



## INDEPENDENT AUDITOR'S REPORT

**To the Members**  
**INM Technologies Private Limited**

### **Report on the Audit of Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of INM Technologies Private Limited (hereinafter referred to as the Holding Company), and its Subsidiary (the Holding Company and its subsidiary together referred to as the Group), which comprise the Consolidated Balance sheet as at 31 March 2024, and the consolidated Statement of Profit and Loss (including other comprehensive income), consolidated Statement of changes in equity and consolidated statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2024, and its consolidated losses, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters paragraph below is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement and based on the consideration of separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 as it is an unlisted company.



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**Information Other than the Consolidated Financial Statements and Auditors' Report Thereon**

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

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

The Holding Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group, companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so. The



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respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.



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For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Results 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 Consolidated Financial Results

We believe that the audit evidence obtained by us along, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 section 143(3) of the Companies Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company and its subsidiary so far as it appears from our examination of those books except for the matters stated in paragraph 2(e) below on reporting under rule 11(g);
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act read with relevant rules issued there under and other accounting principles generally accepted in India,



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- (e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary, incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Companies Act;
- (f) Since the Group's turnover as per the last audited financial statements is less than Rs.50 Crores and its borrowing from banks or financial institutions or any Body Corporate at any time during the year is less than Rs.25 Crores, the Group 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 13 June 2017.
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 Consolidated financial statements disclose the impact of pending litigations if any, on the consolidated financial position of the group.
- b) The Group 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 and its subsidiary.
- d) (i) The management of the company & its subsidiary 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 or its subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management of the company & its subsidiary has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company or its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company or its subsidiary 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



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- (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 mis-statement.
- e) Based on our examination, which included test checks, the Company and its subsidiary have used accounting software for maintaining its books of account for the financial year ended March 31, 2024. The said software does not have the feature of recording audit trail (edit log) facility and therefore the said facility has not operated throughout the year.
3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For Bohara Bhandari Bung and Associates LLP**  
**Chartered Accountants**  
(Firm's Regn No.008127S/S200013)

**Sd/-**

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**CA. Pankaj Kumar Bohara**  
Partner  
(Membership No. 215471)

Place: Raichur  
Date: 22-05-2024

UDIN: 24215471BKGPEA5014

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

PARTICULARS	Note	31.03.2024	31.03.2023
<b>ASSETS</b>			
Non Current Assets			
(a) Property Plant & Equipment		-	-
(b) Other Intangible Assets		-	-
(c) Assets Held for Sale		-	-
(d) Financial Assets			
i) Investments		-	-
i) Loan and Advances	2	97,432,972	89,032,972
ii) Other Financial Assets	3	-	35,000
(e) Deferred Tax Assets (net)	4	36,695,937	36,695,937
<b>Total Non-Current Assets</b>		<b>134,128,909</b>	<b>125,763,909</b>
<b>Current Assets</b>			
(a) Current Investments			
(a) Inventories		-	-
(b) Financial Assets			
(i) Trade Receivables		-	-
(ii) Cash and Cash Equivalents	5	352,886	2,222,103
(c) Other Current Assets	6	6,809,730	8,728,034
<b>Total Current Assets</b>		<b>7,162,616</b>	<b>10,950,137</b>
<b>TOTAL ASSETS</b>		<b>141,291,525</b>	<b>136,714,046</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A) Equity</b>			
(a) Equity Share Capital	7	15,000,000	15,000,000
(b) Other Equity	8	(495,179,995)	(472,799,751)
<b>Equity attributable to Owners of the Company</b>		<b>(480,179,995)</b>	<b>(457,799,751)</b>
(c) Non-controlling Interest		(38,178)	(847,447)
<b>Total Equity</b>		<b>(480,218,173)</b>	<b>(458,647,198)</b>
<b>B) Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	9	621,208,694	595,178,558
<b>Total Non-Current Liabilities</b>		<b>621,208,694</b>	<b>595,178,558</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables			
-due to other than micro enterprises & small enterprises	10	-	46,980
-due to micro enterprises & small enterprises	10	-	-
(b) Other Current Liabilities	11	28,577	48,405
(c) Provisions	12	272,426	87,300
<b>Total Current Liabilities</b>		<b>301,003</b>	<b>182,685</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>141,291,525</b>	<b>136,714,046</b>

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

As per our even report attached  
**for Bohara Bhandari Bung & Associates LLP**  
**Chartered Accountants**  
Firm's registration No.008127S/S200013

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

Sd/--

Sd/--

Sd/--

**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: 22.05.2024

Place/Camp : Raichur  
Date: 22.05.2024

**INM Technologies Private Limited**  
**Part - II - Consolidated Statement of Profit and Loss**  
(All amount are in Indian Rupees unless otherwise stated)

Particulars	Note	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
<b>Revenue</b>			
a) Revenue from operations		-	-
b) Other income	13	6,819,032	6,747,932
<b>Total Income</b>		<b>6,819,032</b>	<b>6,747,932</b>
<b>Expenses</b>			
a) Cost of materials consumed	14	-	1,004,977
b) Change in inventory of finished goods, work-in-progress and	15	-	646,423
c) Employee Benefits Expense		-	-
d) Finance Cost	16	26,031,235	26,037,373
e) Other Expenses	17	2,162,846	796,864
<b>Total expenses</b>		<b>28,194,081</b>	<b>28,485,637</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>(21,375,049)</b>	<b>(21,737,705)</b>
Exceptional (Income) / Expense		-	-284,002
<b>Profit / (Loss) before tax after exceptional Item</b>		<b>(21,375,049)</b>	<b>(21,453,703)</b>
<b>Tax expense</b>			
i) Current Income tax		195,926	-
ii) Deferred Tax		-	80,650
		<b>195,926</b>	<b>80,650</b>
<b>Profit / (Loss) for the Period</b>		<b>(21,570,975)</b>	<b>(21,534,353)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified profit or loss			
- Actuarial Gain / (Loss) for defined benefit plan (net)		-	-
<b>Total Comprehensive income for the year</b>		<b>(21,570,975)</b>	<b>(21,534,353)</b>
Share of profit belonging to minority equity holders		(809,269)	(15,604,170)
<b>Total Comprehensive income for the year</b>		<b>(22,380,244)</b>	<b>(37,138,523)</b>
Earning per equity share for Rs.10/- face value			
Basic & Diluted Earning Per Share	<b>20</b>	(14.38)	(14.36)

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

As per our even report attached  
**for Bohara Bhandari Bung & Associates LLP**  
**Chartered Accountants**  
Firm's registration No.008127S/S200013

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

Sd/--

**CA.Pankaj Kumar Bohara**  
**Partner**  
M.No: 215471

Place/Camp : Raichur  
Date: 22.05.2024

Sd/--

**Vishnukant C Bhutada**  
**Director**  
DIN No.01243391

Place/Camp : Raichur  
Date: 22.05.2024

Sd/--

**Ramakant Innani**  
**Director**  
DIN No.03222748



**INM Technologies Private Limited**  
**Consolidated Statement of Cash Flow for the**  
(All amounts in Indian Rupees unless otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	(21,375,049)	(21,453,703)
<b>Less: Adjustments</b>		
Interest received	6,762,076	6,677,473
Provision written back	1,800	-
	(28,138,925)	(28,131,176)
<b>Add: Adjustments</b>		
Interest Expense	1,099	7,237
Provision for Dividend on Cumulative Redeemable preference shares	26,030,136	26,030,136
Bad debts		350,224
<b>Operating profit before working capital changes &amp; Other Adjustments</b>	(2,107,690)	(1,743,579)
<b>Adjustments for Increase / (Decrease) in Operating Liabilities</b>		
Trade Payables	(46,980)	32,791
Other Current Liabilities & Short Term Provisions	(28,828)	(5,180,001)
<b>Adjustments for (Increase) / Decrease in Operating Receivables</b>		
Inventories		1,651,400
Trade Receivables	-	845,486
Other financial Assets	35,000	114,400
Other current Assets	-	
Other Current Assets	1,996,979	(656,796)
	(151,519)	(4,936,299)
Less: Income Taxes (Net)	(2,533)	(18,905)
<b>Net Cash flow from Operating activities</b>	<b>(154,052)</b>	<b>(4,955,204)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of Assests	-	2,502,790
Loans to Holding Company	(8,400,000)	-
Interest received	6,685,934	689,891
<b>Net cash flow (used in) Investing Activities</b>	<b>(1,714,066)</b>	<b>3,192,681</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(1,099)	(7,237)
<b>Net cash flow from/(Used in) Financing Activities</b>	<b>(1,099)</b>	<b>(7,237)</b>
<b>Net Increase/(decrease)in Cash and Cash Equivalents</b>	<b>(1,869,217)</b>	<b>(1,769,760)</b>
Cash & Cash Equivalents at the Beginning of the year	2,222,103	3,991,863
<b>Cash &amp; Cash Equivalents at the End of the year</b>	<b>352,886</b>	<b>2,222,103</b>

Components of Cash and Cash Equivalents	Year ended March 31, 2024	Year ended March 31, 2023
Cash on Hand	6,633	6,633
Cash at Banks		
a) In Current Account	346,253	2,215,470
Exchange gain on Foreign currency in hand	-	
<b>Total Cash and Cash Equivalents</b>	<b>352,886</b>	<b>2,222,103</b>

- 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 **Bohara Bhandari Bung & Associates LLP**  
**Chartered Accountants**  
Firm's registration No.008127S / S200013

For and on behalf of the Board of Directors

Sd/--

Sd/--

Sd/--

**CA.Pankaj Kumar Bohara**  
Partner  
M.No: 215471

**Vishnukant C Bhutada**  
**Director**  
DIN No.01243391

**Ramakant Innani**  
**Director**  
DIN No.03222748

Date: 22.05.2024  
Place/Camp : Raichur

Date: 22.05.2024  
Place/Camp : Raichur

**INM Technologies Private Limited**

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

**Consolidated Statement of Changes in Equity for the year ended 31.03.2024****a) Equity Share Capital**

Particulars	Amount (INR)
<b>Balance as at 01 April, 2022</b>	15,000,000
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2023</b>	15,000,000
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2024</b>	<b>15,000,000</b>

**b) Changes in Other Equity**

Particulars	Retained Earnings	Non-Controlling Interest	Total
<b>Balance as at 01 April 2022</b>	<b>(435,661,229)</b>	-	<b>-435,661,229</b>
Profit for the period	(21,534,353)	(15,604,170)	-37,138,523
<b>Balance as at 31 March 2023</b>	<b>(457,195,581)</b>	<b>(15,604,170)</b>	<b>(472,799,751)</b>
Profit for the period	(21,570,975)	(809,269)	(22,380,244)
<b>Balance as at 31 March 2024</b>	<b>(478,766,557)</b>	<b>(16,413,439)</b>	<b>(495,179,996)</b>

**Note:**

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

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

As per our even report attached

**for Bohara Bhandari Bung & Associates LLP**

**Chartered Accountants**

Firm's registration No.008127S/S200013

Sd/--

**CA.Pankaj Kumar Bohara**

Partner

M.No: 215471

Place/Camp : Raichur

Date: 22.05.2024

Sd/--

**Vishnukant C Bhutada**

**Director**

DIN No.01243391

Place/Camp : Raichur

Date: 22.05.2024

Sd/--

**Ramakant Innani**

Director

DIN No.03222748

**INM Technologies Private Limited**

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

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**Equity Share Capital**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Authorised share Capital</b>		
<b>Equity shares</b>		
15,00,000 Rs. 10/- each par value	15,000,000	15,000,000
	15,000,000	15,000,000
<b>Issued subscribed &amp; fully paid up</b>		
<b>Equity shares</b>		
15,00,000 (PY 15,00,000) Rs. 10/- each par value	15,000,000	15,000,000
<b>TOTAL</b>	<b>15,000,000</b>	<b>15,000,000</b>

**(a) Reconciliation of the number of shares.**

Particulars	As at 31.03.2024		As at 31.03.2023	
	Nos	Amount	Nos	Amount
<b>Shares outstanding at the beginning of the year</b>				
Equity Shares	1,500,000	15000000	1,500,000	15000000
<b>Shares issued during the year</b>				
Equity Shares	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>1,500,000</b>	<b>15,000,000</b>	<b>1,500,000</b>	<b>15,000,000</b>

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

Particulars	As at 31.03.2024		As at 31.03.2023	
	Nos	% of Holding	Nos	% of Holding
1) Shilpa Medicare Ltd	1,500,000	100	1,500,000	100

**(c) Details of Shareholding of Promoters**

Shares held by promoters at the end of the year	As at 31.03.2024		% Change during the year
	No. of Shares	%of total shares	
Promoter name			
Shilpa Medicare Ltd	1,500,000	100	-
<b>Total</b>	<b>1,500,000</b>	<b>100</b>	<b>-</b>

Shares held by promoters at the end of the year	As at 31.03.2024		% Change during the year
	No. of Shares	%of total share	
Promoter name			
Shilpa Medicare Ltd	1,500,000	100	-
<b>Total</b>	<b>1,500,000</b>	<b>100</b>	<b>-</b>

**Rights and Restrictions attached to Equity Shares**

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**

### **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 9001 Certification from prestigious TUV Group. Necessary application has been submitted for DSIR recognition and DSIR team inspection has been 5<sup>th</sup> May 2018.

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.

Objective for forming this company are as under:

1. To carry on the business of manufacturers, Traders, Exporters & Importers, Research and development of and dealers in various types of Paints, chemicals, chemical compounds (organic and inorganic) in all forms, and chemical products of any nature and kind whatsoever, and all byproducts and joint products thereof.
2. To carry on business as chemical engineers, analytical chemists, Research and development, importers, exporters, manufacturers of and dealers in heavy chemicals, acid alkalies, petro chemicals, chemical compounds and chemicals of all kinds (solid, liquid and gaseous ), drugs, medicines, pharmaceuticals, antibiotics, Products manufactured out of Nano technology, tannins, tannin extracts, essences, solvents, plastics of all types, dye stuff, intermediates, textile auxiliaries, cellophanes, color dyes, paints, varnishes, vat and other organic dyestuff, chemical auxiliaries, disinfectants, insecticides, fungicides, deodorants, bio-chemicals and pharmaceuticals, medicinal, sizing, bleaching, photographic and other preparation and articles.
3. To manufacture, deal in or process, or engage in Research and development of styrene, butadiene, ethylene, alcohol, petroleum fractions and other chemical substances of all kinds, to manufacture compounds, synthetics and other substances, basic intermediate or otherwise from chemical substances of all kinds.
4. To manufacture, buy, sell, import, export, deal or engage or in Research and development, in chemical, chemical compounds, chemical products, acids, alkalies, petrochemicals, chemical medicines, drugs, pharmaceuticals, antibiotics, tannin, tannin

extracts, essences, solvents, plastic of all types, dyes, dye stuff, intermediate, paints, varnishes, disinfectants, insecticides, fungicides, deodorants, bio-chemicals and sizing, bleaching and photographic materials.

## **1. Material Accounting Policies**

### **1.2 Basis of Preparation of financial statements**

These consolidated 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.

These consolidated financial statements have been prepared on the historical cost convention and on accrual basis, except for the following assets and liabilities which have been measured at fair value wherever applicable.

-Certain financial assets/Liabilities

-Defined benefit Plans

These consolidated financial statements of the group for the year ended March 31, 2024 were approved by the Board of Directors on 22/05/2024.

### **1.3 Principles of consolidation**

The consolidated financial statements relate to INM Technologies Private Limited ('the Company'), and its Subsidiaries, ("the Group"). The Consolidated financial statements have been prepared on the following basis:

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, shall be recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it shall be recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

Since the Company is having 75% holding in its subsidiary INM Nuvent Paints Private Limited. Therefore, Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group.

The Company accounts for its share of post-acquisition changes in net assets of subsidiary Company, after eliminating unrealised profits and losses resulting from transactions between the Company and its subsidiary to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the subsidiary's Statement of Profit and Loss and through its reserves for the balance based on available information.

#### 1.4 The subsidiaries considered in the Consolidated Financial Statements are as under:

Sl. No.	Name of the Subsidiary	Country	Extent of Holding
1.	INM Nuvent Paints Private Limited (Bangalore)	India	75.00%

#### 1.5 Classification of Assets and Liabilities as Current and Non-Current

All Assets and Liabilities have been classified as current or non-current. Based on the nature of product and activities of the Company and their realization in cash and cash equivalent, the Company has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

#### 1.6 Material Accounting Policies

a) These financial statements are presented in Indian rupees ("INR") which is also the Company's functional currency. All amounts have been reported in Indian Rupees, except for share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

**b) Critical accounting Estimates and Judgements:**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. 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.(h))
- Estimation of provision and contingent liabilities (Note 1.(i))

**c) Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

**d) Other Income**

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

**e) Foreign Currency Transactions/Translations:**

**Initial Recognition**

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the Transaction.

**Translations**

Monetary assets and liabilities denominated in foreign currencies at the reporting date 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**

The exchange difference arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognised in the Statement of Profit and Loss in the period in which they arise as income or as expense.

**f) 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.

**g) 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) Trade receivables
- (b) Loans
- (c) 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) Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- (b) Financial Assets that are debt instruments and are measured at FVTOCI.



- (c) Lease receivables under Ind AS 17.
- (d) Trade receivables or any contractual right to receive cash or another financial asset
- (e) Loan commitments which are not measured at FVTPL
- (f) Financial guarantee contracts 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 banks
- 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.

## **h) Taxes on Income:**

Tax expense comprises of current and deferred tax.

- i. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Tax Act based on tax rates and laws that are enacted at the Balance sheet date. The effective rate of the Company for the year is 26%.
- ii. 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.

**i) 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.

**j) 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.

**k) 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.

**l) 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.

**m) 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.

**n) 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.

**o) 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. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**INM Technologies Private Limited**

Notes forming part of consolidated financial statements

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

**2 Loans**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
<b>Loans to related parties</b>		
<b>Shilpa Medicare Limited (Holding Company)</b>	97,432,972	89,032,972
<b>Nature of Loan:</b> During the year Company has given unsecured loan to its Holding Company Shilpa Medicare Limited on 28.03.2024		
<b>Interest &amp; Repayment Terms:</b> Interest is be accrued on compounding basis every year and shall be paid annually The ROI 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		
<b>Total</b>	<b>97,432,972</b>	<b>89,032,972</b>

**3 Other Financial Assets**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
Security Deposit (unsecured, considered good) (Refer Note No 27.)		
a) Rental deposits	-	35,000
<b>Total</b>	<b>-</b>	<b>35,000</b>

**4 Deferred Taxes (Net) (Refer Note No 26)**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
a) Deferred Tax Liability (On account of timing differences due to depreciation)	-	-
b) 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
<b>TOTAL</b>	<b>36,695,937</b>	<b>36,695,937</b>

**5 Cash and Cash Equivalents**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
a) Cash on hand	6,633	6,633
b) Balance with banks in current account	346,253	2,215,470
<b>TOTAL</b>	<b>352,886</b>	<b>2,222,103</b>

**6 Other Current Assets**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
a) Excess TDS deposited with department	20,577	-
a) GST - Input (Net) (Refer Note No.27)	-	2,017,556
b) TDS deducted by Party	703,285	700,752
c) Interest Accrued but not received	6,085,868	6,009,726
<b>TOTAL</b>	<b>6,809,730</b>	<b>8,728,034</b>

**8 Other Equity**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
<b>Retained earning</b>		
Opening balance	(472,799,751)	(435,661,229)
Less: Share of Non-controlling interest in Op.Bal	-	-
Add: During the year	(22,380,243)	(37,138,522)
<b>Total</b>	<b>(495,179,995)</b>	<b>(472,799,751)</b>

**9 Borrowings**

Particulars	31.03.2024	31.03.2023
a) 8% Non convertible Cumulative Preference share capital (issued to Shilpa Medicare Ltd 32537670 shares of Rs.10 each)	325,376,700	325,376,700
b) Accumulated dividend on Redemable Cumulative Pref Shares.	196,531,994	170,501,858
c) 8% Non Convertible, Non Cumulative Preference share capital (During the 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
<b>TOTAL</b>	<b>621,208,694</b>	<b>595,178,558</b>

**10 Trade Payables (refer note no .27)**

Particulars	31.03.2024	31.03.2023
a) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	46,980
b) Total outstanding dues of creditors registered under micro enterprises and small enterprises (MSME) Act	-	-
<b>TOTAL</b>	<b>-</b>	<b>46,980</b>

**11 Other Current Liabilities**

Particulars	31.03.2024	31.03.2023
a) Tax deduction at Source	28,577	48,405
<b>TOTAL</b>	<b>28,577</b>	<b>48,405</b>

**12 Provisions**

Particulars	31.03.2024	31.03.2023
a) Provision For Audit Fee	27,000	31,500
b) Provision For Expenses	49,500	55,800
c) Provision for Income Tax	195,926	-
<b>TOTAL</b>	<b>272,426</b>	<b>87,300</b>

**13 Other Income**

Particulars	31.03.2024	31.03.2023
a) Other Income	27,128	43,000
b) Interest Income-on loan to Holding Company	6,762,076	6,677,473
c) Excess Provision Reversed	1,800	-
d) Interest income on IT refund	28,028	27,459
<b>TOTAL</b>	<b>6,819,032</b>	<b>6,747,932</b>

**14 Cost of Material Consumed**

Particulars	31.03.2024	31.03.2023
Inventory at the beginning of the year	-	1,004,977
Add: Purchase	-	-
Less: Closing Stock	-	-
<b>Cost of Raw Materials &amp; Packing Materials Consumed</b>	<b>-</b>	<b>1,004,977</b>

**15 Changes in inventories of ,finished goods,traded goods and work-in-process**

Particulars	31.03.2024	31.03.2023
<b>Opening Inventories</b>		
(i) Finished goods	-	646,423
(ii) Work-In-process	-	-
<b>Closing Inventories</b>		
(i) Finished goods	-	-
(ii) Work-In-process	-	-
<b>(Increase) / decrease in inventory</b>	<b>-</b>	<b>646,423</b>

**16 Finance Cost**

Particulars	31.03.2024	31.03.2023
a) Dividend on 8% Cumulative Redeemable Pref Shares	26,030,136	26,030,136
b) Interest -others paid to IT/GST Dept.	1,099	7,237
<b>TOTAL</b>	<b>26,031,235</b>	<b>26,037,373</b>

**17 Other expense**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
a) GST Input Tax Credit Charged off	2,030,156	-
b) Rent	-	15,125
c) Advertisement expense\Product Promotion Expense	-	31,840
d) Traveling And Conveyance	350	967
e) Rates & Taxes	15,077	19,430
f) Bad Debts / Accounts Written-Off	-	464,624
g) Professional & Consultancy	9,500	116,000
h) Director Sitting Fees	50,000	50,000
i) Miscellaneous Expenses	7,763	12,878
j) Payment to Auditor (refer note no.18)	50,000	86,000
<b>TOTAL</b>	<b>2,162,846</b>	<b>796,864</b>

**18 Payment to Statutory Auditors \***

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
a) Statutory Audit	30,000	35,000
b) Tax/GST Audit	-	-
c) Limited Review	-	21,000
d) Others	20,000	30,000
<b>TOTAL</b>	<b>50,000</b>	<b>86,000</b>

\* Excluding Goods & Service Tax

**19 Contingent Liabilities**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
a) Bank Guarantees. / Corporate Guarantee	Nil	Nil
b) Letter of Comfort.	Nil	Nil
c) Claims against the Company not acknowledge as debts.	Nil	Nil
d) Estimate amount of contract remain to be executed on account of capital commitments not provided for. (Capital Commitments)	Nil	Nil
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**20 Earning per share**

<b>Particulars</b>	<b>31.03.2024</b>	<b>31.03.2023</b>
Net Profit after taxes	-21,570,975	-21,534,353
Weighted Average No of Equity shares	1,500,000	1,500,000
Face Value	10	10
<b>Basic &amp; Diluted EPS</b>	<b>-14.38</b>	<b>-14.36</b>

21 Additional Information to Consolidated Financial Statements

**As at 31.03.2024**

Sl No.	Name of the entity in the Group	Net assets i.e total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>A</b>	<b>Parent -Indian</b> INM Technologies Private Limited	99.97	(479,990,461)	115.01	(24,808,051)	-	-	115.01	(24,808,051)
<b>B</b>	<b>Subsidiaries - Indian</b> INM Nuvent Paints Pvt Limited	0.03	(152,712)	(15.01)	3,237,076	-	-	(15.01)	3,237,076

**As at 31.03.2023**

Sl No.	Name of the entity in the Group	Net assets i.e total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>A</b>	<b>Parent -Indian</b> INM Technologies Private Limited	(99.24)	(455,182,411)	(389.85)	(83,951,029)	-	-	(389.85)	(83,951,029)
<b>B</b>	<b>Subsidiaries - Indian</b> INM Nuvent Paints Pvt Limited	(0.76)	(3,389,788)	289.85	62,416,676	-	-	289.85	62,416,676

**INM Technologies Private Limited**

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

**22 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
c) Venkata Vinod Kumar Valipireddy	Independent Director
d) Raghavendra Prasad Movva	Independent Director
e) Sangeetha Laxmi Kandari	Company Secretary

**2 Enterprises having common Directors/Board of trustees**

<u>Name of the related party</u>	<u>Relationship</u>
a) Shilpa Medicare Limited	Holding Company
b) INM Nuvent Paints Private Limited	Subsidiary Company
c) Shilpa Therapeutics Pvt Ltd	Enterprise having common directors
d) Shilpa Foundation	Enterprise having common directors acting as trustees
e) Mohini Infra Pvt Ltd	Enterprise having common directors
f) Shilpa Biocare Private Limited	Enterprise having common directors
g) Sravathi Advance Process Technologies Pvt Ltd	Enterprise having common directors
e) Shilpa Pharma Lifesciences Limited	Enterprise having common directors

SL No	Name of related Party	Relationship	Descriptions of Transaction	2023-24		2022-23	
				Transaction	Balance at 31.03.2024	Transaction	Balance at 31.03.2023
<b>a)</b>	<b>Key Management Personnel</b>						
i	Venkata Vinod Kumar Valipireddy	Independent Director	Sitting Fee	25,000	(22,500)	25,000	(22,500)
ii	Raghavendra Prasad Movva	Independent Director	Sitting Fee	25,000	(22,500)	25,000	(22,500)
<b>b)</b>	<b>Enterprises having common Directors/Board of trustees</b>						
i	Shilpa Medicare Limited	Holding Company	8% Dividend on Preference Share Capital	26,030,136		26,030,136	-
			Sale of Capital Goods	-	-	2,786,792	-
			Other Income-Interest on Unsecured Loan	6,762,076	6,085,868	6,677,473	6,031,870
			Other Receivable\ (Payable) (against sale of cap	-	-	-	-
			8%Non Converable Preference Share Capital		(325,376,700)		(325,376,700)
			8%Non Cumulative Preference Share Capital		(99,300,000)	-	(99,300,000)
			7.5% Un-secured loans given to holding Company	8,400,000	97,432,972	-	89,032,972
			Investment in Equity Shares		(11,325,000)	-	(11,325,000)
			Dividend payable		(196,531,994)		(170,501,858)



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

<b>Fair value measurement hierarchy*</b>				
<b>Particulars ( FY 2023-24)</b>	<b>FVTPL</b>	<b>FVTOCI</b>	<b>Amortised cost</b>	<b>Total</b>
<b>Non-current Assets</b>				
Financial Assets				-
i) Loan and Advances	-	-	97,432,972	97,432,972
ii) Other Financial Assets	-	-	-	-
<b>Current Financial Assets</b>				
Cash & Bank Balance	-	-	352,886	352,886
Trade Receivable	-	-	-	-
<b>Total</b>			<b>97,785,858</b>	<b>97,785,858</b>
<b>Non-Current Financial Liability</b>				
Others	-	-	621,208,694	621,208,694
<b>Current Financial Liability</b>				
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-
<b>Total</b>	-	-	<b>621,208,694</b>	<b>621,208,694</b>
<b>Particulars (FY 2022-23)</b>				
<b>Non-current Assets</b>				
i) Loan and Advances	-	-	89,032,972	89,032,972
ii) Other Financial Assets	-	-	35,000	35,000
<b>Current Financial Assets</b>				
Cash & Bank Balance	-	-	2,222,103	2,222,103
Trade Receivable	-	-	-	-
<b>Total</b>			<b>91,290,075</b>	<b>91,304,866</b>
<b>Non-Current Financial Liability</b>				
Others	-	-	595,178,558	595,178,558
<b>Current Financial Liability</b>				
Trade payables	-	-	46,980	46,980
Other financial liabilities	-	-	-	-
<b>Total</b>	-	-	<b>595,225,538</b>	<b>595,225,538</b>

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

#### 24 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

##### (i) Foreign Currency Risk

The Company does not operate internationally, hence it is exposed to foreign exchange risk through importing raw materials in foreign currency and has no Forward/hedge agreements.

##### (ii) Interest Rate Risk

There are no un-secured loans received by Company and hence it is not exposed to Interest 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 trade receivables 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.

As there are no outside financial liabilities which is payable by the company, it is not exposed to liquidity risk.

**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) Borrowings	-	-	621,208,694	-
	-	-	<b>621,208,694</b>	-

**Maturity Profile of Financial Liabilities as on March 31, 2023**

Particulars	On Demand	< 01 Year	01 to 5 Years	> 05 Year
(i) Trade Payable	-	46,980	-	-
(ii) Borrowings	-	-	595,178,558	-
	-	<b>46,980</b>	<b>595,178,558</b>	-

**25 Capital Management****The Company's objectives when managing capital are to:**

- 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.

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-24	31-Mar-23
Net Debt	621,208,694	595,178,558
Total Equity	(480,218,173)	(458,647,198)
<b>Debt Equity Ratio</b>	<b>(1.29)</b>	<b>(1.30)</b>

**26 Movement of Deferred Tax Assets /Liability**

Particulars	Opening Balance	Charge (Credit) to Profit & Loss Account	Through OCI	Closing Balance
<b>Deferred Tax Liability for the year ended 31, March 24</b> (On account of timing differences due to depreciation)	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Deferred Tax Asset for the year ended 31, March 24</b> (Effect of expenditure debited to statement of Profit and Loss Account in the current year but allowable for tax purposes in the subsequent years.)	36,695,937	-	-	36,695,937
<b>Net Liability / (Asset)</b>	<b>36,695,937</b>	-	-	<b>36,695,937</b>

**27 Balances of Trade Receivables / Trade payables / Advances and Security deposits /GST are subject to Balance Confirmation and / or Reconciliation**

28 **Trade Payables ageing schedule as on 31.03.2024**

(Amount in Rs.)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Trade Payables ageing schedule as on 31.03.2023**

(Amount in Rs.)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	46,980.00	-	-	-	46,980
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

29 **Trade Receivables ageing schedule as on 31.03.2024**

(Amount in Rs.)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-

**Trade Receivables ageing schedule 31.03.2023**

(Amount in Rs.)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-

30 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 the matter is at the final stage of amalgamation before the NCLT and is awaiting for its final order from the said authority.

31 **Wilful defaulter**

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

32 **Relationship with struck off compnaies**

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

33 **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

34 **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

35 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.

36 The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year

- 37 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 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
- 38 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
- 39 The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- 40 Previous year figures have been reclassified wherever necessary.
- 41 All Figures have been rounded off to the nearest rupees

As per our even report attached  
**for Bohara Bhandari Bung & Associates LLP**  
**Chartered Accountants**  
Firm's registration No.008127S/S200013

Sd/--

**CA.Pankaj Kumar Bohara**  
**Partner**  
M.No: 215471

Place/Camp : Raichur  
Date: 22.05.2024

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

Sd/--

**Vishnukant C Bhutada**  
**Director**  
DIN No.01243391

Place/Camp : Raichur  
Date: 22.05.2024

Sd/--

**Ramakant Innani**  
**Director**  
DIN No.03222748