

INDEPENDENT AUDITOR'S REPORT

To
The Members of INM Technologies Private Limited

Report on the Audit of the financial statements

Opinion

We have audited the financial statements of INM Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its losses, total comprehensive losses, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company since it is an unlisted company.

Information Other than the financial statements and Auditor's Report

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report but does not include the financial statements and our auditor's report thereon.





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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, and the remaining sections of the Company's Annual Report, which are expected to be made available to us after that date.

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

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

When we read the other sections of Annual Report (other than those mentioned above), if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

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

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

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.

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality

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

Report on Other Legal and Regulatory Requirements

As per the information and explanation given to us the Company meets the exemption criteria prescribed under clause 2(v) of 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, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(f) below on reporting under rule 11(g);
- c) The Balance Sheet, the Statement of Profit and Loss (Incl. Comprehensive Income), the Statement of Cash Flows and the Statement of changes in Equity 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 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) Since the Company's turnover as per the last audited financial statements is less than Rs.50 Cores and its borrowing from banks or financial institutions or any Body Corporate at any time during the year is less than Rs.25 Cores, the Company is exempted from getting report of the auditor with respect to existence of internal financial controls with reference to financial statements of the company and its operating effectiveness of such controls vide notification dated 13th June 2017.
- g) Matter to be included in the Auditors' Report under Section 197(16) is applicable only to a public limited Company and not to a private limited company. Hence, it is not applicable to the company.

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

- a) The Company does not have any pending litigations which would impact its financial position.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or



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indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(is), including foreign entities

("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material miss-statement.

e) The company has not declared or paid dividend during the year.

f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility for the financial year ended March 31, 2025. However, the audit trail log facility was enabled with effect from May 21, 2024. Therefore, the said facility was not in operation for the period from 01.04.2024 to 21.05.2024. However, it has operated fully for the remaining period of the financial year. Further, we did not come across any instance of the audit trail feature being tampered with in respect of accounting software. Further, Audit Trail Log facility was not enabled for immediately preceding the financial year, hence Audit trail log was not retained as per the provisions of the act.

For B N P S And Associates LLP

Chartered Accountants

(Firm's Regn No.008127S/S200013)

CA. Pankaj Kumar Bohara

Partner

Membership No. 215471

Place: Raichur

Date: 24.05.2025

UDIN: 25215471BMUHPI6515





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Annexure-"A" to Independent Auditors' Report on the IND-AS financial statements of INM Technologies Paints Private Limited.

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

The Annexure referred to in our report to the members of INM Technologies Private Limited ('the Company') for the year ended 31st March 2025. We report that:

- i. According to the information and explanation given to us, the company does not possess any fixed assets during the year. Accordingly, clause 3(i)(a),(b),(c) & (d) of the order is not applicable.
- ii. According to the information and explanation given to us, the Company does not have any inventory and has not availed any working capital limits against the security of current assets from any banks or financial institutions during any point of the year. Accordingly, clause 3(ii)(a) & (b) of the order is not applicable.
- iii.
 - a) According to the information and explanation given to us, the Company has not made any investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to firms, Limited Liability Partnerships or any other parties during the year. However, it has given unsecured loans to its holding company.

(A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the company has provided loans to holding company as below:

| (Rs. in lakhs) | |
|---|----------|
| Particulars | Loans |
| Aggregate amount granted / provided during the year – Holding company | 65.00 |
| Balance outstanding as at balance sheet date – Holding company (Net) | 1,039.32 |

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans and stood guarantee to a party other than its holding company.

- b) In respect of the aforesaid loans given, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest was stipulated and the repayments were regular as per stipulation.
- d) In respect of the aforesaid loans/advances in nature of loans, there is no amount which is overdue for more than ninety days. Except for the holding company, the Company has not given advances in the nature of loans to any other company during the year.



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- e) There were no loans/advances in nature of loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- iv. According to the information and explanation given to us, the Company has complied with provisions of section 185 and 186 of the companies' act, 2013 in respect of loan granted to its holding company. However, it has not made any investment, nor has provided any guarantees or securities to parties covered in section 185 and 186 of the Act.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 and 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, clause (v) of the order is not applicable to the company.
- vi. According to the information and explanations given to us, maintenance of cost accounting records is not applicable to the Company.
- vii. According to the information and explanations given to us in respect of Statutory dues
 - a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, income-tax, cess and any other statutory dues applicable to it, to the appropriate authorities. There are no other statutory dues as on the last day of the financial year concerned which are outstanding for a period of more than six months from the date, they became payable.
 - b) According to the information and explanations given to us by the management there are no dues of income-tax, Goods and Service Tax, customs duty and cess which have not been deposited on account of any dispute.
- viii. According to the information and explanations give to us by the management there are no unrecorded transactions during the year in the books of accounts which are surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3(vii) of the order is not applicable to the company.
- ix. According to the information and explanations given to us by the management, the Company has not defaulted in repayment of loans or borrowings or payment of interest thereon to any lender during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- x) a) Based on the information and explanations given to us by the management, The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.



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b) Based on the information and explanations given to us by the management, the Company has neither made any preferential allotment nor any private placement of shares or convertible debentures during the year.

Accordingly, paragraph 3(x) of the order is not applicable.

- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the IND-AS financial statements and as per the information and explanations given by the management, we report that no material fraud by the Company or on the Company, has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the IND-AS financial statements as required by the applicable accounting standards.
- xiii. According to the information and explanations given to us by the company it is not mandatory to have internal audit system in terms of sec.138 of the Companies Act, 2013. Accordingly, paragraph 3(xiv) of the order is not applicable.
- xiv. 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. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xv. In our opinion and according to the information and explanation provided to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.
- xvi. According to the information and explanation given to us and based on our examination of the records, the company has incurred the following cash losses both in the financial year and in the immediately preceding year as outlined below;

| Particulars | 2024-25 | 2023-24 |
|---------------------------|---------|---------|
| Cash losses (Rs in Lakhs) | -190.65 | -248.08 |

- xvii. As there has been no resignation of the statutory auditors during the year reporting under paragraph 3(xviii) of the order is not applicable.
- xviii. According to the information and explanation given to us and based on our examination of the records, and on the basis of the financial ratios and based on the letter of support from the holding company there exists no material uncertainty on the company's ability to meet its liabilities existing falling due within a period of one year from the balance sheet date.



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- xix. According to the information and explanation given to us and further based on the examination of the records, provisions of sec.135 of the Act pertaining to CSR are not applicable to the Company. Accordingly, paragraph 3(xx) of the order is not applicable.
- xx. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For B N P S and Associates LLP

Chartered Accountants

(Firm Registration Number: 008127S/S200013)

CA Pankaj Kumar Bohara

Partner

Membership Number: 215471

Place: Raichur

Date: 24.05.2025

UDIN: 25215471BMUHPI6515



INM Technologies Private Limited
Part - I -Standalone Balance Sheet as at
(All amount are in Indian Rupees unless otherwise stated)

| PARTICULARS | Note | 31.03.2025 | 31.03.2024 |
|--|------|---------------------|---------------------|
| ASSETS | | | |
| Non Current Assets | | | |
| (a) Financial Assets | | | |
| i)Investments | | - | 75,000 |
| ii)Loan and Advances | 2 | 103,932,972 | 97,432,972 |
| (b) Deferred Tax Assets (net) | 3 | 36,695,937 | 36,695,937 |
| Total Non-Current Assets | | 140,628,909 | 134,203,909 |
| Current Assets | | | |
| (b) Financial Assets | | | |
| (i) Cash and Cash Equivalents | 4 | 324,487 | 263,094 |
| (ii) Other Financial Asssets | 5 | 6,594,516 | 6,085,868 |
| (c) Other Current Assets | 6 | 744,101 | 723,862 |
| Total Current Assets | | 7,663,104 | 7,072,824 |
| TOTAL ASSETS | | 148,292,013 | 141,276,733 |
| EQUITY AND LIABILITIES | | | |
| A) Equity | | | |
| (a) Equity Share Capital | 7 | 15,000,000 | 15,000,000 |
| (b) Other Equity | 8 | -514,055,953 | -494,990,461 |
| Total Equity | | -499,055,953 | -479,990,461 |
| B) Liabilities | | | |
| Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 9 | 424,676,700 | 424,676,700 |
| (ii) Other financial Liabilities | 10 | 222,562,130 | 196,531,994 |
| Total Non-Current Liabilities | | 647,238,830 | 621,208,694 |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Trade Payables | | | |
| -due to other than micro enterprises & small enterprises | 11 | 8,336 | - |
| -due to micro enterprises & small enterprises | 11 | - | - |
| (b) Provisions | 12 | 100,800 | 58,500 |
| Total Current Liabilities | | 109,136 | 58,500 |
| TOTAL EQUITY & LIABILITIES | | 148,292,013 | 141,276,733 |

Notes to accounts form an integral part of the standalone financial statements.


As per our even report attached
for **B N P S And Associates LLP**
Chartered Accountants
Firm's registration No.008127S/S200013


CA. Pankaj Kumar Bohara
Partner
M.No: 215471

Place : Raichur
Date: 24.05.2025



For and on behalf of Board of Directors


Vishnukant C Bhutada
Director
DIN No.01243391


Ramakant Innani
Director
DIN No.03222748

Place : Raichur
Date: 24.05.2025



INM Technologies Private Limited

Part - II - Standalone Statement of Profit and Loss

(All amount are in Indian Rupees unless otherwise stated)

| Particulars | Note | 31-Mar-2025 | 31-Mar-2024 |
|--|------|---------------------|---------------------|
| Income | | | |
| a) Other income | 13 | 7,352,022 | 7,079,806 |
| Total Income | | 7,352,022 | 7,079,806 |
| Expenses | | | |
| a) Finance Cost | 14 | 26,030,136 | 26,031,110 |
| b) Other Expenses | 15 | 130,376 | 757,987 |
| Total expenses | | 26,160,512 | 26,789,097 |
| Profit / (Loss) before exceptional items and tax | | (18,808,490) | (19,709,291) |
| Exceptional (Income) / Expense | 16 | 257,002 | 5,098,759 |
| Profit / (Loss) before tax after exceptional Item | | (19,065,492) | (24,808,050) |
| Tax expense | | | |
| i) Current Income tax | | - | - |
| ii) Deferred Tax | | - | - |
| Total Tax expenses | | - | - |
| Profit / (Loss) for the Period | | (19,065,492) | (24,808,050) |
| Other Comprehensive Income | | | |
| Items that will not be reclassified profit or loss | | | |
| - Actuarial Gain / (Loss) for defined benefit plan (net) | | (19,065,492) | (24,808,050) |
| Total Comprehensive income for the year | | (19,065,492) | (24,808,050) |
| Share of profit belonging to minority equity holders | | | |
| Total Comprehensive income for the year | | (19,065,492) | (24,808,050) |
| Earning per equity share for Rs.10/- face value | 18 | (12.71) | (16.54) |
| Basic & Diluted Earning Per Share | | (12.71) | (16.54) |

Notes to accounts form an integral part of the standalone financial statements.

As per our even report attached
for **B N P S And Associates LLP**
Chartered Accountants
Firm's registration No.008127S/S200013

CA.Pankaj Kumar Bohara
Partner
M.No: 215471

Place : Raichur
Date: 24.05.2025



For and on behalf of Board of Directors

Vishnukant C Bhutada
Director
DIN No.01243391

Ramakant Innani
Director
DIN No.03222748



INM Technologies Private Limited

(All amounts in Indian Rupees unless otherwise stated)

Standalone Statement of Cash Flow for the

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit Before Tax as per Statement of Profit and Loss | (19,065,492) | (24,808,050) |
| Less: Adjustments | | |
| Interest received | 7,351,855 | 7,060,878 |
| Provision written back | - | 1,800 |
| Finance cost | - | 974 |
| | (26,417,347) | (31,871,702) |
| Add: Adjustments | | |
| Loans Written off | - | 4,855,062 |
| Provision for Dividend on Cumulative Redeemable preference shares | 26,030,136 | 26,031,110 |
| Operating profit before working capital changes & Other Adjustments | (387,211) | (985,530) |
| Adjustments for Increase / (Decrease) in Operating Liabilities | | |
| Trade Payables | 8,336 | - |
| Other Current Liabilities & Short Term Provisions | 42,300 | (21,200) |
| Adjustments for (Increase) / Decrease in Operating Receivables | | |
| Short Term Loans & Advances & Other Current Assets | 9,200 | 622,519 |
| | (327,375) | (384,211) |
| Less: Income Taxes (Net) | (29,439) | (2,533) |
| Net Cash flow from Operating activities | (356,814) | (386,744) |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Loans to Holding company | (6,500,000) | (8,525,000) |
| Interest received | 6,843,207 | 6,984,736 |
| Realisation of Investments | 75,000 | - |
| Net cash flow (used in) Investing Activities | 418,207 | (1,540,264) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net cash flow from/(Used in) Financing Activities | - | - |
| Net Increase/(decrease) in Cash and Cash Equivalents | 61,393 | (1,927,008) |
| Cash & Cash Equivalents at the Beginning of the year | 263,094 | 2,190,102 |
| Cash & Cash Equivalents at the End of the year | 324,487 | 263,094 |

| Components of Cash and Cash Equivalents | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| Cash on Hand | - | - |
| Cash at Banks | | |
| a) In Current Account | 324,487 | 263,094 |
| Exchange gain on Foreign currency in hand | - | - |
| Total Cash and Cash Equivalents | 324,487 | 263,094 |


1 Previous year figures have been re-classed wherever necessary

2 Cash Flow statement has been prepared under Indirect method as per Ind AS-7 "Statement of Cash flows " as prescribed under Companies (Indian Accounting Standard) Rules, 2015.

As per our report of even date attached

For B N P S And Associates LLP**Chartered Accountants**

Firm's registration No.008127S / S200013


CA.Pankaj Kumar Bohara
 Partner
 M.No: 215471

Place : Raichur
 Date: 24.05.2025

**For and on behalf of the Board of Directors**


Vishnukant C Bhutada
 Director
 DIN No.01243391

Place : Raichur
 Date: 24.05.2025


Ramakant Innani
 Director
 DIN No.03222748



INM Technologies Private Limited

(all amounts in Indian rupees, except share data and where otherwise stated)

Standalone Statement of Changes in Equity**a) Equity Share Capital**

| Particulars | Amount |
|---|------------|
| Balance as at 01 April, 2023 | 15,000,000 |
| Changes in equity share capital during the year | - |
| Balance as at 31 March, 2024 | 15,000,000 |
| Changes in equity share capital during the year | - |
| Balance as at 31 March, 2025 | 15,000,000 |

b) Other Equity

| Particulars | Securities Premium | General Reserves | Retained Earnings (Refer Note below) | Total |
|-----------------------------|--------------------|------------------|--------------------------------------|---------------|
| Balance as at 01 April 2023 | - | - | (470,182,411) | (470,182,411) |
| Profit for the period | - | - | (24,808,050) | (24,808,050) |
| Balance as at 31 March 2024 | - | - | (494,990,461) | (494,990,461) |
| Profit for the period | - | - | (19,065,492) | (19,065,492) |
| Balance as at 31 March 2025 | - | - | (514,055,953) | (514,055,953) |

Note:

Retained Earnings: This reserve represents the cumulative profits of the Company. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013

Accompanying notes form an integral part of the standalone financial statements

As per our even report attached
for B N P S And Associates LLP

Chartered Accountants

Firm's registration No.008127S/S200013

For and on behalf of the Board of Directors



CA. Pankaj Kumar Bohara
Partner
M.No: 215471



Vishnukant C Bhutada
Director
DIN No.01243391



Ramakant Innani
Director
DIN No.03222748

Place/Camp : Raichur
Date: 24.05.2025



Place/Camp : Raichur
Date: 24.05.2025



INM Technologies Private Limited

Corporate Information

Innovative Nano & Micro Technologies Private Limited incorporated in the FY 2014-15. Company has a vision to serve the humanity using Nano technology products. Company drives with strategic intent "Innovations for all generations" INM technologies profile mainly contains: High tech know how, competencies and expertise to meet industrial needs and strengthen industrial competitiveness in Asia, Europe, and USA. Expertise in the field of the materials Engineering Pharmaceutical Technology and service in advanced technology and product development. Scale up process for the developed micro/Nano materials. Based on our research activity and our experience in the chemistry, materials science and engineering, pharmaceutical technology sectors, we develop and integrate nanostructured materials in the products of our customers of various industrial sectors. State of the art facility for synthesis, characterization and analytical testing of Nano products, trained manpower for process design & monitoring has been established and includes 9 departments in the Company involving major disciplines namely Biotechnology, Bio-medical, Analytical and Pharmaceutical, Chemicals, Polymers, Coatings, Electronics, Electronics and Smart Materials. INM Technologies has initiated the process to obtain ISO 90001 Certification from prestigious TUV Group.

The Company's Board of Directors in their meeting have passed resolution dated 09.09.2020, to merge into its Parent Company Shilpa Medicare Ltd. This is done keeping in mind the synergies and make optimal Utilisation of resources and to strengthen the R&D activities of its parent Company which is its niche area. Presently Company is at the final stage of amalgamation with its parent Company and waiting for final order from NCLT.

Basis of Preparation of financial statements

a) Statement of Compliance

- i. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rule 4 of Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Amendment Rules 2016 to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the company.
- ii. The financial statements have been prepared on going concern and accrual basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements of the Company for the year ended March 31, 2025 were approved by the Board of Directors on 24/05/2025.

- iii. The financial statements have been prepared to comply in all material aspects with applicable accounting principles and Indian Accounting Standards (IND-AS) in India and as notified under the Companies Act 2013 and the other relevant provisions of the Act.
- iv. The Ind AS Financial Statements have been prepared on a going concern basis and accrual basis of accounting, except for certain financial assets and liabilities as specified and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.



b) Functional and Presentation currency

These standalone financial statements are presented in Indian rupees (INR), which is also the functional currency of the Company. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

c) Basis of Measurement

These Standalone financial statements have been prepared on the historical cost basis (i.e. on accrual basis), except for the following assets and liabilities which have been measured at fair value wherever applicable.

- Certain financial assets / liability measured at fair value,
- Net defined benefit assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

d) Critical accounting Estimates and Judgments:

The preparation of Standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates or judgments are:

- Recognition of deferred taxes (Note 1.(d))
- Estimation of provision and contingent liabilities (Note 1.(e))

1. Material Accounting Policies.

a) Other Income

Interest Income is recognised using the Effective interest rate (EIR) method.

b) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred. Further, interest earned out of borrowed funds from temporary investments is reduced from the borrowing cost.

c) Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

(I) Financial Asset:

Initial recognition and measurement

All financial instruments are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through P&L, transaction costs.



that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

(a) Financial Asset measured at amortized cost

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:

- (a) Loans
- (b) Other financial assets

(b) Financial Assets Measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognised in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

(c) Financial Assets at fair value through profit or loss (FVTPL)

Financial Asset are measured at Fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognised in the statement of Profit & Loss.

Equity Instruments

All investments in equity instruments classified under financial assets are initially measured at fair value through Profit & Loss Account, the group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

De-recognition of Financial Assets:

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset



in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognised in the statement of Profit & Loss.

Impairment of Financial Assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Loan commitments which are not measured at FVTPL

(II) Financial Liability

Initial recognition and measurement

Financial liabilities are recognised initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Financial Liabilities at amortized cost:

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from others
- Trade payables
- Other Financial Liabilities

Derecognition:

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

d) Taxes on Income:

Tax expense comprises of deferred tax.

- i. Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the



corresponding amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

e) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. If effect of the time value of money is material, provisions are discounted using an appropriate discount 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 Liabilities are not recognised but are disclosed in the notes.

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claims/litigations against the Company as it is not possible to predict the outcome of the pending matters with accuracy.

f) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees, if any.

g) Cash flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

h) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, short-term deposits and other short-term highly liquid investments with an original maturity of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purposes of the presentation of cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft as they being considered as integral part of the Company's cash management system.

i) Exceptional Items:

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are nonrecurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

j) Offsetting



Financial assets and financial liabilities are offset and the net amount presented in the standalone 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.

k) Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 "Insurance Contracts" and amendments to Ind AS 116 – "Leases", relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that the Company has not entered into transactions covered under Ind 117 & amendments to Ind AS 116 and therefore, there is no impact on the financial statements.



INM Technologies Private Limited

(all amounts in Indian rupees, except share data and where otherwise stated)

7 Equity Share Capital

| Particulars | As at | As at |
|---|-------------------|-------------------|
| | 31.03.2025 | 31.03.2024 |
| Authorised share Capital | | |
| Equity shares | | |
| 1500000 Rs. 10/- each par value | 15,000,000 | 15,000,000 |
| | 15,000,000 | 15,000,000 |
| Issued subscribed & fully paid up | | |
| Equity shares | | |
| 15,00,000 (15,00,000) Rs. 10/- each par value | 15,000,000 | 15,000,000 |
| TOTAL | 15,000,000 | 15,000,000 |

(a) Reconciliation of the number of shares.

| Particulars | As at 31.03.2025 | | As at 31.03.2024 | |
|--|------------------|-------------------|------------------|-------------------|
| | Nos | Amount | Nos | Amount |
| Shares outstanding at the beginning of the year | | | | |
| Equity Shares | 1,500,000 | 15,000,000 | 1,500,000 | 15,000,000 |
| Shares issued during the year | | | | |
| Equity Shares | - | - | - | - |
| Shares outstanding at the end of the year | 1,500,000 | 15,000,000 | 1,500,000 | 15,000,000 |

(b) Equity Shareholders holding more than 5% shares in the Company

| Particulars | As at 31.03.2025 | | As at 31.03.2024 | |
|---------------------|------------------|--------------|------------------|--------------|
| | Nos | % of Holding | Nos | % of Holding |
| Shilpa Medicare Ltd | 1,500,000 | 100 | 1,500,000 | 100 |
| | - | - | - | - |

c) The details of shareholding of promoters is as shown below;

| Particulars | As at 31.03.2025 | | As at 31.03.2024 | |
|---------------------|------------------|--------------|------------------|--------------|
| | Nos | % of Holding | Nos | % of Holding |
| Shilpa Medicare Ltd | 1,500,000 | 100 | 1,500,000 | 100 |

Rights and Restrictions attached to Equity Shares

- 1 The Company has issued Equity shares having face value of Rs.10/- per share. Each Share Holder is eligible for one vote per share. In case dividend is proposed by the Company it will be subject to the approval of the Board of Directors. In the event of liquidation, the equity share holders are eligible to receive balance assets remaining after repayment to all the preferential share capital holders, in the in proportion to their equity holding.



INM Technologies Private Limited

Notes forming part of standalone financial statements

(all amounts in Indian rupees, except share data and where otherwise stated)

2 Loans

| Particulars | 31.03.2025 | 31.03.2024 |
|--|--------------------|-------------------|
| Loans to related parties | | |
| Shilpa Medicare Limited (Holding Company) (Refer Note 29) | 103,932,972 | 97,432,972 |
| Nature of Loan: Company has given unsecured loan to its Holding Company, Shilpa Medicare Limited | | |
| Interest & Repayment Terms Interest is be accrued on compounding basis every year and shall be paid annually The interst rate is 7.50% on loan outstanding loan and repayment shall be made after 31.03.2025 in 3 equal installments, this repayment period can be extended as per mutual agreement. | | |
| Total | 103,932,972 | 97,432,972 |

3 Deferred Taxes (Net) (Refer Note No 24)

| Particulars | 31.03.2025 | 31.03.2024 |
|--|-------------------|-------------------|
| a) Deferred Tax Asset (Effect of expenditure debited to statement of Profit and Loss Account in the current year but allowable for tax purposes in the subsequent years & on timing difference of depreciation.) | 36,695,937 | 36,695,937 |
| TOTAL | 36,695,937 | 36,695,937 |

4 Cash and Cash Equivalents

| Particulars | 31.03.2025 | 31.03.2024 |
|--|----------------|----------------|
| a) Balance with banks in current account | 324,487 | 263,094 |
| TOTAL | 324,487 | 263,094 |

5 Other Financial Assets

| Particulars | 31.03.2025 | 31.03.2024 |
|--------------------------------------|------------------|------------------|
| a) Interest accrued but not received | 6,594,516 | 6,085,868 |
| TOTAL | 6,594,516 | 6,085,868 |

6 Other Current Assets

| Particulars | 31.03.2025 | 31.03.2024 |
|---|----------------|----------------|
| a) Excess TDS deposited with department | 11,377 | 20,577 |
| b) TDS receivables | 732,724 | 703,285 |
| TOTAL | 744,101 | 723,862 |

8 Other Equity

| Particulars | 31.03.2025 | 31.03.2024 |
|--|----------------------|----------------------|
| Balance at the beginning of the Reporting period | (494,990,461) | (470,182,411) |
| Add: profits/ (losses) during the year | (19,065,492) | (24,808,050) |
| Total | (514,055,953) | (494,990,461) |

9 Borrowings

| Particulars | 31.03.2025 | 31.03.2024 |
|--|--------------------|--------------------|
| a) 8% Non convertible Cumulative Preference share capital (issued to Shilpa Medicare Ltd 3,25,37,670 shares of Rs.10 each) | 325,376,700 | 325,376,700 |
| b) 8% Non Convertible, Non Cumulative Preference share capital (During FY 2019-20, the Company has issued 9,93,000 8% Non-convertible, Non-cumulative preference shares for Rs..10/- per share, to Shilpa Medicare Limited,(Holding Company)) | 99,300,000 | 99,300,000 |
| TOTAL | 424,676,700 | 424,676,700 |



10 Other Financial liabilities

| Particulars | 31.03.2025 | 31.03.2024 |
|--|--------------------|--------------------|
| a) Accumulated dividend on Redemable Cumulative Preference Shares. | 222,562,130 | 196,531,994 |
| TOTAL | 222,562,130 | 196,531,994 |

11 Trade Payables (Refer note no.25 & 29)

| Particulars | 31.03.2025 | 31.03.2024 |
|--|--------------|------------|
| a) Total outstanding dues of creditors other than micro enterprises and small enterprises | 8,336 | - |
| b) Total outstanding dues of creditors registered under micro enterprises and small enterprises (MSME) Act | - | - |
| TOTAL | 8,336 | - |

12 Provisions

| Particulars | 31.03.2025 | 31.03.2024 |
|---------------------------|----------------|---------------|
| Provision for others | | |
| a) Provision for expenses | 100,800 | 58,500 |
| TOTAL | 100,800 | 58,500 |

13 Other Income

| Particulars | 31.03.2025 | 31.03.2024 |
|---|------------------|------------------|
| a) Interest on IT refund | 24,615 | 28,028 |
| b) Other Income | 167 | 17,128 |
| c) Interest on unsecured loans to holding company | 7,327,240 | 7,032,850 |
| d) Reversal of excess provision | - | 1,800 |
| TOTAL | 7,352,022 | 7,079,806 |

14 Finance Cost

| Particulars | 31.03.2025 | 31.03.2024 |
|---|-------------------|-------------------|
| a) Dividend on 8% Cumulative Redeemable Pref Shares | 26,030,136 | 26,030,136 |
| b) Interest on delayed interest | - | 974 |
| TOTAL | 26,030,136 | 26,031,110 |

15 Other expense

| Particulars | 31.03.2025 | 31.03.2024 |
|--|----------------|----------------|
| a) GST written off | - | 652,096 |
| b) Rates & Taxes | 1,500 | 15,077 |
| c) Professional & Consultancy charges | 105,736 | 5,000 |
| e) Director's Sitting Fees | - | 50,000 |
| d) Miscellaneous Expenses | 3,140 | 814 |
| e) Payment to Auditor (Refer note no.17) | 20,000 | 35,000 |
| TOTAL | 130,376 | 757,987 |

16 Exceptional (Income) Expense

| Particulars | 31.03.2025 | 31.03.2024 |
|--|----------------|------------------|
| a) Unsecured loans to subsidiary written off | 257,002 | 5,098,759 |
| TOTAL | 257,002 | 5,098,759 |

17 Payment to Statutory Auditors *

| Particulars | 31.03.2025 | 31.03.2024 |
|--------------------------|---------------|---------------|
| a) Statutory Audit | 15,000 | 15,000 |
| b) Others/GST assessment | 5,000 | 20,000 |
| TOTAL | 20,000 | 35,000 |

* Excluding Goods & Service Tax

18 Earning per share

| Particulars | 31.03.2025 | 31.03.2024 |
|--------------------------------------|----------------|----------------|
| Net Profit after taxes | (19065492) | (24808050) |
| Weighted Average No of Equity shares | 1500000 | 1500000 |
| Face Value | 10 | 10 |
| Basic & Diluted EPS | (12.71) | (16.54) |



INM Technologies Private Limited
(all amounts in Indian rupees, except share data and where otherwise stated)

19 Related Party Transactions

Related parties where control exists and related parties with whom transactions have taken place during the year are listed below

1 Key Management Personnel

- a) Vishnukant C Bhutada
Director
b) Ramakant Innani
Director

3 Enterprises having common Directors/Board of trustees

Name of the related party

- a) Shilpa Medicare Limited
Holding Company

- b) INM Nuvent Paints Private Limited
Subsidiary Company

| SL No | Name of related Party | Relationship | Descriptions of Transaction | 2024-25 | | 2023-24 | |
|-------|-----------------------------------|--------------------|---|--|--|---|---|
| | | | | Income/ expenses/ Other transaction | Balance at 31.03.2025 | Income/ expenses/ Other transaction | Balance at 31.03.2024 |
| i | Shilpa Medicare Limited | Holding Company | Dividend on Preference Share Capital 8% Non Conv Redeemable Preference Share Cap 8% Non Cumulative Preference Share Capital Unsecured loan given Interest received on loan Investment in Equity Shares Dividend payable | 26,030,136 - 6,500,000 7,327,240 - - - | (325,376,700) (99,300,000) 103,932,972 6,594,516 (15,000,000) (222,562,130) | 26,030,136 - 8,400,000 6,762,076 - - | (325,376,700) (99,300,000) 97,432,972 6,085,868 (15,000,000) (196,531,994) |
| ii | INM Nuvent Paints Private Limited | Subsidiary Company | Interest Received Expense incurred Unsecured Loan Written off | - - 257,002 | - - - | 270,774 125,000 5,098,759 | - - - |



| Fair value measurement hierarchy* | | | | |
|--|--------------|---------------|-----------------------|--------------|
| Particulars | FVTPL | FVTOCI | Amortised cost | Total |
| 31.03.2025 | | | | |
| Non-current Assets | | | | |
| Investments | - | - | 103,932,972 | 103,932,972 |
| Loans | - | - | - | - |
| Current Financial Assets | | | | |
| Cash & Bank Balance | - | - | 324,487 | 324,487 |
| Trade Receivable | - | - | - | - |
| Total | - | - | 104,257,459 | 104,257,459 |
| Non-Current Financial Liability | | | | |
| Others | - | - | 647,238,830 | 647,238,830 |
| Current Financial Liability | | | | |
| Trade payables | - | - | 8,336 | 8,336 |
| Other financial liabilities | - | - | - | - |
| Total | - | - | 647,247,166 | 647,247,166 |
| Particulars | FVTPL | FVTOCI | Amortised cost | Total |
| 31.03.2024 | | | | |
| Non-current Assets | | | | |
| Investments | - | - | 75,000 | 75,000 |
| Loans | - | - | 97,432,972 | 97,432,972 |
| Current Financial Assets | | | | |
| Cash & Bank Balance | - | - | 263,094 | 263,094 |
| Trade Receivable | - | - | - | - |
| Total | - | - | 97,771,066 | 97,771,066 |
| Non-Current Financial Liability | | | | |
| Others | - | - | 621,208,694 | 621,208,694 |
| Current Financial Liability | | | | |
| Trade payables | - | - | - | - |
| Other financial liabilities | - | - | - | - |
| Total | - | - | 621,208,694 | 621,208,694 |

* Since all the financial assets & Financial liabilities are measured at amortised cost, fair value hierarchy is not provided

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.



21 Financial Risk Management

The Company's activities expose it to a variety of financial risks such as Market Risk, Credit Risk and Liquidity Risk. The Company focuses on minimizing potential adverse effect on its financial performance.

(A) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The changes in the values of financial assets / liability may result from change in the foreign currency exchange rates (Foreign Currency Risk), change in interest rates (Cash flow & interest rate risk), and change in price of investments (Price Risk).

(i) Foreign Currency Risk

The Company does not operate internationally. Hence, it is not exposed to foreign currency risk.

(ii) Interest Rate Risk

The company has not taken any borrowings at floating interest rate during the year. Hence, it is not exposed to interest rate risk.

(iii) Price Risk

Company does not have any exposure to price risk, as there is no market based equity instrument made by the Company.

(B) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises from its operation activity primarily from trade receivable and from its financial activity. Customer credit risk is controlled by analysis of credit limit and credit worthiness of the customer on a continuous basis to whom the credit has been granted. There are no receivables as at the year end. Hence, the company is not exposed to credit risk.

(C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations of its financial liability. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for making payment towards liability when they are due, under normal and stressed condition without incurring losses and risk. The financial needs are taken care by the Holding Company and that there are no outside liabilities hence no liquidity risk is perceived.

Maturity Profile of Financial Liabilities as on March 31, 2025

| Particulars | On Demand | < 01 Year | 01 to 5 Years | > 05 Year |
|----------------------------------|-----------|-------------------|--------------------|--------------------|
| (i) Trade Payable | - | 8,336 | - | - |
| (ii) Other financial liabilities | - | 26,030,136 | 196,531,994 | 424,676,700 |
| Total | - | 26,038,472 | 196,531,994 | 424,676,700 |

Maturity Profile of Financial Liabilities as on March 31, 2024

| Particulars | On Demand | < 01 Year | 01 to 5 Years | > 05 Year |
|----------------------------------|-----------|-------------------|--------------------|--------------------|
| (i) Trade Payable | - | - | - | - |
| (ii) Other financial liabilities | - | 26,030,136 | 170,501,858 | 424,676,700 |
| Total | - | 26,030,136 | 170,501,858 | 424,676,700 |

22 Financial Ratios

| Sl No | Particular | Numerator Current Assets | Denominator Current Liabilities | 31st March 2025 | 31st March 2024 | % of Change | Reasons Decrease in on account of increase of current liabilities during the year. |
|-------|---|--|-------------------------------------|-----------------|-----------------|-------------|--|
| 1 | Current Ratio(in times) | | | 70.22 | 120.90 | -42% | |
| 2 | Debt Equity Ratio(in times) | | | -1.30 | -1.29 | 0% | |
| 3 | Debt service coverage ratio(in times) | Total Debt Earnings available for debt service | Share holder equity debt service | NA | NA | NA | |
| 4 | Return on equity(in %) | Net profit after taxes | Average shareholders equity | 0.04 | 0.06 | -3318% | Decrease is mainly on account of loan from its subsidiary written back during the previous year. |
| 5 | Trade receivable turnover ratio(in times) | Revenue | Average Trade Receivables | NA | NA | NA | |
| 6 | Net Profit ratio(in %) | Net Profit | Revenue | NA | NA | NA | |
| 7 | Return on Capital Employed(%) | Earning Before Interest and Tax | Capital Employed | 0.05 | 0.04 | 499% | Increase is mainly on account of loan from its subsidiary written back during the previous year. |



INM Technologies Private Limited

(all amounts in Indian rupees, except share data and where otherwise stated)

23 Trade Payables Ageing Schedule

| Particulars | Outstanding for following periods from due date of | | | | As at 31 March, 2025 |
|--------------|--|-----------|-----------|-------------------|----------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| MSME | - | - | - | - | - |
| Others | 8,336 | - | - | - | 8,336 |
| Total | 8,336 | - | - | - | 8,336 |

| Particulars | Outstanding for following periods from due date of | | | | As at 31 March, 2024 |
|--------------|--|-----------|-----------|-------------------|----------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| MSME | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | - | - | - | - | - |



24 Capital Management

The Key objectives of the Company's capital management is to ensure that it:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.
 - Maintain an optimal capital structure to reduce the cost of capital.
- which is Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:
Net debt (total borrowings net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

| Particulars | 31-Mar-25 | 31-Mar-24 |
|-------------------|---------------|---------------|
| Net Debt | 647,238,930 | 621,208,694 |
| Total Equity | (499,055,953) | (479,990,461) |
| Debt Equity Ratio | (1.30) | (1.29) |

25 Income Tax

During the reporting period Company has not made any profit hence Income Tax reconciliation not applicable

Movement of Deferred Tax Assets / Liability

| Particulars | Opening Balance | Charge (Credit) to Profit & Loss Account | Through OCI | Closing Balance |
|--|-----------------|--|-------------|-----------------|
| Deferred Tax Liability for the year ended 31, March 25 (On account of timing differences due to depreciation) | - | - | - | - |
| Total | - | - | - | - |
| Deferred Tax Asset for the year ended 31, March 25 (On account of accumulated losses) | 36,695,937 | - | - | 36,695,937 |
| Net Liability / (Asset) | 36,695,937 | - | - | 36,695,937 |

26 Additional Regulatory Information

26.01 Title deeds of immovable properties

The company does not hold any immovable property as at year end.

26.02 Valuation of property plan & equipment, intangible asset

The company does not possess property, plant and equipment and intangible assets as at the year end.

26.03 Details of benami property held

No proceedings have been initiated on or are pending against the company for holding benami property under the benami transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

26.04 Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under companies act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

26.05 Willful defaulter

The Company has not been declared wilful defaulter by any bank of financial institution or other lender.

26.06 Relationship with struck off companies

The Company has no transactions with the companies struck off under section 248 of the companies Act 2013 or Section 560 of the Companies Act, 1956

26.07 Registration of charges or satisfaction with Registrar of Companies (ROC)

There are no charges that are required to be registered or satisfied with registrar of Companies (ROC).

26.08 Valuation of property plan & Equipment, intangible asset

The company has no property, plant and equipment or intangible assets or both during the current or previous year hence not applicable.

26.09 Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under companies act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

26.1 The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.




- 26.11 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year
- 26.12 No funds have been advanced or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 26.13 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.
- 26.14 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 27 The Company's Board of Directors in their meeting have passed resolution dated 09.09.2020, to merge into its Parent Company Shilpa Medicare Ltd. This is done keeping in mind the synergies and make optimal utilisation of resources and to strengthen the R&D activities of its parent Company which is its niche area. Presently Company is at the final stage of amalgamation with its parent Company and awaiting for final order from NCLT.
- 28 Events occurring after the balance sheet date
During the year, INM Nuvent Paints Private Limited, a wholly owned subsidiary of the Company has applied for strike off and hence the Company has derecognised its carrying value of investment in the books of accounts and all legal formalities have been taken care as on 31.03.02025 and effectively the The INM Nuvent Paints P Ltd is struck off from 01.05.2025
- 29 Balances of Trade payables are subject to balance confirmation and / or reconciliation
- 30 Previous year figures have been reclassified wherever necessary.
- 31 All Figures have been rounded off to the nearest rupees

As per our even report attached
for B N P S And Associates LLP
Chartered Accountants
Firm's registration No.008127S/S2000013


CA Pankaj Kumar Bohara
Partner
M.No: 215471



For and on behalf of the Board of Directors


Ramakant Mirani
Director
DIN No.03222748


Vishnukant C Bhutada
Director
DIN No.01243391

Place/Camp : Raichur
Date: 24.05.2025

