trading, dealing in any manner whatsoever in all type of goods including mattresses, pillows, furniture and other related products and services of international brands on retail and B2B basis in India. <b>Revenue segmentation by product/service offering:</b> Revenue generated is from sale of products. Revenue: 368.52 (in lakhs)	
<b>Geographies Served:</b> India Revenue segmentation by geographies: 368.52 (in lakhs)	
<b>Key Performance Indicators:</b> Basic earnings per share (In Rs): (151.52) as on December,31 2024 Net Asset Value per share (In Rs): (536.92) as on December,31 2024	
<b>Client Profile or Industries Served:</b> Carry on retail business of mattresses, Pillows, Furniture and other related Products and Services of International Brands on retail and B2B basis in India <b>Revenue segmentation in terms of top 5/10 clients or industries:</b> 1) The Kothari Multitrade 2) Kurlon Retail Limited 3) Coir India 4) Srinidhi Enterprises 5) Kushal Décor	
<b>Intellectual Property, if any:</b> Nil	
<b>Market Share:</b> NA	
<b>Manufacturing plant, if any:</b> NA	
<b>Employee Strength:</b> 8	

BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent/Whole Time/Executive/Nominee)	Experience and Educational Qualifications	Other Directorship

1.	<b>Amit Kumar Gupta</b>	Director	Mr. Amit Kumar Gupta, 51 years old, has been a Director of the Company since December 4, 2023. He holds a Postgraduate Diploma in Business Management from Shri Guru Ram Rai Institute of Technology and Science, completed in 1999. With 10 years of experience at Samvardhana Motherson International Limited, he brings valuable expertise to his current role.	<b>Indian Companies:</b> 1. Starship Value Chain and Manufacturing Private Limited 2. Kurlon Retail Limited 3. Kanvas Concepts Private Ltd. 4. Komfort Universe Products and Services Limited <b>Foreign Companies:</b> Nil
2.	<b>Abhilash Padmanabh Kamti</b>	Director	Mr. Abhilash Padmanabh Kamti, 47 years old, has been a Director of the Company since December 4, 2023. He holds a Master of Business Administration (MBA) from the University of Mysore, completed in 2000.	<b>Indian Companies:</b> 1. Kurlon Retail Limited 2. Kanvas Concepts Private Ltd. 3. Komfort Universe Products and Services Limited 4. Vanijya Advisory Services Private Limited <b>Foreign Companies:</b> Nil
3.	<b>Narendra Kudva</b>	Director	Mr. Narendra Kudva, 63 years old, has been a Director of the Company since December 4, 2023. He holds a Master of Management degree from McGill University, earned in 1998.	<b>Indian Companies:</b> 1. Starship Value Chain and Manufacturing Private Limited 2. Kurlon Retail Limited 3. Komfort Universe Products and Services Limited <b>Foreign Companies:</b> Nil

#### OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer with a leadership position in the southern and eastern parts of the country, apart from a sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.

The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further Strengthen the leadership position in the mattress and foam segments across the country.

The intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.

The Scheme would inter-alia have the following benefits:

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices.
- (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time.
- (c) Rationalization of logistic costs considering the combined volume.
- (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales.
- (e) Structured, sharper and better management focusing on holistic growth of the businesses.
- (f) Optimum and efficient utilization of resources and sharing of ancillary facilities.
- (g) Common governance structure and effective management of compliances.
- (h) Enhancing shareholder value and leveraging on synergies in doing the business; and
- (i) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.

**Details of means of finance –Not Applicable**

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable**

**Name of monitoring agency, if any: Not Applicable**

**Terms of Issuance of Convertible Security, if any: Not Applicable**

SHAREHOLDING PATTERN (PRE-SCHEME)			
Sr. No.	Particulars	Number of shares of Rs. 10 Face Value	% of holding
1.	Promoter and Promoter Group	50,000	100.00%
2.	Public	-	-
	<b>Total</b>	<b>50,000</b>	<b>100.00%</b>



**AUDITED FINANCIALS OF  
BELVEDORE INTERNATIONAL LIMITED**

Audited financials of the BIL for the last three years are as mentioned below:

Standalone	(Rs. in Lakhs)			
	December 31, 2024	March 31, 2024	March 31st, 2023	March 31st, 2022
Total Income from operations (net)	368.52	1360.54	1320.66	-
Net Profit/(loss) before tax and extraordinary items	(28.86)	(76.53)	(95.14)	(41.45)
Net Profit/(loss) after tax and extraordinary items	(28.09)	(75.76)	(93.66)	(41.45)
Equity share capital	5.00	5.00	5.00	5.00
Other equity	(273.46)	(197.70)	(137.76)	(41.60)
Net Worth	(268.46)	(192.70)	(132.76)	(36.60)
Basic Earnings per share (Rs.)	(151.52)	(122.79)	(187.34)	(82.91)
Diluted Earnings per share (Rs.)	(151.52)	(122.79)	(187.34)	(82.91)
Return on net worth (%)	Nil	Nil	Nil	Nil
Net asset value per share (Rs.)	(536.92)	(385.4)	(266)	(73)

**INTERNAL RISK FACTORS**

The Scheme is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.

Since, implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

**A. Total number of outstanding litigations against the company and amount involved**

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against	Material Civil Litigations	Aggregate amount involved (Rs in )
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-

<b>Promoters</b>						
By promoters	-	-	-	-	-	-
Against Promoters	-	-	-	-	-	-
<b>Subsidiaries</b>						
By Subsidiaries	-	-	-	-	-	-
Against Subsidiaries	-	-	-	-	-	-

**B. Brief details of top 5 material outstanding litigations against the company and amount involved**

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved

**C. Regulatory Action. If any-disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any (200-300-word limit in total)- Nil**

**D. Brief details of outstanding criminal proceedings against promoters- Nil**

**ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY**

NIL

**DECLARATION BY BELVEDORE INTERNATIONAL LIMITED**

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued. We further certify that all statements in the Abridged Prospectus are true and correct.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
BELVEDORE INTERNATIONAL LIMITED**

  
**Amit Kumar Gupta**  
Director  
DIN: 01436743

**Date: March 25, 2025**  
**Place: Noida**

**DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS**

This is an Abridged Prospectus (Abridged Prospectus / Document) containing salient features pertaining to the unlisted private Company, KANVAS CONCEPTS PRIVATE LIMITED (KCPL) which is a party to the Composite Scheme of Amalgamation between Belvedere International Limited (BIL) (Transferor/ Applicant Company No. 1), Kanvas Concepts Private Limited (KCPL) (Transferor/ Applicant Company No. 2), Kurlon Retail Limited (KRL) (Transferor/ Applicant Company No. 3), Komfort Universe Products and Services Limited (KUPSL) (Transferor/ Applicant Company No. 4), Starship Value Chain and Manufacturing Private Limited (SVCML) (Transferor/ Applicant Company No. 5), (collectively hereinafter referred to as the "Transferor Companies"), respectively into Kurlon Enterprise Limited (KEL) (hereinafter referred to as the "Transferee /Amalgamating /Applicant Company No. 6") and amalgamation of KEL into Sheela Foam Limited (SFL) ("Amalgamated /Applicant Company No.7") and their respective shareholders and Creditors (hereinafter referred to as the "Scheme").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 9 (Nine) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of SFL i.e. [www.sheelafoam.com / \(https://www.sheelafoam.com/arrangement.html\)](http://www.sheelafoam.com/) or the website of the stock exchanges where the equity shares of SFL are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE together hereinafter referred to as the "Stock Exchanges")

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*

**KANVAS CONCEPTS PRIVATE LIMITED**

CIN: U74999MH2020PTC428939, Date of Incorporation: September 22, 2020

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	Amit Kumar Gupta, Director	<b>E-mail:</b> <a href="mailto:secretary@kurlon.com">secretary@kurlon.com</a> <b>Telephone:</b> +91-9910160773	Not Applicable

**PROMOTER(S) OF THE COMPANY:  
KURLON ENTERPRISE LIMITED**

**Details of Offer to Public:**

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (By no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (By no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling  
Shareholders:**

*(up to a maximum of 10 selling shareholders)*

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines <sup>^</sup>	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of Allottees	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

**Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus:**

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price-Highest Price (in Rs.)
Trailing Eighteen Month from the date of Abridged Prospectus	NA	NA	NA

*WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.*

**RISKS IN RELATION TO THE FIRST OFFER**

Not applicable as the offer is not for public at large.

**GENERAL RISKS**

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or this Document.

**Transferor Company would be amalgamated with and into the Transferee Company.** Specified attention of the investors is invited to the section "Internal Risk Factors" at page 8 of this Abridged Prospectus.

**PROCEDURE**

The procedure with respect to public issue/offer would not be applicable as this issue as share are proposed to be issued only to the shareholders of the Transferor Company, pursuant to the Scheme of Arrangement, without any cash consideration. Hence, the procedure with respect to a General Information Document would not be applicable.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM's or download it from the websites of the Stock Exchanges i.e. [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com); and the BRLMs (websites to be specified).

**PRICE INFORMATION OF BRLM'S**

Issuer Name	Name of Merchant Banker	+/-% change in closing price, (+/-% change in closing benchmark)- 30 <sup>th</sup> calendar days from listing.	+/-% change in closing price, (+/-% change in closing benchmark)- 90 <sup>th</sup> calendar days from listing.	+/-% change in closing price, (+/-% change in closing benchmark)- 180 <sup>th</sup> calendar days from listing.

	+1% (+5%)	-2% (-5%)	
*Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.			
Name of BRLM and contact details (telephone and email id) of each BRLM			
Name of Syndicate Members			

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included

Name of BRLM and contact (telephone and email id)	
Name of Statutory Auditor	M/s. S P Srivastava & Associates (FRN: 025663S) N-306, MANIPAL CENTRE, 47, DICKENSON ROAD, BANGALORE, 560042 Tel No: +91 88842 00801 Email: sksubramanian@audit-sg.com
Name of Credit Rating Agency and the rating or grading obtained, if any	
Name of Debenture trustee, if any.	
Self-Certified Syndicate Banks	
Non-Syndicate Registered Brokers	
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)	

NAMES OF PROMOTER(S) OF THE COMPANY			
Sr. No.	Name	Individual/Corporate	Details of Corporate Promoter
1.	Kurlon Enterprise Limited	Corporate	<p><b>Kurlon Enterprise Limited</b> was incorporated as an unlisted public limited company on October 3, 2011. KEL is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.</p> <p>Presently Kurlon Enterprise Limited hold 100% equity shares of SYCMPL.</p> <p><b>Board of Directors:</b></p>

			<ol style="list-style-type: none"> <li>1. Rahul Gautam - Non-Executive Director</li> <li>2. Tushaar Gautam - Managing Director</li> <li>3. Ravindra Dharwal - Independent Director</li> <li>4. Meena Jagtiani - Independent Director</li> <li>5. Jyothi Ashish Pradhan - Non-Executive Director</li> </ol>
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#### BUSINESS OVERVIEW AND STRATEGY

##### Company Overview:

KCPL is a company incorporated under the provisions of Companies Act, 2013 having its registered office at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059

KCPL is engaged in the business of interiors & exteriors of Homes, stage designer, furnishing, designing, decorating, renovating and remodelling of bungalows, houses, shops, show rooms, complexes, apartments, offices, hotels, restaurants and other commercials and residential houses and for the purpose to act as organizer, consultant, advisor, trader, buyer, seller, supervisor, surveyor, broker, agent and to do all other incidental acts and things necessary for the attainment of the above objects.

KCPL is a wholly owned subsidiary of Kurlon Enterprise Limited (Transferee Company).

**Product/Service Offering:** KCPL specializes in interior and exterior design for residential and commercial spaces. It offers customized solutions that blend aesthetics with functionality, focusing on renovations, décor and space planning.

**Revenue segmentation by product/service offering:** Nil

**Geographies Served:** India

**Revenue segmentation by geographies:** Nil

##### Key Performance Indicators:

Basic earnings per share (In Rs): (20.90) as on December,31 2024

Net Asset Value per share (In Rs): (1364.3) as on December,31 2024

**Client Profile or Industries Served:** Engaged in the business of Home Interior decor.

**Revenue segmentation in terms of top 5/10 clients or Industries:** Nil

**Intellectual Property, if any:** Nil

**Market Share:** NA

**Manufacturing plant, if any:** NA

**Employee Strength:** Nil

#### BOARD OF DIRECTORS

Sr. No	Name	Designation (Independent/Whole Time/Executive/Nominee)	Experience and Educational Qualifications	Other Directorship

1.	<b>Abhilash Padmanabh Kamti</b>	Director	Mr. Abhilash Padmanabh Kamti, 47 years old, has been a Director of the Company since December 4, 2023. He holds a Master of Business Administration (MBA) from the University of Mysore, completed in 2000.	<b>Indian Companies:</b> 1. Komfort Universe Products and Services Limited 2. Kurlon Retail Limited 3. Belvedere International Limited 4. Vanliya Advisory Services Private Limited  <b>Foreign Companies:</b> NA
2.	<b>Amit Kumar Gupta</b>	Director	Mr. Amit Kumar Gupta, 51 years old, has been a Director of the Company since December 4, 2023. He holds a Postgraduate Diploma in Business Management from Shri Guru Ram Rai Institute of Technology and Science, completed in 1999. With 10 years of experience at Samvardhana Mocherson International Limited, he brings valuable expertise to his current role.	<b>Indian Companies:</b> 1. Starship Value Chain and Manufacturing Private Limited 2. Kurlon Retail Limited 3. Belvedere International Limited 4. Komfort Universe Products and Services Limited <b>Foreign Companies:</b> Nil

#### OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer with a leadership position in the southern and eastern parts of the country, apart from a sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.

The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further Strengthen the leadership position in the mattress and foam segments across the country.

The intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.

The Scheme would inter-alia have the following benefits:

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;
- (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;
- (c) Rationalization of logistic costs considering the combined volume;
- (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;
- (e) Structured, sharper and better management focusing on holistic growth of the businesses;



- (f) Optimum and efficient utilization of resources and sharing of ancillary facilities;  
 (g) Common governance structure and effective management of compliances;  
 (h) Enhancing shareholder value and leveraging on synergies in doing the business; and  
 (i) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.

**Details of means of finance –Not Applicable**

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable**

**Name of monitoring agency, if any: Not Applicable**

**Terms of Issuance of Convertible Security, if any: Not Applicable**

SHAREHOLDING PATTERN (PRE-SCHEME)			
Sr. No.	Particulars	Number of shares of Rs. 10 Face Value	% of holding
1.	Promoter and Promoter Group	10,000	100.00%
2.	Public	-	-
	<b>Total</b>	<b>10,000</b>	<b>100.00%</b>

AUDITED FINANCIALS OF  
 KANVAS CONCEPTS PRIVATE LIMITED

Audited financials of the KCPL for the last three years are as mentioned below:

(Rs. in Lakhs)

Standalone	December 31, 2024	March 31, 2024	March 31*, 2023	March 31*, 2022
Total Income from operations (net)	-	-	39.42	36.73
Net Profit/(loss) before tax and extraordinary items	(2.09)	(21.50)	(4.76)	(89.27)
Net Profit/(loss) after tax and extraordinary items	(2.09)	(21.50)	(0.64)	(92.69)
Equity share capital	1.00	1.00	1.00	1.00
Other equity	(137.43)	(135.34)	(113.84)	(113.20)
Net Worth	(136.43)	(134.34)	(112.84)	(112.20)
Basic Earnings per share (Rs.)	(20.90)	(215)	(6.38)	(926.88)
Diluted Earnings per share (Rs.)	(20.90)	(215)	(6.39)	(926.88)
Return on net worth (%)	Nil	Nil	Nil	Nil
Net asset value per share (Rs.)	(1364.3)	(1,343.4)	(1,128.4)	(1,127)

#### INTERNAL RISK FACTORS

The Scheme is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.

Since, implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

##### A. Total number of outstanding litigations against the company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against	Material Civil Litigations	Aggregate amount involved (Rs in crores)
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
<b>Promoters</b>						

By promoters	-	-	-	-	-	-
Against Promoters	-	-	-	-	-	-
Subsidiaries						
By Subsidiaries	-	-	-	-	-	-
Against Subsidiaries	-	-	-	-	-	-

**B. Brief details of top 5 material outstanding litigations against the company and amount involved**

Sr.No.	Particulars	Litigation filed by	Current Status	Amount involved

**C. Regulatory Action, if any-disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action. If any (200-300-word limit in total)- Nil**

**D. Brief details of outstanding criminal proceedings against promoters- Nil**

**ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY**

NIL

**DECLARATION BY KANVAS CONCEPTS PRIVATE LIMITED**

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued. We further certify that all statements in the Abridged Prospectus are true and correct.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
KANVAS CONCEPTS PRIVATE LIMITED**

  
Amlt Kumar Gupta  
Director  
DIN: 01436743

Date: March 25, 2025  
Place: Noida

**DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT  
SPECIFIED  
FOR ABRIDGED PROSPECTUS**

This is an Abridged Prospectus (Abridged Prospectus / Document) containing salient features pertaining to the unlisted public company, KURLON RETAIL LIMITED (KRL) which is a party to the Composite Scheme of Amalgamation between Belvedere International Limited (BIL) (Transferor/ Applicant Company No. 1), Kanvas Concepts Private Limited (KCPL) (Transferor/ Applicant Company No. 2), Kurlon Retail Limited (KRL) (Transferor/ Applicant Company No. 3), Komfort Universe Products and Services Limited (KUPSL) (Transferor/ Applicant Company No. 4), Starship Value Chain and Manufacturing Private Limited (SVCMP) (Transferor/ Applicant Company No. 5), (collectively hereinafter referred to as the "Transferor Companies"), respectively into Kurlon Enterprise Limited (KEL) (hereinafter referred to as the "Transferee /Amalgamating /Applicant Company No. 6") and amalgamation of KEL into Sheela Foam Limited (SFL) ("Amalgamated /Applicant Company No.7") and their respective shareholders and Creditors (hereinafter referred as to the "Scheme").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 9 (Nine) PAGES. PLEASE ENSURE THAT YOU HAVE  
RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of SFL i.e. [www.sheelafoam.com /](http://www.sheelafoam.com/) (<https://www.sheelafoam.com/arrangement>) or the website of the stock exchanges where the equity shares of SFL are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE together hereinafter referred to as the "Stock Exchanges")

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*

**KURLON RETAIL LIMITED**

**CIN: U36104MH2012PLC428940, Date of Incorporation: August 31, 2012**

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	Amit Kumar Gupta, Director	<b>E-mail:</b> <a href="mailto:secretary@kurlon.com">secretary@kurlon.com</a> <b>Telephone:</b> +91-9910160773	Not Applicable

**PROMOTER(S) OF THE COMPANY:  
KURLON ENTERPRISE LIMITED**

**Details of Offer to Public:**

Type of Issue (Fresh/OFS/ Fresh & OFS)	Fresh Issue Size (By no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (By no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders:**

*(up to a maximum of 10 selling shareholders)*

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines <sup>^</sup>	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of Allottees	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

**Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus:**

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price-Highest Price (in Rs.)
Trailing Eighteen Month from the date of Abridged Prospectus	NA	NA	NA

*WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.*

**RISKS IN RELATION TO THE FIRST OFFER**

Not applicable as the offer is not for public at large.

**GENERAL RISKS**

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or this Document.

**Transferor Company would be amalgamated with and into the Transferee Company.** Specified attention of the investors is invited to the section "Internal Risk Factors" at page 8 of this Abridged Prospectus.

**PROCEDURE**

The procedure with respect to public issue/offer would not be applicable as this issue as share are proposed to be issued only to the shareholders of the Transferor Company, pursuant to the Scheme of Arrangement, without any cash consideration. Hence, the procedure with respect to a General Information Document would not be applicable.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM's or download it from the websites of the Stock Exchanges i.e. [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com); and the BRLM's (websites to be specified).

**PRICE INFORMATION OF BRLM'S**

Issuer Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark)-30th calendar days from listing.	+/- % change in closing price, (+/- % change in closing benchmark)-90th calendar days from listing.	+/- % change in closing price, (+/- % change in closing benchmark)-180th calendar days from listing.
		+1% (+5%)	-2% (-5%)	

\*Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

<b>Name of BRLM and contact details (telephone and email id) of each BRLM</b>	
<b>Name of Syndicate Members</b>	

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included

<b>Name of BRLM and contact (telephone and email id)</b>	
<b>Name of Statutory Auditor</b>	M/s. S P Srivastava & Associates (FRN: 025663S) N-306, MANIPAL CENTRE, 47, DICKENSON ROAD, BANGALORE, 560042 Tel No: +91 88842 00801 Email: sksubramanian@audit-sg.com
<b>Name of Credit Rating Agency and the rating or grading obtained, if any</b>	
<b>Name of Debenture trustee, if any.</b>	
<b>Self-Certified Syndicate Banks</b>	
<b>Non-Syndicate Registered Brokers</b>	
<b>Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)</b>	

NAMES OF PROMOTER(S) OF THE COMPANY			
Sr. No.	Name	Individual/Corporate	Details of Corporate Promoter
1.	Kurlon Enterprise Limited	Corporate	<p><b>Kurlon Enterprise Limited</b> was incorporated as an unlisted public limited company on October 3, 2011. KEL is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.</p> <p><b>Presently Kurlon Enterprise Limited hold 100% equity shares of SVCML.</b></p> <p><b>Board of Directors:</b></p> <ol style="list-style-type: none"> <li>1. Rahul Gautam - Non-Executive Director</li> <li>2. Tushaar Gautam - Managing Director</li> <li>3. Ravindra Dhariwal - Independent Director</li> <li>4. Meena Jagtani - Independent Director</li> </ol>

			5. Jyothi Ashish Pradban - Non-Executive Director
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BUSINESS OVERVIEW AND STRATEGY	
<b>Company Overview:</b>	KRL is a company incorporated under the provisions of Companies Act, 1956 as amended having its registered office at 1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059.
	KRL is engaged in the business of buying, selling, storing, promoting, marketing, supplying, trading and dealing in mattresses, pillow, sofa and furniture on retail in India.
	KRL is a wholly owned subsidiary of Kurlon Enterprise Limited (Transferee Company).
	<b>Product/Service Offering:</b> KRL is a consumer-focused company dedicated to bringing Kurlon's of mattresses, furniture, and home comfort products directly to customers. Through extensive retail network, the company aims to enhance the shopping experience by offering high quality, comfortable and stylish solutions for homes across India.
	<b>Revenue segmentation by product/service offering:</b> Revenue generated from sale of products. Revenue: 2446.52 (in Lakhs)
	<b>Geographies Served:</b> India Revenue segmentation by geographies: 2446.52 (in Lakhs)
	<b>Key Performance Indicators:</b> Basic earnings per share (In Rs): (0.61) as on December, 31 2024 Net Asset Value per share (In Rs): (12.56) as on December, 31 2024
	<b>Client Profile or Industries Served:</b> Retail segment engaged and deals with buying, selling, storing, promoting, marketing, supplying, trading and dealing in mattresses, pillow, sofa and furniture and presently operating through Retail stores PAN India.
	<b>Revenue segmentation in terms of top 5/10 clients or Industries:</b> 1) Sheela Foam Limited 2) Methodex Systems Private Limited 3) E.Anjaneya 4) Manikritv LLP 5) Harshita
	<b>Intellectual Property, if any:</b> Nil
	<b>Market Share:</b> NA
	<b>Manufacturing plant, if any:</b> NA
	<b>Employee Strength:</b> 66

BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent/Whole Time/Executive/Nominee)	Experience and Educational Qualifications	Other Directorship



1.	<b>Amit Kumar Gupta</b>	Director	Mr. Amit Kumar Gupta, 51 years old, has been a Director of the Company since December 4, 2023. He holds a Postgraduate Diploma In Business Management from Shri Guru Ram Rai Institute of Technology and Science, completed in 1999. With 10 years of experience at Samvardhana Motherhood International Limited, he brings valuable expertise to his current role.	<b>Indian Companies:</b> 1. Belvedere International Limited 2. Starship Value Chain and Manufacturing private limited 3. Kanvas Concepts Private Ltd. 4. Komfort Universe Products and Services Limited <b>Foreign Companies:</b> Nil
2.	<b>Abhilash Padmanabh Kamti</b>	Director	Mr. Abhilash Padmanabh Kamti, 47 years old, has been a Director of the Company since December 4, 2023. He holds a Master of Business Administration (MBA) from the University of Mysore, completed in 2000.	<b>Indian Companies:</b> 1. Belvedere International Limited 2. Komfort Universe Products and Services Limited 3. Kanvas Concepts Private Ltd. 4. Vanijya Advisory Services Private Limited <b>Foreign Companies:</b> Nil
3.	<b>Narendra Kudva</b>	Director	Mr. Narendra Kudva, 63 years old, has been a Director of the Company since February 1, 2018. He holds a Master of Management degree from McGill University, earned in 1998.	<b>Indian Companies:</b> 1. Belvedere International Limited 2. Komfort Universe Products and Services Limited 3. Starship Value Chain and Manufacturing private limited <b>Foreign Companies:</b> Nil

**OBJECTS PURSUANT TO THE SCHEME**

**Rationale for the Scheme, as provided in the Scheme, is given below:**

The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer with a leadership position in the southern and eastern parts of the country, apart from a sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.

The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor

Companies, with a view to further Strengthen the leadership position in the mattress and foam segments across the country.

The intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.

The Scheme would inter-alia have the following benefits:

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;
- (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;
- (c) Rationalization of logistic costs considering the combined volume;
- (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;
- (e) Structured, sharper and better management focusing on holistic growth of the businesses;
- (f) Optimum and efficient utilization of resources and sharing of ancillary facilities;
- (g) Common governance structure and effective management of compliances;
- (h) Enhancing shareholder value and leveraging on synergies in doing the business; and
- (i) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.

**Details of means of finance -Not Applicable**

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable**

**Name of monitoring agency, if any: Not Applicable**

**Terms of Issuance of Convertible Security, if any: Not Applicable**

#### SHAREHOLDING PATTERN (PRE-SCHEME)

Sr. No.	Particulars	Number of shares of Rs. 10 Face Value	% of holding
1.	Promoter and Promoter Group	1,52,66,666	100.00%
2.	Public	-	-
	<b>Total</b>	<b>1,52,66,666</b>	<b>100.00%</b>

**AUDITED FINANCIALS OF  
KURLON RETAIL LIMITED**

Audited financials of the KRL for the last three years are as mentioned below:

(Rs. in Lakhs)

Standalone	December 31, 2024	March 31, 2024	March 31*, 2023	March 31*, 2022
Total Income from operations (net)	2446.52	3,450.97	1,852.95	1,650.35
Net Profit/(loss) before tax and extraordinary items	(190.26)	63.35	(59.21)	(1,236.38)
Net Profit/(loss) after tax and extraordinary items	(93.08)	63.35	(59.21)	(1,238.84)
Equity share capital	763.33	763.33	763.33	763.33
Other equity	(2681.59)	(2,591.09)	(2,657.89)	(2,595.70)
Net Worth	(1918.26)	(1,827.76)	(1,894.56)	(1,832.37)
Basic Earnings per share (Rs.)	(0.61)	0.41	(0.39)	(8.11)
Diluted Earnings per share (Rs.)	(0.61)	0.41	(0.39)	(8.11)
Return on net worth (%)	Nil	Nil	Nil	Nil
Net asset value per share (Rs.)	(12.56)	(11.97)	(12.40)	(12.00)

**INTERNAL RISK FACTORS**

The Scheme is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.

Since, implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

**A. Total number of outstanding litigations against the company and amount involved**

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against	Material Civil Litigations	Aggregate amount involved (Rs in crores)
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-

<b>Promoters</b>						
By promoters	-	-	-	-	-	-
Against Promoters	-	-	-	-	-	-
<b>Subsidiaries</b>						
By Subsidiaries	-	-	-	-	-	-
Against Subsidiaries	-	-	-	-	-	-

B. Brief details of top 5 material outstanding litigations against the company and amount involved

Sr. No.	Particulars	Litigation filed by	Current Status	Amount Involved

C. Regulatory Action, if any-disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any (200-300-word limit in total)- Nil

D. Brief details of outstanding criminal proceedings against promoters- Nil

ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY

NIL

DECLARATION BY KURLON RETAIL LIMITED

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued. We further certify that all statements in the Abridged Prospectus are true and correct.

FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
KURLON RETAIL LIMITED



Amit Kumar Gupta  
Director  
DIN: 01436743

Date: March 25, 2025  
Place: Noida

**DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS**

This is an Abridged Prospectus (Abridged Prospectus / Document) containing salient features pertaining to the unlisted public company, KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED (KUPSL) which is a party to the Composite Scheme of Amalgamation between Belvedere International Limited (BIL) (Transferor/ Applicant Company No. 1), Kanvas Concepts Private Limited (KCPL) (Transferor/ Applicant Company No. 2), Kurion Retail Limited (KRL) (Transferor/ Applicant Company No. 3), Komfort Universe Products and Services Limited (KUPSL) (Transferor/ Applicant Company No. 4), Starship Value Chain and Manufacturing Private Limited (SVCMP) (Transferor/ Applicant Company No. 5), (collectively hereinafter referred to as the "Transferor Companies"), respectively into Kurion Enterprise Limited (KEL) (hereinafter referred to as the "Transferee /Amalgamating /Applicant Company No. 6") and amalgamation of KEL into Sheela Foam Limited (SFL) ("Amalgamated /Applicant Company No. 7") and their respective shareholders and Creditors (hereinafter referred as to the "Scheme").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 9 (Nine) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of SFL i.e. [www.sheelafoam.com / \(https://www.sheelafoam.com/arrangement.html\)](http://www.sheelafoam.com/) or the website of the stock exchanges where the equity shares of SFL are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE together hereinafter referred to as the "Stock Exchanges")

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*

**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**

**CIN: U52520MH2021PLC428941, Date of Incorporation: January 18, 2021**

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	Amit Kumar Gupta, Director	<b>E-mail:</b> <a href="mailto:secretary@kurion.com">secretary@kurion.com</a> <b>Telephone:</b> +91-9910160773	Not Applicable

**PROMOTER(S) OF THE COMPANY:  
KURLON ENTERPRISE LIMITED**

**Details of Offer to Public:**

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (By no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (By no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders:**

*(up to a maximum of 10 selling shareholders)*

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines <sup>^</sup>	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of Allottees	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

**Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridge Prospectus:**

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price-Highest Price (in Rs.)
Trailing Eighteen Month from the date of Abridged Prospectus	NA	NA	NA

*WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.*

**RISKS IN RELATION TO THE FIRST OFFER**

Not applicable as the offer is not for public at large.

**GENERAL RISKS**

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or this Document.

Transferor Company would be amalgamated with and into the Transferee Company. Specified attention of the investors is invited to the section "Internal Risk Factors" at page 8 of this Abridged Prospectus.

**PROCEDURE**

The procedure with respect to public issue/offer would not be applicable as this issue as share are proposed to be issued only to the shareholders of the Transferor Company, pursuant to the Scheme of Arrangement, without any cash consideration. Hence, the procedure with respect to a General Information Document would not be applicable.

If you wish to know about processes and procedures applicable to this Issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM's or download it from the websites of the Stock Exchanges i.e. [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com); and the BRLM's (websites to be specified).

**PRICE INFORMATION OF BRLM'S**

Issuer Name	Name of Merchant Banker	+/- % change in closing price, (+/- % change in closing benchmark)-30th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark)-90th calendar days from listing	+/- % change in closing price, (+/- % change in closing benchmark)-180th calendar days from listing
		+1% (+5%)	-2% (-5%)	

\*Disclosures subject to recent 7 issues (Initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

Name of BRLM and contact details (telephone and email id) of each BRLM	
Name of Syndicate Members	

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included

Name of BRLM and contact (telephone and email id)	
Name of Statutory Auditor	M/s. S P Srivastava & Associates (FRN: 025663S) N-306, MANIPAL CENTRE, 47, DICKENSON ROAD, BANGALORE, 560042 Tel No: +91 88842 00801 Email: <a href="mailto:sksubramanian@audit-sg.com">sksubramanian@audit-sg.com</a>
Name of Credit Rating Agency and the rating or grading obtained, if any	
Name of Debenture trustee, if any.	
Self-Certified Syndicate Banks	
Non-Syndicate Registered Brokers	
Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)	

#### NAMES OF PROMOTER(S) OF THE COMPANY

Sr. No.	Name	Individual/Corporate	Details of Corporate Promoter
1.	Kurlon Enterprise Limited	Corporate	<p><b>Kurlon Enterprise Limited</b> was incorporated as an unlisted public limited company on October 3, 2011. KEL is engaged in the business of manufacturing/trading in diverse areas such as rubberized coir, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.</p> <p><b>Presently Kurlon Enterprise Limited hold 100% equity shares of SVCML.</b></p> <p><b>Board of Directors:</b></p> <ol style="list-style-type: none"> <li>1. Rahul Gautam - Non-Executive Director</li> <li>2. Tushaar Gautam - Managing Director</li> <li>3. Ravindra Dhariwal - Independent Director</li> <li>4. Meena Jagtiani - Independent Director</li> </ol>



			5. Jyothi Ashish Pradhant - Non-Executive Director
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#### BUSINESS OVERVIEW AND STRATEGY

##### Company Overview:

KUPSL is a company incorporated under the provisions of Companies Act, 2013 having its registered office at N-301, 3<sup>rd</sup> floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Karnataka, India, 560042.

KUPSL is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, promoting, marketing, supplying, dealing and trading of semi-finished goods (SFG), foam products, RC Pads, EPE Products and other related products and services on B2B basis in India and outside India.

KUPSL is a wholly owned subsidiary of Kurlon Enterprise Limited (Transferee Company).

**Product/Service Offering:** KUPSL is engaged in offering a diverse range of home comfort solutions. The company focuses on expanding Kurlon's product portfolio and services, aiming to provide comprehensive comfort solutions to customers.

**Revenue segmentation by product/service offering:** Revenue generated from sale of products.  
Revenue: 0.11 (In lakhs)

**Geographies Served:** India

**Revenue segmentation by geographies:** 0.11 (In lakhs)

##### Key Performance Indicators:

Basic earnings per share (In Rs): (5.53) as on December,31 2024

Net Asset Value per share (In Rs): (2,182.46) as on December,31 2024

**Client Profile or Industries Served:** Carry out retail business/trading of Semi-finished Goods (SFG), foam products, RC Pads, EPE Products and other related Products and Services on B2B basis in India and outside India.

**Revenue segmentation in terms of top 5/10 clients or industries:** Nil

**Intellectual Property, if any:** Nil

**Market Share:** NA

**Manufacturing plant, if any:** NA

**Employee Strength:** Nil

#### BOARD OF DIRECTORS

Sr. No	Name	Designation (Independent/Whole Time/Executive/Nominee)	Experience and Educational Qualifications	Other Directorship
1.	Amit Kumar Gupta	Director	Mr. Amit Kumar Gupta, 51 years old, has been a Director of the Company since December 4, 2023. He holds a Postgraduate Diploma in Business Management from Shri Guru Ram Rai Institute of Technology and Science, completed in 1999. With 10 years of experience at Samvardhana Motherhood International Limited,	<b>Indian Companies:</b> 1. Belvedere International Limited 2. Kurlon Retail Limited 3. Kanvas Concepts Private Ltd. 4. Komfort Universe Products and Services Limited

			he brings valuable expertise to his current role.	Foreign Companies: Nil
2.	Abhilash Padmanabh Kamti	Director	Mr. Abhilash Padmanabh Kamti, 47 years old, has been a Director of the Company since December 4, 2023. He holds a Master of Business Administration (MBA) from the University of Mysore, completed in 2000.	Indian Companies: 1. Belvedere International Limited 2. Kurlon Retail Limited 3. Kanvas Concepts Private Ltd. 4. Vanjya Advisory Services Private Limited  Foreign Companies: Nil
3.	Narendra Kudva	Director	Mr. Narendra Kudva, 63 years old, has been a Director of the Company since December 4, 2023. He holds a Master of Management degree from McGill University, earned in 1998.	Indian Companies: 1. Belvedere International Limited 2. Kurlon Retail Limited 3. Starship Value Chain and Manufacturing Private Limited  Foreign Companies: Nil

#### OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer with a leadership position in the southern and eastern parts of the country, apart from a sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.

The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further Strengthen the leadership position in the mattress and foam segments across the country.

The intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.

The Scheme would inter-alia have the following benefits:

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;

- (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;
- (c) Rationalization of logistic costs considering the combined volume;
- (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;
- (e) Structured, sharper and better management focusing on holistic growth of the businesses;
- (f) Optimum and efficient utilization of resources and sharing of ancillary facilities;
- (g) Common governance structure and effective management of compliances;
- (h) Enhancing shareholder value and leveraging on synergies in doing the business; and
- (j) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.

**Details of means of finance -Not Applicable**

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable**

**Name of monitoring agency, if any: Not Applicable**

**Terms of Issuance of Convertible Security, if any: Not Applicable**

<b>SHAREHOLDING PATTERN (PRE-SCHEME)</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Number of shares of Rs. 10 Face Value</b>	<b>% of holding</b>
1.	Promoter and Promoter Group	50,000	100.00%
2.	Public	-	-
	<b>Total</b>	<b>50,000</b>	<b>100.00%</b>

**AUDITED FINANCIALS OF  
KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**

Audited financials of the KUPSL for the last three years are as mentioned below:

(Rs. in Lakhs)

Statement	December 31, 2024	March 31, 2024	March 31*, 2023	March 31*, 2022
Total Income from operations (net)	0.11	539.92	231.05	4,499.65
Net Profit/(loss) before tax and extraordinary items	(2.77)	(723.84)	(9.07)	(393.84)
Net Profit/(loss) after tax and extraordinary items	(2.77)	(723.84)	(9.07)	(393.84)
Equity share capital	5.00	5.00	5.00	5.00
Other equity	(1096.23)	(1093.46)	(386.47)	(393.84)
Net Worth	(1091.23)	(1088.46)	(381.47)	(388.84)
Basic Earnings per share (Rs.)	(5.53)	(1413.98)	14.74	(787.69)
Diluted Earnings per share (Rs.)	(5.53)	(1413.98)	14.74	(787.69)
Return on net worth (%)	Nil	Nil	Nil	Nil
Net asset value per share (Rs.)	(2182.46)	(2177)	(763)	(778)

**INTERNAL RISK FACTORS**

The Scheme is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.

Since, Implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

**A. Total number of outstanding litigations against the company and amount involved**

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against	Material Civil Litigations	Aggregate amount involved (Rs in crores)
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our directors	-	-	-	-	-	-

Against the Directors	-	-	-	-	-	-
Promoters						
By promoters	-	-	-	-	-	-
Against Promoters	-	-	-	-	-	-
Subsidiaries						
By Subsidiaries	-	-	-	-	-	-
Against Subsidiaries	-	-	-	-	-	-

**B. Brief details of top 5 material outstanding litigations against the company and amount involved**

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved

**C. Regulatory Action, if any-disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any (200-300-word limit in total)- Nil**

**D. Brief details of outstanding criminal proceedings against promoters- Nil**

**ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY**

**NIL**

**DECLARATION BY KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued. We further certify that all statements in the Abridged Prospectus are true and correct.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED**

  
**Amit Kumar Gupta**  
Director  
DIN: 01436743

**Date: March 25, 2025**  
**Place: Noida**

**DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT  
SPECIFIED  
FOR ABRIDGED PROSPECTUS**

This is an Abridged Prospectus (Abridged Prospectus / Document) containing salient features pertaining to the unlisted private Company, STARSHIP VALUE CHAIN AND MANUFACTURING PRIVATE LIMITED (SVCMPPL) which is a party to the Composite Scheme of Amalgamation between Belvedere International Limited (BIL) (Transferor/ Applicant Company No. 1), Kanvas Concepts Private Limited (KCPL) (Transferor/ Applicant Company No. 2), Kurlon Retail Limited (KRL) (Transferor/ Applicant Company No. 3), Komfort Universe Products and Services Limited (KUPSL) (Transferor/ Applicant Company No. 4), Starship Value Chain and Manufacturing Private Limited (SVCMPPL) (Transferor/ Applicant Company No. 5), (collectively hereinafter referred to as the "Transferor Companies"), respectively into Kurlon Enterprise Limited (KEL) (hereinafter referred to as the "Transferee /Amalgamating /Applicant Company No. 6") and amalgamation of KEL into Sheela Foam Limited (SFL) ("Amalgamated /Applicant Company No.7") and their respective shareholders and Creditors (hereinafter referred as to the "Scheme").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 9 (Nine) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of SFL i.e. [www.sheelafoam.com /](http://www.sheelafoam.com/) (<https://www.sheelafoam.com/arrangement.html>) or the website of the stock exchanges where the equity shares of SFL are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE together hereinafter referred to as the "Stock Exchanges")

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*

**STARSHIP VALUE CHAIN AND MANUFACTURING PRIVATE LIMITED**

CIN: U36900MH2020PTC432198, Date of Incorporation: October 09, 2020

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	Amit Kumar Gupta, Director	<b>E-mail:</b> <a href="mailto:secretary@kurlon.com">secretary@kurlon.com</a> <b>Telephone:</b> +91 9910160773	Not Applicable

**PROMOTER(S) OF THE COMPANY:  
KURLON ENTERPRISE LIMITED**

**Details of Offer to Public:**

Type of Issue (Fresh/ OFS/ Fresh & OFS)	Fresh Issue Size (By no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	Total Issue Size (By no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	Share Reservation		
					QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders:**

*(up to a maximum of 10 selling shareholders)*

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines <sup>^</sup>	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of Allottees	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

**Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus:**

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price-Highest Price (in Rs.)
Trailing Eighteen Month from the date of Abridged Prospectus	NA	NA	NA

*WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.*

**RISKS IN RELATION TO THE FIRST OFFER**

Not applicable as the offer is not for public at large.

**GENERAL RISKS**

Investment in equity & equity-related securities involve a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme or this Document.

**Transferor Company would be amalgamated with and into the Transferee Company.** Specified attention of the investors is invited to the section "Internal Risk Factors" at page 8 of this Abridged Prospectus.

**PROCEDURE**

The procedure with respect to public issue/offer would not be applicable as this issue as share are proposed to be issued only to the shareholders of the Transferor Company, pursuant to the Scheme of Arrangement, without any cash consideration. Hence, the procedure with respect to a General Information Document would not be applicable.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM's or download it from the websites of the Stock Exchanges i.e. [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com); and the BRLM's (websites to be specified).

**PRICE INFORMATION OF BRLM'S**

Issuer Name	Name of Merchant Banker	+/-% change in closing price, (+/- % change in closing	+/-% change in closing price, (+/- % change in closing	+/-% change in closing price, (+/- % change in closing



		benchmark)-30 <sup>th</sup> calendar days from listing.	benchmark)-90 <sup>th</sup> calendar days from listing.	benchmark)- 180 <sup>th</sup> calendar days from listing.
		+1% (+5%)	-2% (-5%)	

\*Disclosures subject to recent 7 issues (Initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

<b>Name of BRLM and contact details (telephone and email id) of each BRLM</b>	
<b>Name of Syndicate Members</b>	

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included

<b>Name of BRLM and contact (telephone and email id)</b>	
<b>Name of Statutory Auditor</b>	M/s. S P Srivastava & Associates (FRN: 025663S) N-306, MANIPAL CENTRE, 47, DICKENSON ROAD, BANGALORE, 560042 Tel No. +91 88842 00801 Email: sksubramanian@audit-sg.com
<b>Name of Credit Rating Agency and the rating or grading obtained, if any</b>	
<b>Name of Debenture trustee, if any.</b>	
<b>Self-Certified Syndicate Banks</b>	
<b>Non-Syndicate Registered Brokers</b>	
<b>Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)</b>	

#### NAMES OF PROMOTER(S) OF THE COMPANY

Sr. No.	Name	Individual/Corporate	Details of Corporate Promoter
1.	Kurlon Enterprise Limited	Corporate	<b>Kurlon Enterprise Limited</b> was incorporated as an unlisted public limited company on October 3, 2011. KEL is engaged in the business of manufacturing/trading in diverse areas such as rubberized coil, latex foam, polyurethane foam, bonded foam, pillows, spring mattresses, furniture, furnishings, sofas etc.

			<p>Presently Kurlon Enterprise Limited hold 100% equity shares of SVCMPPL.</p> <p><b>Board of Directors:</b></p> <ol style="list-style-type: none"> <li>1. Rahul Gautam - Non-Executive Director</li> <li>2. Tushaar Gautam - Managing Director</li> <li>3. Ravindra Dhariwal - Independent Director</li> <li>4. Meena Jagtiani - Independent Director</li> <li>5. Jyothi Ashish Pradhan - Non-Executive Director</li> </ol>
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BUSINESS OVERVIEW AND STRATEGY		
<b>Company Overview:</b>		
SVCMPPL is a company incorporated under the provisions of Companies Act, 2013 having its registered office at N-301, 3 <sup>rd</sup> floor, North Block Manipal Centre 47 Dickenson Road, Bangalore, Karnataka, India, 560042.		
SVCMPPL is engaged in the business of manufacturer, designers, buyers, sellers, Importers, exporters, workers, transporters, suppliers of all types of home comfort products, home décor items including furniture, mattresses, pillows, cushions, perfumes on retail and manufacture of all types of furniture equipment appliances for domestic, office, Industrial as well as on wholesale basis in India as well as outside India.		
SVCMPPL is a wholly owned subsidiary of Kurlon Enterprise Limited (Transferee Company)		
<b>Product/Service Offering:</b> SVCMPPL is specializing in manufacturing and supply chain management. The company plays a crucial role in ensuring efficient production and distribution of Kurlon's products, maintaining quality and timely delivery.		
<b>Revenue segmentation by product/service offering:</b> Revenue generated from sale of services Revenue: 1975.51 (in lakhs)		
<b>Geographies Served:</b> India		
<b>Revenue segmentation by geographies:</b> 1975.51 (in lakhs)		
<b>Key Performance Indicators:</b>		
Basic earnings per share (In Rs): 6,750.74 as on December,31 2024		
Net Asset Value per share (In Rs): 2,432.74 as on December,31 2024		
<b>Client Profile or Industries Served:</b> Provides value chain/logistics services to the Kurlon Enterprise Limited to gain momentum in the market and to offer contactless deliver to the end consumers of the Kurlon Enterprise Limited.		
<b>Revenue segmentation in terms of top 5/10 clients or Industries:</b> Kurlon Enterprise Limited		
<b>Intellectual Property, if any:</b> Nil		
<b>Market Share:</b> NA		
<b>Manufacturing plant, if any:</b> NA		
<b>Employee Strength:</b> 57		

BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent/Whole Time/Executive/Nominee)	Experience and Educational Qualifications	Other Directorship
1.	Narendra Kudva	Director	Mr. Narendra Kudva, 63 years old has been a Director of the Company since March 03, 2025. He holds a Master of Management degree from McGill University, earned in 1998.	<b>Indian Companies:</b> 1. Komfort Universe Products and Services Limited 2. Kurlon Retail Limited 3. Belvedere International Limited  <b>Foreign Companies:</b> Nil
2.	Amit Kumar Gupta	Director	Mr. Amit Kumar Gupta, 51 years old has been a Director of the Company since November 4, 2024. He holds a Postgraduate Diploma in Business Management from Shri Guru Ram Rai Institute of Technology and Science, completed in 1999. With 10 years of experience at Samvardhana Motherson International Limited, he brings valuable expertise to his current role.	<b>Indian Companies:</b> 1. Belvedere International Limited 2. Kurlon Retail Limited 3. Kanvas Concepts Private Ltd. 4. Komfort Universe Products and Services Limited  <b>Foreign Companies:</b> Nil

#### OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer with a leadership position in the southern and eastern parts of the country, apart from a sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.

The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further Strengthen the leadership position in the mattress and foam segments across the country.

The Intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.

The Scheme would inter-alia have the following benefits:

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;
- (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;
- (c) Rationalization of logistic costs considering the combined volume;
- (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;
- (e) Structured, sharper and better management focusing on holistic growth of the businesses;
- (f) Optimum and efficient utilization of resources and sharing of ancillary facilities;
- (g) Common governance structure and effective management of compliances;
- (h) Enhancing shareholder value and leveraging on synergies in doing the business; and
- (i) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.

**Details of means of finance - Not Applicable**

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years: Not Applicable**

**Name of monitoring agency, if any: Not Applicable**

**Terms of Issuance of Convertible Security, if any: Not Applicable**

<b>SHAREHOLDING PATTERN (PRE-SCHEME)</b>			
<b>Sr. No.</b>	<b>Particulars</b>	<b>Number of shares of Rs. 10 Face Value</b>	<b>% of holding</b>
1.	Promoter and Promoter Group	50,000	100.00%
2.	Public	-	-
	<b>Total</b>	<b>50,000</b>	<b>100.00%</b>

**AUDITED FINANCIALS OF  
STARSHIP VALUE CHAIN AND MANUFACTURING PRIVATE LIMITED**

Audited financials of the SVC MPL for the last three years are as mentioned below:

(Rs. in Lakhs)

Standalone	December 31, 2024	March 31, 2024	March 31*, 2023	March 31*, 2022
Total Income from operations (net)	1975.51	7,749.94	10,530.86	9513.74
Net Profit/(loss) before tax and extraordinary items	408.58	235.68	459.17	311.66
Net Profit/(loss) after tax and extraordinary items	337.54	94.02	242.36	293.46
Equity share capital	0.50	0.50	0.50	0.50
Other equity	1215.87	877.20	787.69	544.73
Net Worth	1216.37	877.70	788.19	545.23
Basic Earnings per share (Rs.)	6750.74	1,880.33	4,859.01	5869.23
Diluted Earnings per share (Rs.)	6750.74	1,880.33	4,859.01	5869.23
Return on net worth (%)	28%	11%	31%	53%
Net asset value per share (Rs.)	2432.74	17,554	1576.38	1090.46

**INTERNAL RISK FACTORS**

The Scheme is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.

Since, implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

**SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**

**A. Total number of outstanding litigations against the company and amount involved**

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against	Material Civil Litigations	Aggregate amount involved (Rs in crores)
<b>Company</b>						
By the Company	-	-	-	-	-	-
Against the Company	-	-	-	-	-	-
<b>Directors</b>						
By our directors	-	-	-	-	-	-

Against the Directors	-	-	-	-	-	-
Promoters						
By promoters	-	-	-	-	-	-
Against Promoters	-	-	-	-	-	-
Subsidiaries						
By Subsidiaries	-	-	-	-	-	-
Against Subsidiaries	-	-	-	-	-	-

**B. Brief details of top 5 material outstanding litigations against the company and amount involved**

Sr. No.	Particulars	Litigation filed by	Current Status	Amount Involved

**C. Regulatory Action, if any-disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any (200-300-word limit in total)- Nil**

**D. Brief details of outstanding criminal proceedings against promoters- Nil**

**ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY**

NIL

**DECLARATION BY STARSHIP VALUE CHAIN AND MANUFACTURING PRIVATE LIMITED**

We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued. We further certify that all statements in the Abridged Prospectus are true and correct.

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
STARSHIP VALUE CHAIN AND MANUFACTURING PRIVATE LIMITED**



**Amit Kumar Gupta**

**Director**

**DIN: 01436743**

**Date: March 25, 2025**

**Place: Noida**

**DISCLOSURE DOCUMENT COMPRISING OF APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS**

This is an Abridged Prospectus (Abridged Prospectus / Document) containing salient features pertaining to the unlisted public company, KURLON ENTERPRISE LIMITED (KEL) which is a party to the Composite Scheme of Amalgamation between Belvedere International Limited (BIL) (Transferor/ Applicant Company No. 1), Kanvas Concepts Private Limited (KCPL) (Transferor/ Applicant Company No. 2), Kurlon Retail Limited (KRL) (Transferor/ Applicant Company No. 3), Komfort Universe Products and Services Limited (KUPSL) (Transferor/ Applicant Company No. 4), Starship Value Chain and Manufacturing Private Limited (SVC MPL) (Transferor/ Applicant Company No. 5), (collectively hereinafter referred to as the "Transferor Companies"), respectively into Kurlon Enterprise Limited (KEL) (hereinafter referred to as the "Transferee /Amalgamating /Applicant Company No. 6") and amalgamation of KEL into Sheela Foam Limited (SFL) ("Amalgamated /Applicant Company No.7") and their respective shareholders and Creditors (hereinafter referred to as the "Scheme").

This Document has been prepared in connection with the above Scheme, pursuant to the Securities and Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular"). This Document should be read together with the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 11 (Eleven) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

You may download the Scheme from the website of SFL i.e. [www.sheelafoam.com](http://www.sheelafoam.com) / (<https://www.sheelafoam.com/arrangement>) or the website of the stock exchanges where the equity shares of SFL are listed i.e. BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE together hereinafter referred to as the "Stock Exchanges")

*(Capitalised terms not defined herein shall have their meaning ascribed to them under the Scheme)*

**KURLON ENTERPRISE LIMITED**

CIN: U36101MH2011PLC222657, Date of Incorporation: October 03, 2011

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
1002 to 1006, The Avenue International Airport Road, Opp. Hotel Leela, Sahar, Andheri (East), Marol Naka, Mumbai, Maharashtra, India, 400059	JaiBharat Industrial Area Jalahalli, Camp Road MuniswaraNagar Yeswanthpur, Bangalore, Bangalore North, Karnataka, India, 560022	Mr. Jayaram Hegde	<b>E-mail:</b> <a href="mailto:secretary@kurlon.com">secretary@kurlon.com</a> <b>Telephone:</b> +91-8150000103	<a href="https://kurlon.com/">https://kurlon.com/</a>

**PROMOTER(S) OF THE COMPANY:  
SHEELA FOAM LIMITED**

**Details of Offer to Public:**

Type of Issue	Fresh Issue Size	Total Issue Size	Share Reservation
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(Fresh/ OFS/ Fresh & OFS)	(By no. of shares or by amount in Rs)	OFS Size (by no. of shares or by amount in Rs)	(By no. of shares or by amount in Rs)	Issue Under 6(1)/ 6(2)	QIB	NII	RII
NA	NA	NA	NA	NA	NA	NA	NA

**Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders:**  
(up to a maximum of 10 selling shareholders)

Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity	Name	Type	No of Shares offered/ Amount in Rs	WACA in Rs per Equity
NA	NA	NA	NA	NA	NA	NA	NA

Price Band, Minimum Bid Lot & Indicative Timelines <sup>^</sup>	
Price Band	NA
Minimum Bid Lot Size	NA
Bid/Offer Open On	NA
Bid/Closes Open On	NA
Finalisation of Basis of Allotment	NA
Initiation of Refunds	NA
Credit of Equity Shares to Demat accounts of Allottees	NA
Commencement of trading of Equity Shares	NA

<sup>^</sup>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from relevant regulatory authorities.

**Details of WACA of all shares transacted over the trailing eighteen months from the date of Abridged Prospectus:**

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper End of the Price Band is 'X' times the WACA	Range of acquisition price Lowest Price-Highest Price (in Rs.)
Trailing Eighteen Month from the date of Abridged Prospectus	NA	NA	NA

WACA: Weighted Average Cost of Acquisition shall be calculated on fully diluted basis for the trailing eighteen months from the date of Abridged Prospectus.



**RISKS IN RELATION TO THE FIRST OFFER**

Not applicable as the offer is not for public at large.

**GENERAL RISKS**

Investment in equity & equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this issue, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does, SEBI guarantee the accuracy or adequacy of the contents of the Scheme or this Document.

**Transferor Company would be amalgamated with and into the Transferee Company.** Specified attention of the investors is invited to the section "Internal Risk Factors" at page 9 of this Abridged Prospectus.

**PROCEDURE**

The procedure with respect to public issue/offer would not be applicable as this issue as share are proposed to be issued only to the shareholders of the Transferor Company, pursuant to the Scheme of Arrangement, without any cash consideration. Hence, the procedure with respect to a General Information Document would not be applicable.

If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLM's or download it from the websites of the Stock Exchanges i.e. [www.nseindia.com](http://www.nseindia.com); [www.bseindia.com](http://www.bseindia.com); and the BRLMs (websites to be specified).

**PRICE INFORMATION OF BRLM'S**

Issuer Name	Name of Merchant Banker	+/-% change in closing price, (+/-% change in closing benchmark)- 30 <sup>th</sup> calendar days from listing.	+/-% change in closing price, (+/-% change in closing benchmark)- 90 <sup>th</sup> calendar days from listing.	+/-% change in closing price, (+/-% change in closing benchmark)- 180 <sup>th</sup> calendar days from listing.
		+1% (+5%)	-2% (-5%)	

\*Disclosures subject to recent 7 issues (initial public offerings) in current financial year and two preceding financial years managed by each Merchant Banker with common issues disclosed once.

<b>Name of BRLM and contact details (telephone and email id) of each BRLM</b>	
<b>Name of Syndicate Members</b>	

In case of issues by Small and Medium Enterprises under Chapter IX, details of the market maker to be included

<b>Name of BRLM and contact (telephone and email id)</b>	
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<b>Name of Statutory Auditor</b>	M/s. M S K A & ASSOCIATES (FRN: 105047W) SV Tower, No. 27 Floor 4, 80 feet road, 6th Block, Koramangala, Bengaluru - 560095 Tel No: +91-2262380519 Email: harshjain@mska.in
<b>Name of Credit Rating Agency and the rating or grading obtained, if any</b>	
<b>Name of Debenture trustee, if any.</b>	
<b>Self-Certified Syndicate Banks</b>	
<b>Non-Syndicate Registered Brokers</b>	
<b>Details regarding website address(es)/ link(s) from which the investor can obtain list of registrars to issue and share transfer agents, depository participants and stockbrokers who can accept application from investor (as applicable)</b>	

#### NAMES OF PROMOTER(S) OF THE COMPANY

Sr. No.	Name	Individual/Corporate	Details of Corporate Promoter
1.	Sheela Foam Limited	Corporate	<p><b>Sheela Foam Limited</b> was incorporated as an unlisted public limited company in 1971. The company is leading manufacturer of polyurethane (PU) foam and mattresses in India, offering a wide range of products for home comfort, technical applications, and institutional use.</p> <p><b>Presently Sheela Foam Limited hold 97.43% equity shares of KEL.</b></p> <p><b>Board of Directors:</b></p> <ol style="list-style-type: none"> <li>1. Rahul Gautam - Chairman</li> <li>2. Namita Gautam - Whole-Time Director</li> <li>3. Tushaar Gautam - Managing Director</li> <li>4. Rakesh Chahar - Whole-Time Director</li> <li>5. Anil Tandon - Independent Director</li> <li>6. Som Mittal - Independent Director</li> <li>7. Ravindra Dhariwal - Independent Director</li> <li>8. Meena Jagtiani - Independent Director</li> <li>9. Lt. Gen (Dr.) Vijay Kumar Ahluwalia - Independent Director</li> </ol>

#### BUSINESS OVERVIEW AND STRATEGY

<p><b>Company Overview:</b>  KEL is a company incorporated under the provisions of Companies Act, 1956 having its registered office at 1002 to 1006 The Avenue International Airport Road, Opp Hotel Leela Sahar, Marol Naka, Mumbai, Maharashtra, India, 400059.</p> <p>KEL is engaged in the business of manufacturer, designers, buyers, sellers, importers, exporters, workers, transporters, suppliers of all types of home comfort products, home décor items including furniture, mattresses, pillows, cushions, perfumes on retail and manufacture of all types of furniture equipment appliances for domestic, office, industrial as well as on wholesale basis in India as well as outside India.</p> <p>KEL is a wholly owned subsidiary of Sheela Foam Limited (Transferee Company).</p> <p><b>Product/Service Offering:</b> KEL is specializing in manufacturing and supply chain management. The company plays a crucial role in ensuring efficient production and distribution of Kurlon's products, maintaining quality and timely delivery.</p> <p><b>Revenue segmentation by product/service offering:</b> Revenue generated from sale of products.  Revenue: 485.16 (in Crores)</p> <p><b>Geographies Served:</b> Maldives, Bhutan and India  <b>Revenue segmentation by geographies:</b> Rs. (in Crores)</p> <table border="1"> <tr> <td>Maldives</td> <td>0.36</td> </tr> <tr> <td>Bhutan</td> <td>1.75</td> </tr> <tr> <td>India</td> <td>483.05</td> </tr> <tr> <td></td> <td><b>485.16</b></td> </tr> </table> <p><b>Key Performance Indicators:</b>  Basic earnings per share (In Rs): (5.24) as on December,31 2024  Net Asset Value per share (In Rs): 75.38 as on December,31 2024</p> <p><b>Client Profile or Industries Served:</b> RC, Spring, Foam, Pillows, PU Foam  <b>Revenue segmentation in terms of top 5/10 clients or Industries:</b></p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Invoice Value (in Crores)</th> </tr> </thead> <tbody> <tr> <td>1) Canteen Stores Department:</td> <td>18.23</td> </tr> <tr> <td>2) One Time Buyer Flipkart Internet:</td> <td>10.82</td> </tr> <tr> <td>3) New Modern Foams:</td> <td>5.56</td> </tr> <tr> <td>4) Geet Gunjan:</td> <td>4.98</td> </tr> <tr> <td>5) Maxtar Industries:</td> <td>3.60</td> </tr> <tr> <td>6) D D Enterprises:</td> <td>3.66</td> </tr> <tr> <td>7) Life style International Private Limited:</td> <td>5.79</td> </tr> <tr> <td>8) Krishna Agency:</td> <td>2.65</td> </tr> <tr> <td>9) Krishna Corporation:</td> <td>2.27</td> </tr> <tr> <td>10) Damro Furniture Private Limited:</td> <td>3.20</td> </tr> <tr> <td></td> <td><b>71.69</b></td> </tr> </tbody> </table> <p><b>Intellectual Property, if any:</b> Trademark registered named "Kurlon" with application number 562390.</p> <p><b>Market Share:</b> NA</p> <p><b>Manufacturing plant, if any:</b> NA</p> <p><b>Employee Strength:</b> 374</p>		Maldives	0.36	Bhutan	1.75	India	483.05		<b>485.16</b>	Particulars	Invoice Value (in Crores)	1) Canteen Stores Department:	18.23	2) One Time Buyer Flipkart Internet:	10.82	3) New Modern Foams:	5.56	4) Geet Gunjan:	4.98	5) Maxtar Industries:	3.60	6) D D Enterprises:	3.66	7) Life style International Private Limited:	5.79	8) Krishna Agency:	2.65	9) Krishna Corporation:	2.27	10) Damro Furniture Private Limited:	3.20		<b>71.69</b>
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BOARD OF DIRECTORS				
Sr. No	Name	Designation (Independent/Whole Time/Executive/Nominee)	Experience and Educational Qualifications	Other Directorship

1.	<b>Rahul Gautam</b>	Non-Executive Director	Mr. Rahul Gautam, 71 years old, has been a Director of the Company since October 20, 2023, and has served as a Director of the Holding Company, Sheela Foam Limited since April 01, 1996. He holds a Doctorate in Global Leadership & Management from European International University, a master's in chemical engineering from the Polytechnic Institute of New York, and a Bachelor of Technology in Chemical Engineering from IIT Kanpur. With over 24 years of experience in the home comfort products and polyurethane foam industry, Mr. Gautam has made significant contributions to the field.	<b>Indian Companies:</b> 1. Sheela Foam Ltd. 2. Sleepwell Enterprises Pvt Ltd. 3. Rangoli Resorts Pvt Ltd. 4. Staqo Software Pvt Ltd 5. Staqo World Pvt Ltd. 6. House of Kieraya Pvt Ltd. <b>Foreign Companies:</b> 1. Joyce Foam Pty Ltd.
2.	<b>Tushaar Gautam</b>	Managing Director	Mr. Tushaar Gautam has been the Managing Director of the Company since October 20, 2023, and has served as Director of the Holding Company, Sheela Foam Limited since April 01, 2007. A graduate of Purdue University, USA, Mr. Gautam brings 18 years of experience in leading Production and Research & Development operations.	<b>Indian Companies:</b> 1. Sheela Foam Ltd. 2. Sleepwell Enterprises Pvt Ltd. 3. Rangoli Resorts Pvt Ltd. 4. Staqo Software Pvt Ltd 5. Staqo World Pvt Ltd. 6. House of Kieraya Pvt Ltd. <b>Foreign Companies:</b> 1. Joyce Foam Pty Ltd.
3.	<b>Ravindra Dhariwal</b>	Independent Director	Mr. Ravindra Dhariwal has been an Independent Director of the Company since December 21, 2023, and an Independent Director of the Holding Company, Sheela Foam Limited, since June 07, 2016. Mr. Dhariwal holds a bachelor's degree in chemical engineering from IIT Kanpur (1976) and a Postgraduate degree in Management from IIM Calcutta. He brings extensive experience in Sales and Marketing Management.	<b>Indian Companies:</b> 1. Sheela Foam Limited 2. Bata India Ltd. 3. Raymond Lifestyle Limited 4. IRB Infrastructure Developers Ltd 5. TBO Tek Limited 6. Sagacite Technologies Private Limited 7. House of Kieraya Limited <b>Foreign Companies:</b> Nil <b>Limited Liability Partnership:</b> 1. D and D Consulting LLP

4.	<b>Meena Jagtiani</b>	Independent Director	Ms. Meena Jagtiani has been an Independent Director of the Company since December 21, 2023 and an Independent Director of the Holding Company, Sheela Foam Limited, since April 08, 2019. Ms. Jagtiani holds a Master of Business Administration from the University of Poona and has completed an Executive Development Program at the University of Pennsylvania. With over 19 years of extensive experience in Consultancy and Human Resources, she has held key roles in renowned corporate organizations, including the Aditya Birla Group and Daksh e-Services Private Limited.	<b>Indian Companies:</b> 1. Sheela Foam Limited 2. Accelya Solutions India Limited 3. Morton Foods Limited 4. Svatantra Microfin Private Limited 5. Chaitanya India Fin Credit Pvt. Ltd. <b>Foreign Companies:</b> NIL
5.	<b>Jyothi Ashish Pradhan</b>	Non-Executive Director	Ms. Jyothi Ashish Pradhan, 41 years old, has been serving as a Director of the Company since October 20, 2023. She holds a Master of Business Administration from the University of Southern California. Prior to her current role, she was the CEO of the Company from October 1, 2020, to October 20, 2023.	<b>Indian Companies:</b> 1. Kanara Consumer Products Limited 2. Manipal Holdings Private Limited 3. Manipal Metropolis Builders Private Limited 4. Nav Yuj Private Limited 5. Manipal Software & E-com Private Limited <b>Foreign Companies:</b> NIL

#### OBJECTS PURSUANT TO THE SCHEME

**Rationale for the Scheme, as provided in the Scheme, is given below:**

The Amalgamating Company, along with Transferor Companies, has been the second largest mattress manufacturer with a leadership position in the southern and eastern parts of the country, apart from a sizeable presence in other parts. Also, the Amalgamating Company is approximately 70-year-old company with a very strong brand.

The Board of Directors of the Amalgamated Company in its meeting held on July 17, 2023, had approved the acquisition of the Amalgamating Company, along with Transferor Companies, with a view to further Strengthen the leadership position in the mattress and foam segments across the country.

The intent of acquisition of the Amalgamating Company, along with Transferor Companies was always to run all the companies, as one-operation going forward i.e. subsequently amalgamate the companies into a single entity.

The Scheme would inter-alia have the following benefits:

- (a) Procurement synergies arising on account of higher volume discounts, and ability to negotiate best possible prices;
- (b) Deeper manufacturing footprint, as materials of both the business can be made in any plant location, resulting in enhanced efficiency as well as reduction in servicing time;
- (c) Rationalization of logistic costs considering the combined volume;
- (d) Open-up the door for a new sales channel strategy, enhancing penetration/coverage and leading to better sales;

- (e) Structured, sharper and better management focusing on holistic growth of the businesses;
- (f) Optimum and efficient utilization of resources and sharing of ancillary facilities;
- (g) Common governance structure and effective management of compliances;
- (h) Enhancing shareholder value and leveraging on synergies in doing the business; and
- (i) Cost saving by way of reduction of overheads, administrative, managerial and other expenditure and to bring about operational rationalization and efficiency.

**Details of means of finance - Not Applicable**

**Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years:**  
Not Applicable

**Name of monitoring agency, if any:** Not Applicable

**Terms of Issuance of Convertible Security, if any:** Not Applicable

#### SHAREHOLDING PATTERN (PRE-SCHEME)

Sr. No.	Particulars	Number of shares of Rs. 10 Face Value	% of holding
1.	Promoter and Promoter Group	50,000	100.00%
2.	Public	-	-
	Total	50,000	100.00%

#### AUDITED FINANCIALS OF KURLON ENTERPRISE LIMITED

Audited financials of the KEL for the last three years are as mentioned below:

(Rs. in Lakhs)

Standalone	December 31, 2024	March 31, 2024	March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022
Total Income from operations (net)	47,395.00	80,031.89	84,287.22	77,225.58
Net Profit/(loss) before tax and extraordinary items	(4,647.00)	(2,856.34)	780.71	436.72
Net Profit/(loss) after tax and extraordinary items	(1,914.00)	(4,888.56)	1348.92	245.96
Equity share capital	1,828.00	1,827.62	1,827.62	1,827.62
Other equity	25,726.00	27,640.53	45,982.34	47,514.47
Net Worth	27,554.00	29,468.15	47,809.96	49,342.09
Basic Earnings per share (Rs.)	(5.24)	(12.49)	(3.60)	0.98
Diluted Earnings per share (Rs.)	(5.24)	(12.49)	(3.60)	0.98
Return on net worth (%)	6.94%	16.58%	2.82%	0.50%
Net asset value per share (Rs.)	75.38	80.619	130.79	134.99

#### INTERNAL RISK FACTORS

The Scheme is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.

Since, implementation of the Scheme completely depends on the approval of Regulatory Authorities. Any modification or revision in the Scheme by the Competent Authorities may delay the completion of the process.

#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

##### A. Total number of outstanding litigations against the company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against	Material Civil Litigations	Aggregate amount involved (Rs in crores)
<b>Company</b>						
By the Company	11 (Rs. 0.52)	48 (Rs. 73.30)			96 (Rs. 4.32)	73.30
Against the Company						
<b>Directors</b>						
By our directors						
Against the Directors						
<b>Promoters</b>						
By promoters						
Against Promoters						
<b>Subsidiaries</b>						
By Subsidiaries						
Against Subsidiaries						

Note: Twenty Labor cases were filed against the Company, with the monetary value of the claims unquantifiable, but no material impact on the Company.

##### B. Brief details of top 5 material outstanding litigations against the company and amount involved

Sr. No.	Particulars	Litigation filed by	Current Status	Amount involved
1	Income Tax AY 17-18	Company	CIT Appeals	10.72
2	Income Tax AY 17-18	Company	Assessing Officer	7.79
3	GST, Uttarakhand FY 17-18	Company	GSTAT	24.66
4	GST, Uttarakhand FY 18-19	Company	GSTAT	5.88
5	GST, Gujarat FY 17-18	Company	GSTAT	5.30

- C. Regulatory Action, if any-disciplinary action taken by SEBI or stock exchanges against the promoters in last 5 financial years including outstanding action, if any (200-300-word limit in total)- Nil
- D. Brief details of outstanding criminal proceedings against promoters- Nil

ANY OTHER IMPORTANT INFORMATION AS PER BRLM / ISSUER COMPANY
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NIL
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DECLARATION BY KURLON ENTERPRISE LIMITED
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<p>We hereby declare that all the relevant provisions of the Companies Act, 2013 and the guidelines / regulations issued by the Government of India or the guidelines / regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued. We further certify that all statements in the Abridged Prospectus are true and correct.</p>
---

**FOR AND ON BEHALF OF BOARD OF DIRECTORS OF  
KURLON ENTERPRISE LIMITED**

For KURLON ENTERPRISE LIMITED



**Jayaram Heide**  
Authorised Signatory

**Date: March 25, 2025**

**Place: Bengaluru**



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772851  
e-mail :  
kkmehra2021@gmail.com

To  
The Board of Directors,  
Sheela Foam Limited,  
1002 to 1006, The Avenue International Airport Road,  
Opp Hotel Leela Sahar, Andheri East,  
Mumbai, Maharashtra, India – 400059

We, K K Mehra & Co., Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, valuation report, fairness opinion and the proposed Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Karvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurfon Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVCMIPL" or "Transferor Company 5"), Kurfon Enterprise Limited ("KEL" or "Transferee Company" or "Amalgamating Company"), and Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors ("Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us and specific representations received by us from the management of the Company, we do hereby certify the following.

#### DETAILS OF ASSETS, LIABILITIES, REVENUE AND NET WORTH PRE AND POST SCHEME

Pre-Merger Details of Assets and Liabilities of Companies that are parties to the Scheme

Following are the company wise details as on September 30, 2024:

(Rs. in Crores)

Particulars	KEL	KRL	BIL	KUPSL	SVCMI	KCPL	SFL
Assets	451.30	18.58	1.83	0.88	14.78	0.01	4,278.26
Net worth	268.77	(21.39)	(2.41)	(13.58)	11.99	(1.36)	2,748.26
Liabilities	188.49	39.94	4.24	14.46	2.79	1.37	1,525.67
Revenue	320.53	18.21	2.90	-	17.58	-	1,105.71



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772861  
e-mail :  
kkmehra2021@gmail.com

**Post-Merger Details of Assets and Liabilities of Companies that are parties to the Scheme**

Following are the provisional details as on September 30, 2024:

(Rs. in Crores)

Particulars	KEL	KRL	BIL	KUPSL	SVCM	KCPL	SFL
Assets	Not applicable since the Transferor Companies and Amalgamating Companies will dissolve post scheme						4,501.77
Net worth							1,384.71
Liabilities							1,703.00
Revenue							1,232.74

This certificate is issued at the request of the Company in relation to the proposed Scheme of Arrangement under Section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent.

For K K Mehra & Co.

Chartered Accountants

Firm Registration number: 039012N



Krishan Kumar Mehra  
(Partner)

Membership number: 663249

Place: Delhi

Date: 21.03.2025

UDIN- 25563249BMNY1Z2091



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 9826772851  
e-mail :  
kkmehra2021@gmail.com

To,  
The Board of Directors,

Belvedere International Limited  
1002 to 1006, The Avenue International Airport Road,  
Opp Hotel Leela Sahar, Andheri East,  
Mumbai, Maharashtra, India – 400059

**Subject: Net Worth Certificate- Pre-Arrangement in the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act, 2013, relevant rules there under and SEBI Master Circular no. SEBIHOICFDIPOD-2/P/CIR/2023/93 dated June 20, 2023**

I, K.K. Mehra and Co. Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, and the draft Composite Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurfon Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVCML" or "Transferor Company 5"), Kurfon Enterprises Limited ("KEL" or "Transferee Company" or "Amalgamating Company") and Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors (the "Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us from the Management of the Company, we do hereby certify that the Pre Net-worth of the Company based on the unaudited financials as on September 30, 2024, is as under :

Details of Net-Worth – Pre-Arrangement (As on September 30, 2024)

S. No.	Particulars	Amount (In crores)
<b>A</b>		
1	Paid up Capital	0.05
2	Free Reserves (excluding Revaluation Reserve)	(2.46)
	<b>Total (A)</b>	<b>(2.41)</b>



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772851  
e-mail :  
kkmehra2021@gmail.com

<b>B</b>		
1	Accumulated Loss	0
2	Balance of Deferred Revenue Expenditure	0
3	Accumulated Unprovided Depreciation	0
4	Miscellaneous Expense and preliminary expense	0
5	Other Intangible Assets	0
	<b>Total (B)</b>	<b>0</b>
	<b>Net-Worth (C = A - B)</b>	<b>(2.41)</b>

This certificate is issued at the request of the Company in relation to the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent.

For K K Mehra & Co.

Chartered Accountants

FRN: 039012N



Krishan Kumar Mehra

Partner

Membership Number: 563249

UDIN: 25563249BMNYIS5061

Place: Delhi

Date: 21.03.2025

**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772654  
e-mail :  
kkmetra2021@gmail.com

To,  
The Board of Directors,

Kanvas Concepts Private Limited  
1002 to 1006, The Avenue International Airport Road,  
Opp Hotel Leela Sahar, Andheri East,  
Mumbai, Maharashtra, India - 400059

**Subject: Net Worth Certificate- Pre-Arrangement in the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act, 2013, relevant rules there under and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/83 dated June 20, 2023**

I, K.K. Mehra and Co. Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, and the draft Composite Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurlon Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVCMPPL" or "Transferor Company 5"), Kurlon Enterprise Limited ("KEL" or "Transferee Company" or "Amalgamating Company") and Sheets Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors (the "Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us from the Management of the Company, we do hereby certify that the Pre Net-worth of the Company based on the unaudited financials as on September 30, 2024, is as under :

Details of Net-Worth – Pre-Arrangement (As on September 30, 2024)

S. No.	Particulars	Amount (In crores)
<b>A</b>		
1	Paid up Capital	0.01
2	Free Reserves (excluding Revaluation Reserve)	(1.37)
	<b>Total (A)</b>	<b>(1.36)</b>



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110075  
Mob. 8828772851  
e-mail :  
kkmehra2021@gmail.com

<b>B</b>		
1	Accumulated Loss	0
2	Balance of Deferred Revenue Expenditure	0
3	Accumulated Unprovided Depreciation	0
4	Miscellaneous Expense and preliminary expense	0
5	Other Intangible Assets	0
	<b>Total (B)</b>	0
	<b>Net-Worth (C = A - B)</b>	<b>(1.36)</b>

This certificate is issued at the request of the Company in relation to the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent.

For K K Mehra & Co.  
Chartered Accountants  
FRN: 039012N



Krishan Kumar Mehra  
Partner

Membership Number. 563249  
UDIN: 25563249BMNYIT9404  
Place: Delhi  
Date: 21.03.2025

**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.19, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772851  
e-mail :  
kkmehra2021@gmail.com

To,  
The Board of Directors,

Kurlon Retail Limited  
1002 to 1006, The Avenue International Airport Road,  
Opp Hotel Leela Sahar, Andheri East,  
Mumbai, Maharashtra, India – 400059

**Subject: Net Worth Certificate- Pre-Arrangement in the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act, 2013, relevant rules there under and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023**

I, K.K. Mehra and Co. Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, and the draft Composite Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurlon Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVCMP" or "Transferor Company 5"), Kurlon Enterprise Limited ("KEL" or "Transferee Company" or "Amalgamating Company") and Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors (the "Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us from the Management of the Company, we do hereby certify that the Pre Net-worth of the Company based on the unaudited financials as on September 30, 2024, is as under :

Details of Net-Worth – Pre-Arrangement (As on September 30, 2024)

S. No.	Particulars	Amount (In crores)
<b>A</b>		
1	Paid up Capital	7.63
2	Free Reserves (excluding Revaluation Reserve)	(28.99)
	<b>Total (A)</b>	<b>(21.36)</b>



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8828772851  
e-mail :  
kkmehra2021@gmail.com

<b>B</b>		
1	Accumulated Loss	0
2	Balance of Deferred Revenue Expenditure	0
3	Accumulated Unprovided Depreciation	0
4	Miscellaneous Expense and preliminary expense	0
5	Other Intangible Assets	0.03
	<b>Total (B)</b>	<b>0.03</b>
	<b>Net-Worth (C = A - B)</b>	<b>(21.39)</b>

This certificate is issued at the request of the Company in relation to the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent.

For K K Mehra & Co.  
Chartered Accountants  
FRN. 039012N



Krishan Kumar Mehra

Partner

Membership Number: 563249

UDIN: 25563249BMNYIU7244

Place: Delhi

Date: 21.03.2025



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110076  
Mob. 8926772861  
e-mail :  
kkmehra2021@gmail.com

To,  
The Board of Directors.

Komfort Universe Products And Services Limited  
1002 to 1006, The Avenue International Airport Road,  
Opp Hotel Leela Sahar, Andheri East,  
Mumbai, Maharashtra, India - 400059

**Subject: Net Worth Certificate- Pre-Arrangement in the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act, 2013, relevant rules there under and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023**

I, K.K. Mehra and Co., Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, and the draft Composite Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurton Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVCMP" or "Transferor Company 5"), Kurton Enterprises Limited ("KEL" or "Transferee Company" or "Amalgamating Company") and Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors (the "Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us from the Management of the Company, we do hereby certify that the Pre Net-worth of the Company based on the unaudited financials as on September 30, 2024, is as under :

**Details of Net-Worth – Pre-Arrangement (As on September 30, 2024)**

S. No.	Particulars	Amount (In crores)
<b>A</b>		
1	Paid up Capital	0.05
2	Free Reserves (excluding Revaluation Reserve)	(13.63)
	<b>Total (A)</b>	<b>(13.58)</b>



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110076  
Mob. 8828772851  
e-mail :  
kkmehra2021@gmail.com

<b>B</b>		
1	Accumulated Loss	0
2	Balance of Deferred Revenue Expenditure	0
3	Accumulated Unprovided Depreciation	0
4	Miscellaneous Expense and preliminary expense	0
5	Other Intangible Assets	0
	<b>Total (B)</b>	<b>0</b>
	<b>Net-Worth (C = A - B)</b>	<b>(13.58)</b>

This certificate is issued at the request of the Company in relation to the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent.

For K K Mehra & Co.

Chartered Accountants

FRN: 039012N



Krishan Kumar Mehra

Partner

Membership Number: 563249

UDIN: 25563249BMNYIV4890

Place: Delhi

Date: 21.03.2025

**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772851  
e-mail :  
kkmehra2021@gmail.com

To,  
The Board of Directors,

Starship Value Chain and Manufacturing Private Limited  
1002 to 1006, The Avenue International Airport Road,  
Opp Hotel Leela Sahar, Andheri East,  
Mumbai, Maharashtra, India - 400059

**Subject: Net Worth Certificate- Pre-Arrangement in the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act, 2013, relevant rules there under and SEBI Master Circular no. SEBIHO/CFD/POD-2P/CIR/2023/83 dated June 20, 2023**

I, K.K. Mehra and Co., Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, and the draft Composite Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurion Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVCMPPL" or "Transferor Company 5"), Kurion Enterprise Limited ("KEL" or "Transferee Company" or "Amalgamating Company") and Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors (the "Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us from the Management of the Company, we do hereby certify that the Pre Net-worth of the Company based on the unaudited financials as on September 30, 2024, is as under :

Details of Net-Worth – Pre-Arrangement (As on September 30, 2024)

S. No.	Particulars	Amount (In crores)
<b>A</b>		
1	Paid up Capital	0.01
2	Free Reserves (excluding Revaluation Reserve)	11.98
	<b>Total (A)</b>	<b>11.99</b>



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772651  
e-mail :  
kkmehra2021@gmail.com

<b>B</b>		
1	Accumulated Lose	0
2	Balance of Deferred Revenue Expenditure	0
3	Accumulated Unprovided Depreciation	0
4	Miscellaneous Expense and preliminary expense	0
5	Other Intangible Assets	0
	<b>Total (B)</b>	<b>0</b>
	<b>Net-Worth (C = A - B)</b>	<b>11.99</b>

This certificate is issued at the request of the Company in relation to the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent.

For K K Mehra & Co.

Chartered Accountants

FRN: 039012N



Krishan Kumar Mehra

Partner

Membership Number: 563249

UDIN: 25563249BMNYIW7150

Place: Delhi

Date: 21.03.2025

**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO. 10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8828772851  
e-mail :  
kkmehra2021@gmail.com

To,  
The Board of Directors,

Kurlon Enterprise Limited  
1002/1006, The Avenue,  
International A Opp, Hotel Leela,  
Andheri (East), Mumbai  
Maharashtra, India, 400058

**Subject: Net Worth Certificate- Pre-Arrangement in the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act, 2013, relevant rules there under and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023**

I, K.K. Mehra and Co., Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, and the draft Composite Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurlon Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVCMP" or "Transferor Company 5"), Kurlon Enterprise Limited ("KEL" or "Transferee Company" or "Amalgamating Company") and Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors (the "Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us from the Management of the Company, we do hereby certify that the Pre Net-worth of the Company based on the unaudited financials as on September 30, 2024, is as under :

Details of Net-Worth – Pre-Arrangement (As on September 30, 2024)

S. No.	Particulars	Amount (In crores)
<b>A</b>		
1	Paid up Capital	18.28
2	Free Reserves (excluding Revaluation Reserve)	251.47
	<b>Total (A)</b>	<b>269.75</b>



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772851  
e-mail :  
kkmehra2021@gmail.com

<b>B</b>		
1	Accumulated Loss	0
2	Balance of Deferred Revenue Expenditure	0
3	Accumulated Unprovided Depreciation	0
4	Miscellaneous Expense and preliminary expense	0
5	Other Intangible Assets	0.98
	<b>Total (B)</b>	<b>0.98</b>
	<b>Net-Worth (C = A - B)</b>	<b>268.77</b>

This certificate is issued at the request of the Company in relation to the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent.

For K K Mehra & Co.

Chartered Accountants

FRN: 039012N



Krishan Kumar Mehra

Partner

Membership Number 563249

UDIN: 25563249BMNYJB1717

Place: Delhi

Date: 21.03.2025

**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 6826772651  
e-mail :  
kkmehra2021@gmail.com

To,  
The Board of Directors,

Sheela Foam Limited  
1002 to 1006, The Avenue International Airport Road,  
Opp Hotel Leela Sahar, Andheri East,  
Mumbai, Maharashtra – 400059

**Subject: Net Worth Certificate- Pre-Arrangement in the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act, 2013, relevant rules there under and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/83 dated June 20, 2023**

I, K.K. Mehra and Co. Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, and the draft Composite Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurlon Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVC MPL" or "Transferor Company 5"), Kurlon Enterprise Limited ("KEL" or "Transferee Company" or "Amalgamating Company") and Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors (the "Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us from the Management of the Company, we do hereby certify that the Pre Net-worth of the Company based on the unaudited financials as on September 30, 2024, is as under :

Details of Net-Worth – Pre-Arrangement (As on September 30, 2024)

S. No.	Particulars	Amount (In crores)
<b>A</b>		
1	Paid up Capital	54.35
2	Free Reserves (excluding Revaluation Reserve)	2,693.91
	<b>Total (A)</b>	<b>2,748.26</b>



**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
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NO.10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110078  
Mob. 8826772851  
e-mail :  
kkmehra2021@gmail.com

<b>B</b>		
1	Accumulated Loss	0
2	Balance of Deferred Revenue Expenditure	0
3	Accumulated Unprovided Depreciation	0
4	Miscellaneous Expense and preliminary expense	0
5	Other Intangible Assets	0
<b>Total (B)</b>		<b>0</b>
<b>Net-Worth (C = A - B)</b>		<b>2,748.26</b>

Details of Net-Worth – Post-Arrangement (As on September 30, 2024)

S. No.	Particulars	Amount (In crores)
<b>A</b>		
1	Paid up Capital	54.61
2	Free Reserves (excluding Revaluation Reserve)	2,739.52
<b>Total (A)</b>		<b>2,794.13</b>
<b>B</b>		
1	Accumulated Loss	0
2	Balance of Deferred Revenue Expenditure	0
3	Accumulated Unprovided Depreciation	0
4	Miscellaneous Expense and preliminary expense	0
5	Other Intangible Assets	1,409.42
<b>Total (B)</b>		<b>0</b>
<b>Net-Worth (C = A - B)</b>		<b>1,384.71</b>





**K K MEHRA & CO**  
(Chartered Accountants)



127, FIRST FLOOR, VARDHMAN  
BAHNHOF PLAZA, PLOT  
NO. 10, POCKET-7 SECTOR 12,  
DWARKA, NEW DELHI-110076  
Mob. 8826772851  
e-mail :  
kkmehra2021@gmail.com

This certificate is issued at the request of the Company in relation to the draft Composite Scheme of Arrangement under section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/83 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent

For K K Mehra & Co.  
Chartered Accountants  
FRN: 039012N

A handwritten signature in blue ink, appearing to read 'Krishan Kumar Mehra', written over a horizontal line.



Krishan Kumar Mehra  
Partner

Membership Number: 563249  
UDIN: 25563249BMNYJC3279  
Place: Delhi  
Date: 21.03.2025

## Post-Merger Balance Sheet as at Sep 30, 2024

As at Sep 30, 2024	Pre-SFL	KEL	KRL	BIL	KUPSL	SVCM	KCPL	Elimination	Pre-KEL	Acquisition	Elimination	Post-Merger
<b>ASSETS</b>												
<b>Non-current assets</b>												
Property, plant and equipment	492.35	199.86	1.57	0.09	-	0.49	-	-	202.01	161.61	3.06	859.03
Right of use assets	74.50	26.70	3.30	-	-	-	-	-	30.00	-	-	104.50
Capital work in progress	30.72	4.58	-	-	-	-	-	-	4.58	-	(3.06)	32.24
Intangible Assets	-	0.98	0.03	-	-	-	-	-	1.01	1,408.41	-	1,409.42
Investment property	2.88	-	-	-	-	-	-	-	-	-	-	2.88
Investments accounted for using the equity method	2,566.82	17.72	-	-	-	-	-	(17.72)	-	(2,000.03)	-	566.79
<b>Financial assets</b>												
(i) Investment in preference shares	-	-	-	-	-	-	-	-	-	-	-	-
(ii) Other Investments	0.00	-	-	-	-	-	-	-	-	-	-	0.00
(iii) Loans	75.10	-	-	-	-	-	-	-	-	-	-	75.10
(iv) Other financial assets	7.54	7.42	2.61	-	-	0.06	-	-	10.09	-	-	17.63
Deferred Tax Asset	-	-	-	0.01	-	0.49	-	(0.50)	-	216.83	-	216.83
Non current tax assets (net)	39.40	13.58	0.27	0.06	-	-	-	-	13.91	-	-	53.31
Other non-current assets	6.29	3.84	-	-	-	-	-	-	3.84	-	-	10.13
<b>Total non current assets</b>	<b>3,295.60</b>	<b>274.68</b>	<b>7.78</b>	<b>0.16</b>	<b>-</b>	<b>1.04</b>	<b>-</b>	<b>(18.22)</b>	<b>265.44</b>	<b>(213.18)</b>	<b>-</b>	<b>3,347.86</b>
<b>Current assets</b>												
Inventories	221.31	72.36	5.40	-	-	-	-	-	77.76	-	-	299.07
<b>Financial assets</b>												
(i) Investments	449.59	-	-	-	-	-	-	-	-	-	-	449.59
(i) Trade receivables	241.36	37.70	1.93	1.40	-	6.13	-	(26.81)	20.35	-	(5.66)	256.05
(ii) Cash and cash equivalents	6.27	1.23	0.67	0.27	0.13	0.58	-	-	2.88	-	-	9.15
(iii) Other bank balances	0.30	2.24	0.04	-	-	-	-	-	2.24	-	-	2.58
(iv) Loans	1.08	0.62	0.02	-	-	-	-	-	-	-	-	1.72
(v) Other financial assets	7.60	0.53	-	-	-	1.36	-	-	1.89	-	-	9.49
Current tax assets (net)	-	-	-	-	-	-	-	-	-	-	-	-
Other current assets	55.15	31.87	2.74	-	0.75	5.67	0.01	-	41.04	-	-	96.19
<b>Total current assets</b>	<b>982.66</b>	<b>146.55</b>	<b>10.80</b>	<b>1.67</b>	<b>0.88</b>	<b>13.74</b>	<b>0.01</b>	<b>(26.81)</b>	<b>146.84</b>	<b>-</b>	<b>(5.66)</b>	<b>1,123.84</b>
<b>Assets held for sale/Assets included in disposal group(s) held for sale</b>	<b>-</b>	<b>30.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30.07</b>	<b>-</b>	<b>-</b>	<b>30.07</b>
<b>Total assets</b>	<b>4,278.26</b>	<b>451.30</b>	<b>18.58</b>	<b>1.83</b>	<b>0.88</b>	<b>14.78</b>	<b>0.01</b>	<b>(45.03)</b>	<b>442.35</b>	<b>(213.18)</b>	<b>(5.66)</b>	<b>4,501.77</b>
<b>EQUITY AND LIABILITIES</b>												
<b>Equity</b>												
Equity share capital	54.35	18.28	7.63	0.05	0.05	0.01	0.01	(7.75)	18.28	(18.02)	-	54.61
Instruments entirely equity in nature	-	-	-	-	-	-	-	-	-	-	-	-
Other equity	2,698.24	266.53	(28.99)	(2.46)	(13.63)	11.98	(1.37)	9.02	241.08	(195.16)	-	2,744.16
<b>Equity attributable to shareholders of the Holding Company</b>	<b>2,752.59</b>	<b>284.81</b>	<b>(21.36)</b>	<b>(2.41)</b>	<b>(13.58)</b>	<b>11.99</b>	<b>(1.36)</b>	<b>1.27</b>	<b>269.36</b>	<b>(213.18)</b>	<b>-</b>	<b>2,798.77</b>
Non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total equity</b>	<b>2,752.59</b>	<b>284.81</b>	<b>(21.36)</b>	<b>(2.41)</b>	<b>(13.58)</b>	<b>11.99</b>	<b>(1.36)</b>	<b>1.27</b>	<b>269.36</b>	<b>(213.18)</b>	<b>-</b>	<b>2,798.77</b>
<b>Non-current liabilities</b>												
<b>Financial liabilities</b>												
(i) Borrowings	591.37	-	-	-	-	-	-	-	-	-	-	591.37
(ii) Lease liability	41.81	15.42	2.67	-	-	-	-	-	18.09	-	-	59.90
(iii) Other non current financial liability	16.70	46.76	-	0.56	-	-	-	-	47.32	-	-	64.02
Long-term provisions	13.13	10.66	0.08	0.06	0.39	0.73	-	-	11.92	-	-	25.06
Other non current liabilities	0.16	-	-	-	-	-	-	-	-	-	-	0.16
Deferred tax liabilities (net)	15.23	0.64	-	-	-	-	-	(0.50)	0.14	-	-	15.37
<b>Total non current liability</b>	<b>678.40</b>	<b>73.48</b>	<b>2.75</b>	<b>0.62</b>	<b>0.39</b>	<b>0.73</b>	<b>-</b>	<b>(0.50)</b>	<b>77.47</b>	<b>-</b>	<b>-</b>	<b>755.87</b>
<b>Current liabilities</b>												
<b>Financial liabilities</b>												
(i) Borrowings	297.36	13.60	27.91	-	1.41	-	1.37	(30.68)	13.61	-	-	310.97
(ii) Lease liability	9.48	3.75	2.28	-	-	-	-	-	6.03	-	-	15.51
(iii) Trade payables	-	-	-	-	-	-	-	-	-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	37.65	4.50	-	-	-	-	-	-	4.50	-	-	42.15
- Total outstanding dues of creditors other than micro enterprises and small enterprises	197.74	49.24	6.31	3.11	12.53	0.31	-	(15.12)	56.38	-	(5.51)	248.61
(iii) Other financial liabilities	237.34	4.50	0.07	-	0.08	0.10	-	-	4.75	-	-	242.09
Short-term provisions	11.24	6.16	0.03	0.10	-	-	-	-	6.29	-	-	17.53
Current tax liabilities (net)	6.68	(0.24)	-	-	-	1.31	-	-	1.07	-	-	7.75
Other current liabilities	49.78	11.50	0.59	0.41	0.05	0.34	-	-	12.89	-	(0.15)	62.52
<b>Total current liability</b>	<b>847.27</b>	<b>93.01</b>	<b>37.19</b>	<b>3.62</b>	<b>14.07</b>	<b>2.06</b>	<b>1.37</b>	<b>(45.80)</b>	<b>105.52</b>	<b>-</b>	<b>(5.66)</b>	<b>947.13</b>
<b>Total liabilities</b>	<b>1,525.67</b>	<b>166.49</b>	<b>39.94</b>	<b>4.24</b>	<b>14.46</b>	<b>2.79</b>	<b>1.37</b>	<b>(46.30)</b>	<b>182.99</b>	<b>-</b>	<b>(5.66)</b>	<b>1,703.00</b>
<b>Total equity and liabilities</b>	<b>4,278.26</b>	<b>451.30</b>	<b>18.58</b>	<b>1.83</b>	<b>0.88</b>	<b>14.78</b>	<b>0.01</b>	<b>(45.03)</b>	<b>442.35</b>	<b>(213.18)</b>	<b>(5.66)</b>	<b>4,501.77</b>
	0.00	-	-	-	(0.00)	-	-	-	-	-	-	0.00

## Consolidated Statement of Profit and Loss for the period ended Sep 30, 2024

	Pre-SFL	KEL	KRL	BIL	KUPSL	SVCM	KCPL	Elimination	Pre-KEL	Acquisition	Elimination	Post-Merger
Revenue from operations	1,105.71	320.53	18.21	2.90	-	17.58	-	(31.82)	327.40	-	(200.37)	1,232.74
Other income	54.00	2.12	0.05	0.02	0.04	1.55	-	-	3.78	-	-	57.78
<b>Total revenue (I + II)</b>	<b>1,159.71</b>	<b>322.65</b>	<b>18.26</b>	<b>2.92</b>	<b>0.04</b>	<b>19.13</b>	<b>-</b>	<b>(31.82)</b>	<b>331.18</b>	<b>-</b>	<b>(200.37)</b>	<b>1,290.52</b>

## Consolidated Net Worth as at Sep 30, 2024

	Pre-SFL	KEL	KRL	BIL	KUPSL	SVCM	KCPL	Elimination	Pre-KEL	Acquisition	Elimination	Post-Merger
<b>Equity Share Capital</b>	<b>54.35</b>	<b>18.28</b>	<b>7.63</b>	<b>0.05</b>	<b>0.05</b>	<b>0.01</b>	<b>0.01</b>	<b>(7.75)</b>	<b>18.28</b>	<b>(18.02)</b>	<b>-</b>	<b>54.61</b>
Retained earnings	1,557.95	90.01	(38.96)	(2.46)	(13.63)	11.98	(1.37)	18.99	64.56	(18.95)	-	1,603.56
Security premium	1,135.96	148.60	9.97	-	-	-	-	(9.97)	148.60	(148.60)	-	1,135.96
Capital reserve	-	15.06	-	-	-	-	-	-	15.06	(14.75)	-	0.31
General reserve	-	12.86	-	-	-	-	-	-	12.86	(12.86)	-	-
Share based payment reserve	6.09	-	-	-	-	-	-	-	-	-	-	6.09
Cash flow hedge reserve	(1.76)	-	-	-	-	-	-	-	-	-	-	(1.76)
<b>Other Equity</b>	<b>2,698.24</b>	<b>266.53</b>	<b>(28.99)</b>	<b>(2.46)</b>	<b>(13.63)</b>	<b>11.98</b>	<b>(1.37)</b>	<b>9.02</b>	<b>241.08</b>	<b>(195.16)</b>	<b>-</b>	<b>2,744.16</b>
<b>Total Net worth</b>	<b>2,752.59</b>	<b>284.81</b>	<b>(21.36)</b>	<b>(2.41)</b>	<b>(13.58)</b>	<b>11.99</b>	<b>(1.36)</b>	<b>1.27</b>	<b>269.36</b>	<b>(213.18)</b>	<b>-</b>	<b>2,798.77</b>

**K K MEHRA & CO**  
(Chartered Accountants)



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To  
The Board of Directors,  
Sheela Foam Limited,  
1002 to 1006, The Avenue International Airport Road,  
Opp Hotel Leela Sahar, Andheri East,  
Mumbai, Maharashtra, India – 400059

We, K K Mehra & Co., Chartered Accountants have perused, examined and verified all the documents, papers, books of accounts, financial statements, valuation report, fairness opinion and the proposed Scheme of Arrangement between Belvedere International Limited ("BIL" or "Transferor Company 1"), Kanvas Concepts Private Limited ("KCPL" or "Transferor Company 2"), Kurton Retail Limited ("KRL" or "Transferor Company 3"), Komfort Universe Products And Services Limited ("KUPSL" or "Transferor Company 4"), Starship Value Chain and Manufacturing Private Limited ("SVCMP" or "Transferor Company 5"), Kurton Enterprise Limited ("KEL" or "Transferee Company" or "Amalgamating Company"), and Sheela Foam Limited ("SFL" or "Amalgamated Company" or "Company") and their respective shareholders and creditors ("Scheme") and based on our examination and verification of the aforesaid documents and according to the information and explanation given to us and specific representations received by us from the management of the Company, we do hereby certify the following:

Statement of comparison of revenue and net worth of Transferor companies with the total revenue and net worth of the Transferee company for last three financial years ended 31st March, 2024, 31st March, 2023 and 31st March, 2022

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Belvedere International Limited (Transferor Company No. 1)	Sheela Foam Limited (Amalgamated Company)	Belvedere International Limited (Transferor Company No. 1)	Sheela Foam Limited (Amalgamated Company)	Belvedere International Limited (Transferor Company No. 1)	Sheela Foam Limited (Amalgamated Company)
Revenue (In Crores)	13.61	1,879.52	13.21	1,038.57	13.62	2,010.27
Net Worth (In Crores)	(1.93)	2,674.13	(1.33)	1,364.71	(0.33)	1,192.20



**K K MEHRA & CO****(Chartered Accountants)**

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Mob. 8626772851  
e-mail :  
kkmehra2021@gmail.com

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Kanvas Concepts Private Limited (Transferor Company No. 2)	Sheela Foam Limited (Amalgamated Company)	Kanvas Concepts Private Limited (Transferor Company No. 2)	Sheela Foam Limited (Amalgamated Company)	Kanvas Concepts Private Limited (Transferor Company No. 2)	Sheela Foam Limited (Amalgamated Company)
Revenue (In Crores)	-	1,879.52	0.39	2,038.57	0.37	2,010.27
Net Worth (In Crores)	(1.34)	2,674.13	(1.13)	1,364.71	(1.12)	1,192.20

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Kurlon Retail Limited (Transferor Company No. 3)	Sheela Foam Limited (Amalgamated Company)	Kurlon Retail Limited (Transferor Company No. 3)	Sheela Foam Limited (Amalgamated Company)	Kurlon Retail Limited (Transferor Company No. 3)	Sheela Foam Limited (Amalgamated Company)
Revenue (In Crores)	34.51	1,879.52	18.53	2,038.57	16.50	2,010.27
Net Worth (In Crores)	(18.31)	2,674.13	(18.98)	1,364.71	(18.33)	1,192.20

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Komfort Universe Products and Services Limited (Transferor Company No. 4)	Sheela Foam Limited (Amalgamated Company)	Komfort Universe Products and Services Limited (Transferor Company No. 4)	Sheela Foam Limited (Amalgamated Company)	Komfort Universe Products and Services Limited (Transferor Company No. 4)	Sheela Foam Limited (Amalgamated Company)
Revenue (In Crores)	5.40	1,879.52	2.31	2,038.57	45.00	2,010.27
Net Worth (In Crores)	(10.83)	2,674.13	(3.81)	1,364.71	(3.89)	1,192.20

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Starship Value Chain and Manufacturing Private Limited (Transferor Company No. 5)	Sheela Foam Limited (Amalgamated Company)	Starship Value Chain and Manufacturing Private Limited (Transferor Company No. 5)	Sheela Foam Limited (Amalgamated Company)	Starship Value Chain and Manufacturing Private Limited (Transferor Company No. 5)	Sheela Foam Limited (Amalgamated Company)
Revenue (In Crores)	77.50	1,879.52	105.31	2,038.57	95.14	2,010.27
Net Worth (In Crores)	8.78	2,674.13	7.88	1,364.71	5.45	1,192.20



**K K MEHRA & CO**  
(Chartered Accountants)



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Mob. 8826772851  
e-mail :  
kkmehra2021@gmail.com

Particulars	FY 2023-24		FY 2022-23		FY 2021-22	
	Kurlon Enterprise Limited (Transferee / Amalgamating Company)	Sheela Foam Limited (Amalgamated Company)	Kurlon Enterprise Limited (Transferee / Amalgamating Company)	Sheela Foam Limited (Amalgamated Company)	Kurlon Enterprise Limited (Transferee / Amalgamating Company)	Sheela Foam Limited (Amalgamated Company)
Revenue (In Crores)	800.32	1,879.52	842.87	2,038.57	772.26	2,010.27
Net Worth (In Crores)	278.41	2,674.13	455.77	1,364.71	469.75	1,192.20

This certificate is issued at the request of the Company in relation to the proposed Scheme of Arrangement under Section 230-232 of the Companies Act 2013, relevant rules thereunder and SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and this certificate should not be used for any other purpose or distributed or given to any other person or entity without our prior consent.

For K K Mehra & Co.  
Chartered Accountants

Firm Registration number: 039012N

  
Krishan Kumar Mehra  
(Partner)



Membership number: 563249

Place: Delhi

Date: 21.03.2025

UDIN: 25563249BMNYJA1530

**Justification on Appointed Date (i.e., October 20, 2023) antedate beyond one year from the date of filing of First Motion Application (Petition) before Jurisdictional NCLT (Mumbai bench)**

- 1. Acquisition of 94.66% stake by Sheela Foam Limited (Applicant Company No. 7) in Kurlon Enterprise Limited (Applicant Company No. 6)** - The Board of Directors (BOD) of Applicant Company No. 7 in its meeting held on **July 17, 2023** had approved the acquisition of Applicant Company No. 6. Accordingly, Applicant Company No. 7 had completed the acquisition of 94.66% stake in Applicant Company No. 6 on **October 20, 2023**. Further, Applicant Company No. 7 had acquired additional stake of 2.77% in Applicant Company No. 6 from the existing shareholders in multiple tranches. As of March 31, 2024, Applicant Company No. 7 held 97.43% stake in Applicant Company No. 6.
- 2. Approval of draft Scheme by BOD**- With a view to merge the Applicant Company No. 6 along with its wholly-owned-subsidiaries (Applicant Company No. 1 to Applicant Company No. 5) into Applicant Company No. 7, the BOD of the Applicant Companies had approved the draft Scheme on **March 28, 2024**.
- 3. Date of filing of application before BSE and NSE for obtaining their consent / no-objection letter (NOC)** - Post approval of the draft Scheme by the BOD of Applicant Companies on **March 28, 2024**, the draft Scheme was submitted by Applicant Company No. 7, before Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) (hereinafter referred to as 'Stock Exchanges'), vide application dated **April 10, 2024**, for obtaining their NOC, in compliance with the requirements laid down under Regulation 37 and 59A of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.
- 4. Receipt of NOC from BSE and NSE** - Applicant Company No. 7 received the NOC from BSE and NSE on November 25, 2024 and November 26, 2024 respectively.
- 5. Filing of First Motion Application before NCLT:** Upon receipt of NOCs from BSE and NSE, without any further delay, the Applicant Companies have filed Company Application with Mumbai NCLT on December 11, 2024.

Given the above background, we humbly submit that acquisition of significant majority stake by Applicant Company No. 7 in Applicant Company No. 6 was completed on **October 20, 2023**. Post completion of such acquisition, BOD of Applicant Companies had duly approved

the draft Scheme on **March 28, 2024** and submitted the application before Stock Exchanges for obtaining NOCs on **April 10, 2024**..

NOCs were received by Applicant Company No. 7 from BSE and NSE on **November 25, 2024 and November 26, 2024** respectively (*i.e. the process of obtaining NOCs from Stock Exchanges took approx. 7 to 8 months*))

Given the above, we humbly submit that Applicant Companies could not file the Application **on or before October 20, 2024**, i.e., within one year from the Appointed Date (i.e., **October 20, 2023**).

The said justification for not filing the Scheme within one year from the Appointed Date is reasonable, genuine and not against the public interest. Therefore, the Scheme is in compliance with the Circular Para 6(c) of the said Circulars as reproduced below:

*6 (c): "Where the 'Appointed Date' is chosen as a specific calendar date, it may precede the date of filing of the Application for scheme of merger/amalgamation in NCLT. However, if the 'Appointed Date' is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest."*

### **Significance of Appointed Date of October 20,2023**

As mentioned above, the Applicant Company No. 7 had acquired significant majority stake (~ 94.66%) in Applicant Company No. 6 on October 20, 2023, Further, additional stake of 2.77% was acquired by Applicant Company No. 7 in multiple tranches, over the next 6 months, from the existing shareholders of Applicant Company No. 6. As of March 31, 2024, Applicant Company No. 7 held 97.43% stake in Applicant Company No. 6.

The intent of acquisition of the Applicant Company No. 6 alongwith subsidiaries was always to run all the companies, as one-operation going forward i.e., to amalgamate the companies into a single entity.

Further, keeping Appointed Date as October 20, 2023, would enable the consolidation of books of accounts of Applicant Company No. 6 and its subsidiaries with Applicant Company No. 7. It would provide greater efficiency in cash management and unfettered

access to the cashflow generated by the combined business, which can be deployed more efficiently to maximize shareholder value.

Given the above, Appointed Date as October 20, 2023, being the date of acquisition of majority stake in Applicant Company No. 6, is in the interest of the companies and their shareholders and is not prejudicial to the public interest in any manner.





सत्यमेव जयते

INDIA NON JUDICIAL

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 Account Reference : SELFPRINT (PUY di-sell/ MEMRLV DL-DLH  
 Unique Doc. Reference : SUBIN-DL DL-SEL F44688807876841W  
 Purchased by : ABHISHEK KUMAR SAURAV  
 Description of Document : Article 4 Affidavit  
 Property Description : AFFIDAVIT  
 Consideration Price (Rs.) : 0  
 (Zero)  
 First Party : MD IQUBAL AHMAD  
 Second Party : NA  
 Stamp Duty Paid By : MD IQUBAL AHMAD  
 Stamp Duty Amount(Rs.) : 100  
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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT MUMBAI  
COMPANY APPLICATION NO. \_\_\_\_\_ OF 2024**

**IN THE MATTER OF COMPANIES ACT, 2013  
UNDER SECTION 230-232 READ WITH COMPANIES  
(COMPROMISE, ARRANGEMENT AND AMALGAMATION)  
RULES, 2016**

**AND  
IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT  
BY AND BETWEEN**

**BELVEDORE INTERNATIONAL LIMITED  
...TRANSFEROR /APPLICANT COMPANY NO. 1**

**WITH**

**KANVAS CONCEPTS PRIVATE LIMITED  
...TRANSFEROR /APPLICANT COMPANY NO. 2**

**WITH**

**KURLON RETAIL LIMITED  
...TRANSFEROR /APPLICANT COMPANY NO. 3**

**WITH**

**KOMFORT UNIVERSE PRODUCTS AND SERVICES LIMITED  
...TRANSFEROR /APPLICANT COMPANY NO. 4**

**WITH**

**STARSHIP VALUE CHAIN AND MANUFACTURING PRIVATE  
LIMITED  
...TRANSFEROR /APPLICANT COMPANY NO. 5**

**WITH**

**KURLON ENTERPRISE LIMITED  
...TRANSFeree /AMALGAMATING /  
APPLICANT COMPANY NO. 6**

**v AND INTO**

**SHEELA FOAM LIMITED  
...AMALGAMATED /APPLICANT COMPANY NO. 7**

**...APPLICANT COMPANIES**

**AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**AFFIDAVIT**

**I, Md. Iqbal Ahmad, S/o Ahmad Azimuddin, aged about 40 years, R/o B-28/4, 3rd**

1. That I am the Authorized Signatory of the Sheela Foam Limited (Amalgamated /Applicant Company No. 7). I am fully conversant with the facts and circumstances of the present case and am competent to depose by way of the present affidavit on behalf of the abovementioned Amalgamated /Applicant Company No. 7.
2. That Amalgamated /Applicant Company No. 7 does not have any sectoral regulators or authorities other than Regional Director, Registrar of Companies, Official Liquidator, Income Tax Authority, Securities & Exchange Board of India, Bombay Stock Exchange and National Stock Exchange which are likely to be affected by this amalgamation.



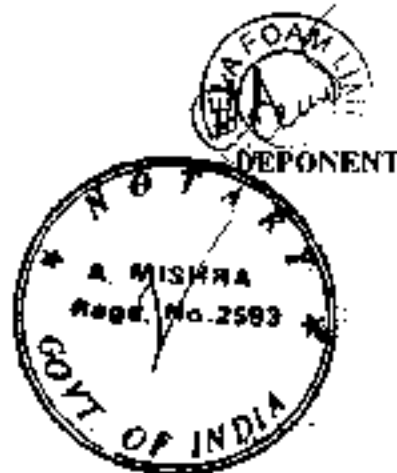
#### VERIFICATION

Verified at Delhi on this 7 day of December 2024, that the contents of Paragraphs 1 & 2 of the above Affidavit are true to my knowledge and belief and are based on the records of the Company maintained by it in its ordinary course of business and nothing material has been concealed therefrom.

07 DEC 2024

**ATTESTED**

NOTARY PUBLIC  
DELHI (INDIA)



Doc No - AMO 138/202425

**Details of litigations of Kurlon Enterprise Limited****(i) Details of GST/ Sales Tax Cases of Kurlon Enterprise Limited**

S.No.	Act/Statute	Nature of Liability	Amount of Dispute (in Rs.) as on 30th Sep, 2024	Year to which relates	Forum where dispute is pending
1	Sales Tax	VAT	4,838,665	2014-15	State Tax Officer
2	Sales Tax	VAT	7,834,625	2015-16	State Tax Officer
3	Sales Tax	CST	11,806,143	2014-15	Kerala Tribunal
4	Sales Tax	VAT	5,234,812	2014-15	Kerala Tribunal
5	Sales Tax	VAT	1,075,496	2014-15	Vizag Tribunal
6	Sales Tax	VAT	3,472,401	2016-17	Deputy Commissioner Appeal
7	GST	GST Audit	169,142	2017-18 & 2018-19	Superintendent of CGST
8	GST	GST Audit	1,452,295	2017-18 & 2018-19	Superintendent of CGST
9	GST	GST Audit	971,850	2017-18 & 2018-19	Superintendent of CGST
10	GST	GST Audit	44,125	2017-18 & 2018-19	Superintendent of CGST
11	GST	Scrutiny of return	4,000,469	2019-20	State Tax Officer
13	GST	Scrutiny of return	6,646,562	2019-20	Deputy Commissioner of State Tax
14	GST	Scrutiny of return	4,882,690	2019-20	Assistant Commissioner of CGST
16	GST	Scrutiny of return	1,966,497	2019-20	State Tax Officer
17	GST	Scrutiny of return	2,777,857	2019-20	Assistant Commissioner of CGST
18	GST	Scrutiny of return	17,885,388	2019-20	Deputy Commissioner of State Tax
19	GST	Scrutiny of return	15,904,935	2019-20	State Tax Officer
20	GST	Scrutiny of return	4,765,948	2019-20	Assistant Commissioner of CGST
21	GST	Scrutiny of return	369,966	2020-21	State Tax Officer
22	GST	Scrutiny of return	10,224,833	2020-21	Deputy Commissioner State Tax
23	GST	DRC-01A	6,054,887	2018-19	Deputy Commissioner State Tax
24	GST	DRC-01A	2,599,201	2019-20	Deputy Commissioner State Tax
25	GST	Scrutiny of return	177,354,588	2020-21	Superintendent of CGST



**(ii) Details of Income tax cases of Kurlon Enterprise Limited**

S.No	Unit/Location	Notice	Forum where dispute is pending	Amount of Dispute (In Rs.)
1	KURLON ENTERPRISE LIMITED, MUMBAI	U/S 142 (1)	CIRCLE 2(1)(1), MUMBAI	77,850,060
2	KURLON ENTERPRISE LIMITED, MUMBAI	U/S 142 (1)	CIT appeals	107,245,160
3	KURLON ENTERPRISE LIMITED, MUMBAI	U/S 274	National e-Assessment Centre	.
4	KURLON ENTERPRISE LIMITED, MUMBAI	U/S 274	National e-Assessment Centre	.
5	KURLON ENTERPRISE LIMITED, MUMBAI	U/S 142 (1) SCN	CIT appeals	31,959,570
6	KURLON ENTERPRISE LIMITED, MUMBAI	143(1)	CPC	976,680

**(iii) Details of Labour law cases of Kurlon Enterprise Limited:**

S No	Case No.	Court	Parties Name/Respondents	Status/rem arks/stage
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2	REF/68/2018	I ADDL. LABOUR COURT, NYAYADEGULA	Bengaluru Karmika Sangha,/M/s. Curlon Enterprises Ltd	Labour case
3	REF/69/2018	I ADDL. LABOUR COURT, NYAYADEGULA	Bengaluru Karmika Sangha,/M/s Curlon Enterprises Ltd ,	Labour case
4	REF/10/2019	PRESIDING OFFICER, LABOUR COURT, NYAYADEGULA	D.J. Dinesh, Narayana G, Gangadhara.G.N. N.Manjunatha ,Rep by Bangalore Labour Union/M/s Kurlan Enterprises Ltd	Labour case
5	REF/17/2019	PRESIDING OFFICER, LABOUR COURT, NYAYADEGULA	Sujatha , rep by The Secretary, Bengaluru Labour Union/M/s. Kurlan Enterprises Ltd ,	Labour case
6	REF/18/2019	PRESIDING OFFICER, LABOUR COURT, NYAYADEGULA	Santhosh Kumar V H , rep by Secretary , Benaguru Labour Union/M/s. Kurlan Enterprises Ltd ,	Labour case
7	REF/19/2019	PRESIDING OFFICER, LABOUR COURT, NYAYADEGULA	Chayrashekhar Shiyanna Yarnal rep by The Secretary, Bengaluru Labour Union/M/s Kurlan Enterprises Ltd.,	Labour case
8	REF/67/2018	PRESIDING OFFICER, LABOUR COURT, NYAYADEGULA	Kubera. H/M/s. Curlon Enterprises Ltd ,	Labour case
9	REF/69/2018	PRESIDING OFFICER, LABOUR COURT, NYAYADEGULA	Bangalore Karmika Sangha/a M/s. Curlon Enterprises Ltd ,	Labour case



**Details of litigations of Sheela Foam Limited:**

S. No.	Act	Nature of Liability	Unit/Location	Amount of Dispute (in Rs.) as on 30th Sept., 2024	Year to which relates	Forum where dispute is pending
1	Entry Tax	Sales Tax & Entry Tax Matters	Dankuni	-	2012-13 & 2013-14	West Bengal Tribunal
2	Entry Tax	Sales Tax & Entry Tax Matters	Dankuni	-	2014-15 to 2017-18	West Bengal Tribunal
3	Entry Tax	Sales Tax & Entry Tax Matters	Uttar Pradesh	5,772,239	2001-2012	Allahabad High Court
4	Excise	Excise & Service Tax Matters (Conr Matter) (Demand Rs 61,92,571/- plus equal penalty of Rs 61,92,571/-)	Dankuni	301,070	2011-2012 & 2012-2013	CESTAT Kolkata
5	Excise	Excise & Service Tax Matters (Conval Credit-Warehouse) (Demand Rs 1,20,53,472/- plus equal penalty of Rs 1,20,53,472/-)	Jalpaiguri	24,105,944	Feb'17 to Jun 17	CESTAT Kolkata
6	Excise	Excise & Service Tax Matters- (Conval Rs. 22,62,637/- and penalty Rs 22,62,637/- ) Plus Late Fees Rs 40,000/-	Jalpaiguri	4,565,274	2016-2017 & 2017-2018	CESTAT Kolkata
7	Income Tax	Income Tax Matters (Regular Assessment)	Corporate Office	47,968,982	2013-2014	Delhi High Court
8	Income Tax	Income Tax Matters (Regular Assessment)	Corporate Office	2,344,544	2017-18	ITAT, New Delhi
9	Income Tax	Income Tax Matters (Regular Assessment)	Corporate Office	3,734,842	2016-17	ITAT New Delhi
10	Income Tax	Income Tax Matters (Regular Assessment)	Corporate Office	47,466,470	2019-20	ITAT, New Delhi
11	Sales Tax	Sales Tax & Entry Tax Matters	Sakkim	4,800,657	2003-04 & 2004-05	Supreme Court
12	Sales Tax	Sales Tax & Entry Tax Matters	Sakkim	39,399,927	2005-06 to 2011-12	Additional Commissioner Commercial Tax
13	Sales Tax	VAT Input Credit	Hyderabad	2,173,161	Apr 05 to Jan 06	Appellate Deputy Commissioner
14	GST Act	GST Demand- ITC related matter demand towards Tax is Rs 12,14,304 Penalty - Rs 12,14,304 plus applicable Interest	Erode	2,428,608	FY 2017-18	Appeal file to GSTAT
15	GST Act	GST Demand- ITC	Erode	-	FY 2018-19	Appeal file to

16	GST Act	GST Demand- ITC related matter demand towards Tax is Rs 19,67,472 Penalty - Rs 18,91,180 plus applicable Interest	Erode	3,858,652	FY 2019-20	Appeal file to GSTAT
17	GST Act	GST Demand- ITC related matter demand towards Tax is Rs 39,48,261 Penalty - Rs 38,82,538 plus applicable Interest	Erode	7,830,799	FY 2020-21	Appeal file to GSTAT
18	GST Act	GST Demand- ITC related matter demand towards Tax is Rs 15,34,540 Penalty - Rs 13,24,440 plus applicable Interest	Erode	2,858,980	FY 2021-22	Appeal file to GSTAT
19	GST Act	GST Demand- GST ITC related matter demand towards Tax is Rs 16,89,266 Penalty - Rs 16,89,266 plus applicable Interest	Erode	3,338,532	FY 2022-23	Appeal file to GSTAT
20	GST Act	GST Demand- ITC related matter for Tax demand of Rs 1,28,620 plus applicable interest	Erode	128,520	FY 2019-20	Appeal file to be file before GSTAT
21	GST Act	GST Demand- ITC related matter in relation to supplier who have filed GST returns after cut of date Demand of Tax is Rs 17,61,766 plus Interest demand is Rs 13,99,063 plus penalty of Rs 1,77,890/-	Gujarat	3,339,319	FY 2019-20	Appeal file to be file before GSTAT
22	GST Act	GST Demand- Amount of ITC which is reflected as other reversal relating to excess payment made in previous year. Demand of Tax is Rs 48,33,509 plus penalty Rs 4,83,350/-	JLP, West Bengal	5,096,860	FY 2019-20	Appeal file to be file before GSTAT
23	GST Act	GST Demand- ITC related to supplier who have not filed the return	Kala Amb, HP	119,133	FY 2018-19	Appeal Filed
24	GST Act	GST Demand- Interest on tax liability determine is for Rs 49,348.	Kala Amb, HP	49,348	FY 2019-20	Appeal Filed

