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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ENCASE PACKAGING PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Encase Packaging Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the statement of Profit and Loss and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Ind AS, of the state of affairs of the Company as at March 31, 2022, and Profit/(Loss), and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexures to the Board's 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.

Responsibility of Management for the Financial Statements 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 Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Ind AS, 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 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, the 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. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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 Companies Act, 2013, we give in the Annexure 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.
   c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls**.** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
   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.

h) Whether the management has represented that other than those disclosed in the notes to accounts,

(i) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

(ii) no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, we **report nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material misstatement**.

For MHA & Associates LLP.,
Chartered Accountants
Firm's Registration No. 0S200133

Partner: Sai Hemanth Kolachana
Membership No.: 232844
Date: 03-06-2022
UDIN: 22232844AKFCZO5625

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. There were no any material discrepancies found during the year.

(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 are held in the name of the Company.

(d) The company has valued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) There were no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) (i) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory.

(ii) The discrepancies noticed on verification between the physical stock and the book records were not material.

(iii) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets;

(iv) The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company;

3) The company during has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties,

4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) The maintenance of Cost Records were specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. The Company is not covered under the cost audit.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is irregular in depositing undisputed statutory dues including ESI, Provident Fund and Professional Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2022 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added.

8) No transactions has been recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9)

i) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
ii) Term loans has been utilized for the purpose for which the loans were obtained.
iii) The funds raised on short term basis have not been utilized for long term purposes.

10) The company has not raised any funds from a public offer (equity or debt capital) The company made private placement of shares during the year, the same is in accordance with section 42 and section 62 of the Companies Act, 2013. – the funds raised, have been used for the purposes they were raised.

11) There has been no fraud by the company, or any fraud done on the company. In case of receipt of whistle-blower complaints, whether the complaints have been considered by the auditor. The auditor has not received any whistle-blower complaints.

12) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act

13) In our opinion, all transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) The company doesn't have an internal audit system in accordance with its size and business activities.

15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

16) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

17) The company has not incurred cash losses during the financial year.

18) Resignation of statutory auditors is not applicable to the company during the current financial year as it has been incorporated during the FY 2021-22.

19) There is no existence of any material uncertainty on the date of the audit report on an evaluation of: – The ageing report, financial ratios and expected dates of realization of financial assets and payment of financial liabilities, any other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans. The company can meet its the liabilities which exist as at the balance sheet date when such liabilities are due in the future.

20) According to the information provided, provisions of section 135 of the Companies Act, 2013 is not applicable to Encase Packaging Private Limited.

21) There has been no qualifications or adverse remarks in the audit reports issued by the respective auditors in case of companies included in the consolidated financial statements, to indicate the details of the companies and the paragraph numbers of the respective CARO reports containing the qualifications or adverse remarks.

For and on behalf of

MHA & Associates LLP
Chartered Accountants
Firm’s registration number: 0S200133

Partner: Sai Hemanth Kolachana
Membership number: 232844
UDIN: 22232844AKFCZO5625

Place: Hyderabad
Date: 03-06-2022

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of Encase Packaging Private Limited

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 over financial reporting of Encase Packaging Private Limited ("the Company") as of March 31, 2022 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 based on 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 ('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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 Ind AS. 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 Ind AS, 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 over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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 ('ICAI').

For and on behalf of

MHA & Associates LLP
Chartered Accountants
Firm's registration number: 0S200133

Partner: Hemanth Kolachana
Membership number: 232844
UDIN: 22232844AKFCZO5625
Place: Hyderabad
Date: 03-06-2022

ENCASE PACKAGING PRIVATE LIMITED (CIN:U21000AP2021PTC119871)
Standalone Balance Sheet as at 31 March 2022
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	**Note No.**	**As At 31 March 2022**
ASSETS		
Non-current assets		
Property, plant and equipment	4	530.44
Financial assets		
Others	5	10.59
Other non-current assets	6	7.03
Total non-current assets		**548.06**
Current assets		
Inventories	7	78.86
Financial assets		
Trade receivables	8	124.87
Cash and cash equivalents	9	74.14
Other current assets	10	84.55
Total current assets		**362.42**
Total Assets		**910.48**
EQUITY AND LIABILTIES		
Equity		
Equity share capital	11A	500.00
Other equity	11B	(216.16)
Total equity		**283.84**
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	12	261.31
Provisions	13	3.52
Total non-current liabilities		**264.83**
Current liabilities		
Financial liabilities		
Borrowings	14	91.77
Trade payables	15	
- total outstanding dues of micro enterprises and small enterprises		-
- total outstanding dues of creditors other than micro enterprises and small enterprises		74.01
Other financial liabilities	16	149.00
Other current liabilities	17	46.61
Provisions	13	0.42
Total current liabilities		**361.81**
Total liabilities		**626.64**
Total Equity and Liabilities		**910.48**
Significant accounting policies	3	

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

As per our attached report of even date

For M H A & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

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

Hemanth Sai Kolachana
Partner
Partner Membership No. : 232844
Place: Hyderabad
Date: 03-06-2022

Silpa Lingareddy
Director
DIN Number: 07683418
Place: Sricity
Date: 03-06-2022

Vineet Ganeriwala
Director
DIN Number: 00995965
Place: Jaipur
Date: 03-06-2022

ENCASE PACKAGING PRIVATE LIMITED (CIN:U21000AP2021PTC119871)
Statement of Profit and Loss for the period 28 October 2021 to 31 March 2022
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Notes No.	For the period 28 October 2021 to 31 March 2022
Revenue from operations	18	224.01
Other income	19	26.24
Total Income		**250.25**
EXPENSES		
Cost of materials consumed	20	91.58
Change in inventories of finished goods, stock-in-trade and work-in-progress	21	(48.00)
Employee benefits expense	22	72.63
Finance costs	23	22.91
Depreciation and amortization expense	24	16.10
Other expenses	25	143.93
Total expenses		**299.15**
Profit / (Loss) before tax		**(48.90)**
Tax Expenses	26	
(1) Current tax		-
(2) Deferred tax		-
		-
Profit / (Loss) for the year		**(48.90)**
Total comprehensive Profit / (loss) for the period		**(48.90)**
Profit / (Loss) per equity share	27	
Basic and diluted		(2.33)
Significant accounting policies	3	

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

As per our attached report of even date

For M H A & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Hemanth Sai Kolachana
Partner
Partner Membership No. : 232844
Place: Hyderabad
Date: 03-06-2022

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

Silpa Lingareddy
Director
DIN Number: 07683418
Place: Sricity
Date: 03-06-2022

Vineet Ganeriwala
Director
DIN Number: 00995965
Place: Jaipur
Date: 03-06-2022

ENCASE PACKAGING PRIVATE LIMITED (CIN:U21000AP2021PTC119871)
Statement of change in equity for the period 28 October 2021 to 31 March 2022
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

A Equity share capital:

Equity shares of Rs.10 each issued, subscribed and fully paid

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

B Other equity:

For the period ended 31 March 2022	Reserves and Surplus			
	Securities premium	Capital reserve	Retained Earnings	Total
Balance as at 28 October 2021	-	-	-	-
Retained earning transferred on account of conversion from LLP to company	-	-	(267.16)	(267.16)
Proft / (Loss) of the year	-	-	(48.90)	(48.90)
Changes during the year	99.90	-	-	99.90
Other comprehensive income	-	-	-	-
Total comprehensive income	**99.90**	**-**	**(316.06)**	**(216.16)**
Dividends	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance as at 31 March 2022	**99.90**	**-**	**(316.06)**	**(216.16)**

Significant accounting policies 3

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

As per our attached report of even date

For M H A & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

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

Hemanth Sai Kolachana
Partner
Partner Membership No. : 232844
Place: Hyderabad
Date: 03-06-2022

Silpa Lingareddy
Director
DIN Number: 07683418
Place: Sricity
Date: 03-06-2022

Vineet Ganeriwala
Director
DIN Number: 00995965
Place: Jaipur
Date: 03-06-2022

ENCASE PACKAGING PRIVATE LIMITED (CIN:U21000AP2021PTC119871)
Cash Flow Statement for the period 28 October 2021 to 31 March 2022
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	For the period 28 October 2021 to 31 March 2022
A Cash flow from operating activities	
Profit / (Loss) for the year	(48.90)
Adjustment for :	
Depreciation and amortisation expense	16.10
Unrealised foreign exchange difference (net)	(1.48)
Finance costs	22.91
Operating loss before working capital changes:	**(11.37)**
Working capital adjustments :	
(Increase) / decrease in trade receivable	(114.36)
(Increase) / decrease in inventories	(54.73)
(Increase) / decrease in other assets	3.75
Increase / (decrease) in trade payables, provisions, other current liabilities	(40.24)
Net cash used in operating activities (A)	**(216.96)**
B Cash flow from investing activities	
Purchase of property, plant and equipment	(47.79)
Net cash used in investing activities (B)	**(47.79)**
C Cash flow from financing activities	
Proceeds from issue of share capital	300.00
Securities premium received on issuance of share capital	99.90
Movement in borrowings	(38.96)
Interest paid	(22.91)
Net cash generated from financing activities (C)	**338.03**
Net increase in cash and cash equivalents (A+B+C)	73.28
Opening balance of cash and cash equivalents	0.86
Closing balance of cash and cash equivalents	**74.14**
Cash and cash equivalents comprises	
Cash on hand	1.21
Balance with bank in current accounts	72.93
	74.14
Significant accounting policies — **3**	

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

As per our attached report of even date

For M H A & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Hemanth Sai Kolachana
Partner
Partner Membership No. : 232844
Place: Hyderabad
Date: 03-06-2022

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

Silpa Lingareddy
Director
DIN Number: 07683418
Place: Sricity
Date: 03-06-2022

Vineet Ganeriwala
Director
DIN Number: 00995965
Place: Jaipur
Date: 03-06-2022

1. Reporting entity

Encase Packaging Private Limited (the "Company") was incorporated on October 28, 2021 under the provisions of Indian Companies Act. Company is domiciled in India, with its registered office situated at 1200, Thespia Dr, Sri City, Chittoor, AP 517646. The Company is in the business of Manufacture of paper and paper product.

2. Basis of preparation

a. Statement of compliance

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

The standalone financial statements were authorised for issue by the Company's Board of Directors on XX May 2022.

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

b. Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency. All amounts are in Indian Rupees, unless otherwise stated.

c. Use of estimates and judgements

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

d. Current and non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

3. Significant accounting policies

a. Foreign currency transaction

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

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

b. Property, plant and equipment

i. Recognition and measurement

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

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

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

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

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

ii. Subsequent expenditure

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

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

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

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

c. Financial Instruments

i) Recognition and initial measurement

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

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

ii) Classification and subsequent measurement

Financial assets

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

- amortised cost; and
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.
All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

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

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

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

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

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

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

Financial assets: subsequent measurement and gains and losses

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

Equity investments in subsidiaries and investments for which sufficient more recent information to measure fair value are not available are measured at cost. Other equity investments in scope of Ind AS 109 are measured at fair value through profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

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

iii) De-recognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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

Financial liabilities

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

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

iv) Offsetting

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

d. Inventories

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

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

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

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

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

e. Impairment of property, plant and equipment

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 net selling price 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. Where the carrying amount of an asset 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 risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f. Employee benefits

i. Short-term employee benefits

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

ii. Defined contribution plans

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

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

iii. Defined benefit plan

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

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

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

g. Provision (other than for employee benefits)

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

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

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events when no reliable estimate is possible;
- a possible obligation arising from past events unless the probability of outflow of resources is remote.

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

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

h. Revenue recognition

i. Sale of product

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, expected returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

Taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and, therefore, are excluded from net revenue in the standalone Statement of Profit and Loss.

ii. Other operating revenues

Export incentive in the nature of duty draw back is accounted for in the year of Export.

i. Lease

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

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

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

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

Company as a lessee

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

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.
The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the leases if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably
certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

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

j. Income taxes

Current tax

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

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

Deffered tax

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

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

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

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

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

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

k. Goods and services tax (GST)

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

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

- When receivables and payables are stated with the amount of tax included.

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

l. Borrowing cost

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

m. Cash and short-term deposits

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

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

o. Significant accounting estimates and assumptions

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

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

4. Property, plant and equipment
Reconciliation of carrying amount

Particulars	Freehold land	Building	Plant and equipment	Electric Installation and Equipments	Furniture & fixture	Office equipment	Computers	Total
Balance as at 28 October 2021	-	-	-	-	-	-	-	-
Additions	93.96	107.20	313.00	19.90	5.70	2.15	4.62	546.54
Written off / disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	**93.96**	**107.20**	**313.00**	**19.90**	**5.70**	**2.15**	**4.62**	**546.54**
Accumulated depreciation								
Balance as at 28 October 2021	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	1.56	8.85	1.03	0.28	0.28	4.10	16.10
Written off / disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	**-**	**1.56**	**8.85**	**1.03**	**0.28**	**0.28**	**4.10**	**16.10**
Carrying amount (net)								
Balance as at 31 March 2022	**93.96**	**105.64**	**304.15**	**18.86**	**5.42**	**1.87**	**0.52**	**530.44**

*** Refer note 32 for assets hypothecated as security against bank borrowings.**

5. Financial assets - Non- Current - Others

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

6. Other Non- Current Assets

Particulars	31 March 2022
Capital Advances	7.03
	7.03

7. Inventories

Particulars	31 March 2022
Raw material	30.86
Work in progress	5.05
Finished goods	42.95
Total inventories at the lower of cost and net realisable value	**78.86**

*** Refer note 32 for assets hypothecated as security against bank borrowings.**

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

8. Financial assets - Trade receivables

Particulars	31 March 2022
Current	
Unsecured, considered good	124.87
	124.87

Of the above, trade receivables from related parties are given in note 29

Trade receivables ageing schedule as on 31 March 2022

S. No.	Particulars	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade receivables – considered good	-	124.87	-	-	-	-	**124.87**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**
(iv)	Disputed Trade Receivables–considered good	-	-	-	-	-	-	**-**
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	**-**

9. Financial assets - cash and cash equivalents

Particulars	31 March 2022
Cash and cash equivalents	
Balances with bank:	
- On current account	72.93
Cash on hand	1.21
	74.14

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

10. Other current assets

Particulars	31 March 2022
Unsecured, considered good	
Advances other than capital advances	
Advance to suppliers	6.55
Others	
Balances with tax authorities	76.66
Other receivables	1.34
	84.55

11A Equity share capital

Particulars	31 March 2022
Authorised shares	
50,00,000 equity shares of Rs. 10 each	50,000,000.00
	50,000,000.00
Issued, subscribed and fully paid-up shares	
50,00,000 equity shares of Rs. 10 each	500.00
Total issued, subscribed and fully paid-up share capital	**500.00**

ENCASE PACKAGING PRIVATE LIMITED (CIN:U21000AP2021PTC119871)
Notes to standalone financial statements for the period ended 31 March 2022
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

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

Equity shares of Rs. 10 each issued, subscribed and fully paid	31 March 2022	
	No. of shares	Amount
Balance at the beginning of the year	-	-
Share issued on account of conversion from LLP to company	2,000,000	200
Fresh share capital issued during the year	3,000,000	300
Balance at the end of the year	**5,000,000**	**500**

b) Terms / rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

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

d) Shareholding of promoters as at 31 March 2022

Name of the shareholder	31 March 2022	
	% of Holding	No. of shares
Pavan Kumar Pullula	700,000	14.00%
Silpa Linga Reddy	700,000	14.00%

e) Details of holding and subsidiary Company

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

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

11B Other equity

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

11C Nature of reserve

a) Securities premium reserve

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

b) Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

12. Non-Current Borrowings

Particulars	31 March 2022
Term loans	
Secured Loans	
- From banks	246.51
Loan from related parties	
- Unsecured loans	14.80
Total of non-current borrowings	**261.31**

a) Term Loan **

Nature of securities:

i) Hypothecation of the machinery and utilities such as mechanical works, electrical and controls etc. of the company

ii) Equitable mortgage of land and building situated at 1200, Thespia Dr, Sri City, Chittoor, AP 517646.

iii) Personal gaurantees of
- Smt. Shilpa Linga Redddy, Director of the company
- Smt. Pavan K Pullula, Director of the company
- Smt. Ram Kumar Voleti, Member of the company
- Smt. Padmalatha Pullula, Partner in Enacse Packaging LLP (Now Encase Packaging Private Limited)

Rate of interest:

Rate of interest is 1 Year MCLR Plus 0.20% Plus 1.65%

** The Term loan includes working capital term loan facility which has been granted under Guaranteed Emergency Credit Line and shall rank paripassu with the existing credit facilities in terms of cash flows and security. Rate of interest on the same is 1% above RLLR

13. Provisions

Particulars	31 March 2022	
	Current	Non-Current
Provision for employee benefits		
Provision for gratuity	0.42	3.52
	0.42	**3.52**

14. Current Borrowings

Particulars	31 March 2022
Loans repayable on demand	
Secured Loans	
- From banks **	91.77
Current maturities of Long term borrowings	
- Secured Term Loan	-
	91.77

** Hypothecation of stocks and receivables

15. Trade payables

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

ENCASE PACKAGING PRIVATE LIMITED (CIN:U21000AP2021PTC119871)
Notes to standalone financial statements for the period ended 31 March 2022
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Trade payables ageing schedule as on 31 March 2022

S. No.	Particulars	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSME	-	-	-	-	-	**-**
(ii)	Others	8.46	65.55	-	-	-	**74.01**
(iii)	Disputed dues - MSME	-	-	-	-	-	**-**
(iv)	Disputed dues - Others	-	-	-	-	-	**-**

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

16. Other financial liabilities

Particulars	31 March 2022
Employee benefit payables	13.74
Capital creditors	133.90
Interest accrued	1.36
	149.00

17. Other current liabilities

Particulars	31 March 2022
Advance from customers	39.96
Statutory dues payable	6.65
	46.61

18. Revenue from operations

Particulars	For the period 28 October 2021 to 31 March 2022
Sale of products	223.02
Other operating revenues	0.99
	224.01

19. Other income

Particulars	For the period 28 October 2021 to 31 March 2022
Foreign exchange gain (net)	1.48
Liabilities no longer required written back	24.70
Discount Received	0.06
	26.24

20. Cost of material consumed

Particulars	For the period 28 October 2021 to 31 March 2022
Opening stock of raw material	24.13
Add: Purchases during the year	98.31
	122.44
Less: Closing stock of raw material	(30.86)
	91.58

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

Particulars	For the period 28 October 2021 to 31 March 2022
Inventory at the beginning of the year	
Work in progress	-
Finished goods	-
	-
Inventory at the end of the year	
Work in progress	5.05
Finished goods	42.95
	48.00
	(48.00)

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

22. Employee benefits expense

Particulars	For the period 28 October 2021 to 31 March 2022
Salaries and wages	56.99
Contribution to provident and other funds	9.32
Staff welfare expenses	6.32
	72.63

23. Finance costs

Particulars	For the period 28 October 2021 to 31 March 2022
Interest	22.91
	22.91

24. Depreciation and amortisation expense

Particulars	For the period 28 October 2021 to 31 March 2022
Depreciation of property, plant and equipment	16.10
	16.10

25. Other expenses

Particulars	For the period 28 October 2021 to 31 March 2022
a) Manufacturing and direct expenses	
Job work charges	57.19
Stores and consumables	0.15
Power and fuel	8.67
Other manufacturing and direct expenses	0.45
	66.46
b) Administrative and selling expenses	
Rent	1.50
Rates and taxes	3.58
Freight Outward Charges	15.60
Insurance	0.10
Commission & Brokerage	0.02
Travelling and conveyance	12.72
Legal and professional fees	8.10
Postage and telephone	1.77
Printing and stationery	0.17
Repairs and maintenance building and others	1.03
Packing and forwarding	3.90
Security expenses	3.20
Auditors' remuneration	3.00
Directors' remuneration	14.77
Miscellaneous expenses	8.01
	77.47
	143.93

25A Payment to auditors

Particulars	For the period 28 October 2021 to 31 March 2022
Statutory audit	3.00
	3.00

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

26. Tax Expenses

(a) Tax expense charged to statement of profit or loss

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

(b) Reconciliation of effective tax rate

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

As at 31 March 2022, the Company has unabsorbed business losses and depreciation as per Income Tax Act, 1961. In the absence of probable certainty of sufficient future taxable profits, deferred tax assets has been recognised only to the extent of deferred tax liability.

27. Earning / (loss) per share

Particulars	For the period 28 October 2021 to 31 March 2022
Basic and diluted loss per share	
The calculation of loss attributable to equity shareholders and weighted average numbers of equity shares outstanding for purpose of basic and diluted loss per share calculation are as follows-	
(i) Loss for the period, attributable to equity holders	(48.90)
(ii) Weighted average number of equity shares	2,098,837.21
Earning / (Loss) per share	**(2.33)**

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

28. Employee benefit obligation

A) Defined contribution plan

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

Particulars	**For the period 28 October 2021 to 31 March 2022**
Employer's contribution to Employee's Provident Fund	3.55
Employer's contribution to Employee's State Insurance	1.54
	5.09

B) Defined benefit plan - Gratuity

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

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

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

Particulars	**For the period 28 October 2021 to 31 March 2022**
Current service cost	2.90
Past service cost	1.04
Net benefit expenses	**3.94**

b) Position of the assets and obligation

Particulars	**As At 31 March 2022**
Present value of the obligations	(3.94)
Fair value of plan assets	-
Assets / (liability) recognised in balance sheet	**(3.94)**

c) Changes in the defined benefit obligation

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

Particulars	**As At 31 March 2022**
	Defined benefit obligation
Present Value of Obligation as at the beginning	-
Current Service Cost	2.90
Interest Expense or Cost	-
Past Service Cost	1.04
Benefits Paid	-
Present Value of Obligation as at the end	**3.94**

d) The principal assumptions used in determining gratuity obligations for the Company's plan is shown below:

Particulars	**As At 31 March 2022**
Discount rate	6.90%
Future salary increases	7.00%
Retirement age (years)	60 Years
Mortality rates	100% of IALM 2012-14
Employee turnover Withdrawal Rate (%)	10.00%

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

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

e) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption as at 31 March 2022 are shown as below:

Impact on defined benefit obligation	As At 31 March 2022
Discount rate	
Increase by 1%	(0.32)
Decrease by 1%	0.37
Future salary	
Increase by 1%	0.37
Decrease by 1%	(0.32)

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

f) Defined benefit liability and employer contribution:

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

Particulars	As At 31 March 2022
Year	
- Within the next 12 months (next annual reporting period)	0.42
- Above 1 to 5 years	1.54
- More than 5 years	6.74
Total expected payments	**8.70**

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

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Notes to standalone financial statements for the period ended 31 March 2022
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29. Related party transactions

A. List of related parties:

Ultimate Holding Company
Brett Enterprises Private Limited

Immediate Holding Company
Vaibhav Global Limited

Directors
Mrs. Silpa Lingareddy
Mr. Vineet Ganeriwala
Mr. Pushpendra Singh
Mr. Raj Kumar Singh
Mr. Pavan Kumar Pullula

Related parties in Vaibhav Global Group
STS Global Supply Limited, Hongkong
STS Global Limited, Thailand
VGL Retail Ventures Limited
STS Global Limited, Japan
STS Jewels Inc.
Vaibhav Vistar Limited
Vaibhav Lifestyle Limited
PT STS Bali
Shop LC Global Inc.
Shop TJC Limited
STS (Guangzhou) Trading Limited
Shop LC Gmbh

B. Details of material related party transactions and balances:

Particulars	Vaibhav Global Limited	STS Global Supply Limited, Hongkong	Shop LC Global Inc.	Total
Transaction during the period 28 October 2021 to 31 March 2022				
Sales of Goods	63.26	-	95.44	**158.70**
Purchase of Fixed Assets	-	57.18	-	**57.18**
Reimbursement of Expenses {Receivable / (Paybale)}	(0.07)	-	-	**(0.07)**
Balance at 31st March 2022				
Amount Receivable	-	-	97.20	**97.20**
Amount Payable	2.00	57.49	-	**59.49**

Details of related party transactions and balances with directors

Particulars	Mrs. Silpa Lingareddy	Mr. Pavan Kumar Pullula	Total
Transaction during the year			
Remuneration	7.39	7.39	**14.78**
Balance as at 31 March 2022			
Loan Repayable	14.80	-	**14.80**
Remuneration Payable	2.07	2.07	**4.14**

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

30. Dues to micro and small suppliers

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

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

31. Contingent Liabilities and Commitments

A) Contingent Liabilities

S. No.	Particulars	31 March 2022
i)	claims against the company not acknowledged as debt	Nil
ii)	guarantees excluding financial guarantees	Nil
iii)	other money for which the company is contingently liable	Nil

B) Commitments

Particulars	31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	16.00

32. Assets hypothecated as security

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

Particulars	31 March 2022
a) Long term borrowings	
Land and Building	199.61
Plant and equipment	304.15
b) Short term borrowings	
Stocks and receivables	203.73
Total assets hypothecated as security	**707.49**

33. Capital management

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

The board of directors seeks to maintain a balance between the higher returns that might be possible with the higher level of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing short term borrowing less cash and cash equivalents. Adjusted equity comprises of all components of equity. The Company's adjusted net debt to equity ratio as at 31 March 2022 is as follows:

Particulars	31 March 2022
Borrowings	353.08
Cash and cash equivalents	(74.14)
Net Debt	**278.94**
Equity share capital	500.00
Other equity	(216.16)
Net equity	**283.84**
Net debt to equity ratio	**98.27%**

34. Other regulatory information

i) The Company does not have any benami property where any proceedings have been initiated or pending against the Company for holding such benami property.

ii) The Company does not have any transactions with companies that have been struck off.

iii) The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

iv) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

v) The Company has filed monthly statements of current assets with the banks in agreement with the books of accounts.

vi) The Company does not have any immovable property whose title deeds are not held in the name of the Company.

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

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

35. Ratios

	Ratio	Numerator	Denominator	31 March 2022
A.	Return on Equity (in %)	Profit for the year (after tax)	Average total equity	-17.23%
B.	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	1.79
C.	Inventory Turnover Ratio (in times)	Revenue from operations	Average Inventory	2.84
D.	Current Ratio (in times)	Total current assets	Total current liabilities	1.00
E.	Net Profit Ratio (in %)	Profit for the year (after tax)	Revenue from operations	-22%
F.	Net capital turnover ratio (in times)	Revenue from operations	Working capital (i.e. Total current assets less Total current liabilities)	367.23
G.	Return on capital employed (in %)	Profit before tax and finance cost	Capital employed = Net worth + Non current lease Liabilities + Deferrd Tax Liabilities	-9%
H.	Creditors turnover ratio (in times)	Cost of material consumed	Average trade payables	0.47
I.	Return on investment (in times)	N. A.	N. A.	Nil

36. Fair value measurements

Financial assets and liabilities:

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

As at 31 March 2022	Note No.	FVTPL	FVTOCI	Amortised cost	Total carrying value
Financial assets					
Cash and cash equivalents	9	-	-	74.14	74.14
Trade receivables	8	-	-	124.87	124.87
Other non current financial asset	5	-	-	10.59	10.59
Total		**-**	**-**	**209.60**	**209.60**
Financial liabilities					
Borrowings- Non-current	12	-	-	261.31	261.31
Borrowings- current	14	-	-	91.77	91.77
Trade payables	15	-	-	74.01	74.01
Other financial liabilities	16	-	-	149.00	149.00
Total		**-**	**-**	**576.09**	**576.09**

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

37. Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 5,8,9,12,15 and 14.

Risk management framework

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

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

Treasury management

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

Commodity price risk

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

Financial risk

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

Liquidity

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

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

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

** Repayment of long term borrowings are to made after 1 years so amount has been classified in more than 3 years.

Collateral

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

Foreign exchange risk

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

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

Particulars	**31 March 2022 USD**
Financial assets	97.20
Financial liabilities	57.49

Foreign currency sensitivity

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

Trade Receivable

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

Financial assets other than trade receivables

With regards to other financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes. The carrying value of other financial assets other than cash and bank represents the maximum credit exposure. The Company’s maximum exposure to credit risk at 31 March 2022 is Rs. 124.87 Lakhs.

38. The Company was converted from Encase Packaging LLP to Encase Pacakaging Private Limited on 28 October 2021 and hence, the financial statements pertain to the period from 28 October 2021 to 31 March 2022.

As per our attached report of even date

For M H A & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Hemanth Sai Kolachana
Partner
Partner Membership No. : 232844
Place: Hyderabad
Date: 03-06-2022

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

Silpa Lingareddy
Director
DIN Number: 07683418
Place: Sricity
Date: 03-06-2022

Vineet Ganeriwala
Director
DIN Number: 00995965
Place: Jaipur
Date: 03-06-2022