

**Walker ChandioK & Co LLP**

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**Independent Auditor's Report**

**To the Members of Solis Hygiene Private Limited**

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

**Opinion**

1. We have audited the accompanying financial statements of Solis Hygiene Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

2. 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 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 is sufficient and appropriate to provide a basis for our opinion.

**Information other than the Financial Statements and Auditor's Report thereon**

3. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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 for the Financial Statements**

4. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
5. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. 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**

7. 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 Standards on Auditing 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.
8. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- Obtain an understanding of internal 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
9. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Other Matter**

10. The financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor, MSKA & Associates, who have expressed an unmodified opinion on those financial statements vide their audit report dated 09 August 2022.

**Report on Other Legal and Regulatory Requirements**

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure B, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- c) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- d) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- e) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure A wherein we have expressed an unmodified opinion; and
- f) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us
- i. The Company does not have any pending litigations which would impact its financial position as at 31 March 2023;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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
    - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

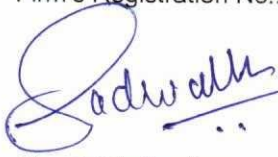


- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



**Shashi Tadwalkar**

Partner

Membership No.: 101797



UDIN: **23101797BGXFEI1588**

**Place:** Pune

**Date:** 4 September 2023

**Annexure A**

**Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Solis Hygiene Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



### Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Shashi Tadwalkar**  
Partner  
Membership No.:101797



UDIN: 23101797BGXFEI1588

**Place:** Pune  
**Date:** 4 September 2023

**Annexure B referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Solis Hygiene Private Limited on the financial statements for the year ended 31 March 2023**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (1)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year. Further, the Company does not hold any intangible assets.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- (b) As disclosed in note 19 to the financial statements, the Company has been sanctioned a working capital limit in excess of Rs 5 crore by banks or financial institutions based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks or financial institutions and such statements are in agreement with the books of account of the Company for the respective periods which were subject to audit.



- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, , duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) According to the information and explanations given to us, loans amounting to Rs. 200 million are repayable on demand and terms and conditions for payment of interest thereon have been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date.
- (b) According to the information and explanations given to us and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.



- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system as per the provisions of section 138 of the Act. However, the Company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.



- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred cash losses in the current financial year but had incurred cash losses amounting to Rs. 10.1 Million in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response received by us pursuant to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

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**Solis Hygiene Private Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements for the year ended 31**  
**March 2023**

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(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Shashi Tadwalkar**  
Partner  
Membership No.: 101797



UDIN: 23101797BGXFEI1588

Place: Pune  
Date: 4 September 2023

**SOLIS HYGIENE PRIVATE LIMITED**  
Balance Sheet as at 31st March, 2023  
(All amounts are in Rupee Million, unless otherwise stated)

Particulars	Note No.	As at 31st March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	745.91	0.52
Capital work-in-progress	5	3.15	128.86
Right-of-use assets	6	78.54	79.35
Financial assets			
(a) Other financial assets	7	35.70	1.76
Other non-current assets	8	23.56	229.60
<b>Total non-current assets</b>		<b>886.86</b>	<b>440.09</b>
<b>Current assets</b>			
Inventories	9	232.63	-
Financial assets			
(a) Trade receivables	10	35.70	-
(b) Cash and cash equivalents	11	0.43	67.84
(c) Bank balances other than cash and cash equivalent	12	8.27	11.22
(d) Other financial assets	13	1.64	-
Other current assets	14	102.11	31.98
<b>Total current assets</b>		<b>380.78</b>	<b>111.04</b>
<b>Total assets</b>		<b>1,267.64</b>	<b>551.13</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	0.67	0.67
Other equity	16	350.99	388.24
<b>Total equity</b>		<b>351.66</b>	<b>388.91</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(a) Borrowings	17	357.50	150.62
(b) Lease Liability	20	6.46	6.29
Deferred Tax liabilities (net)	18	11.41	-
Provisions	24	0.45	-
<b>Total non-current liabilities</b>		<b>375.82</b>	<b>156.91</b>
<b>Current liabilities</b>			
Financial liabilities			
(a) Borrowings	19	416.64	-
(b) Lease Liability	20	0.54	0.70
(c) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises ;and	21	21.63	-
(ii) total outstanding dues of creditors other than micro enterprise and small enterprise	21	79.48	-
(d) Other financial liabilities	22	19.48	-
Other current liabilities	23	2.11	4.61
Provisions	24	0.28	-
<b>Total current liabilities</b>		<b>540.16</b>	<b>5.31</b>
<b>Total Equity And Liabilities</b>		<b>1,267.64</b>	<b>551.13</b>

Summary of significant accounting policies

2 to 4

See accompanying notes forming integral part of the financial statements

5 to 46

As per our report of even date

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

*Shashi Tadwalkar*

Shashi Tadwalkar  
Partner  
Membership No:101797  
Place:  
Date:



For and on Behalf of Board of Directors  
Solis Hygiene Private Limited  
CIN: U17100MP2020PTC053997

*Udit Alok Birla*

Udit Alok Birla  
Director  
DIN: 07039257  
Place:  
Date:

*Sukhjeet Singh Chahal*

Sukhjeet Singh Chahal  
Director  
DIN: 09129636  
Place:  
Date:

**SOLIS HYGIENE PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2023**  
 (All amounts are in Rupee Million, unless otherwise stated)

Particulars	Note No.	For The Year Ended on 31st March 2023	For The Year Ended on 31st March 2022
<b>Income</b>			
Revenue from operations	25	737.61	-
Other income	26	4.87	2.24
<b>Total Income</b>		<b>742.48</b>	<b>2.24</b>
<b>Expenses</b>			
Cost of material consumed	27	640.68	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(27.47)	-
Employee benefits expense	29	31.44	7.93
Finance costs	30	38.94	1.61
Depreciation and amortisation expenses	31	36.40	0.73
Other expenses	32	48.33	2.81
<b>Total expenses</b>		<b>768.32</b>	<b>13.08</b>
<b>Loss before tax</b>		<b>(25.84)</b>	<b>(10.84)</b>
<b>Tax expense</b>			
Current tax		-	0.18
Deferred tax Credit (Charge)		(11.41)	-
<b>Total Tax</b>		<b>(11.41)</b>	<b>0.18</b>
<b>Loss for the year from continuing operations</b>		<b>(37.25)</b>	<b>(11.02)</b>
<b>Other comprehensive income</b>			
Items that will not be re-classified to profit or (loss) Re-measurements of the net defined benefit plans	33	0.00	-
<b>Total Other comprehensive income for the Period</b>		<b>0.00</b>	<b>-</b>
<b>Total comprehensive income for the Period</b>		<b>(37.25)</b>	<b>(11.02)</b>
<b>Earning per share (For Continuing Operations)</b>			
loss per share (In Rupees)		(558.79)	(262.51)
loss per share (In Rupees)		(558.79)	(262.51)
Significant Accounting policies and notes to Financial Statements	2 to 4		

For Walker Chandio & Co LLP  
 Chartered Accountants  
 Firm Registration No.: 001076N/N500013



Shashi Tadwalkar  
 Partner  
 Membership No:101797  
 Place:  
 Date:



For and on Behalf of Board of Directors  
 Solis Hygiene Private Limited  
 CIN: U17100MP2020PTC053997



Udit Atok Birla  
 Director  
 DIN: 07039257  
 Place:  
 Date:



Sukhjeet Singh Chahal  
 Director  
 DIN: 09129636  
 Place:  
 Date:

**Solis Hygiene Private Limited**  
**Statement of Changes in Equity for the year ended 31st March 2023**  
**(All amounts are in Rupee Million, unless otherwise stated)**

	As at			
	31st Mar 2023	31 March 2022		
	No. of shares	Amount	No. of shares	Amount
(A) Equity share capital				
Balance at beginning of reporting period, Equity shares of [Face value of Rs. 10] each issued, subscribed and fully paid (PY partly Paid)	0.07	0.67	0.07	0.42
Add: issue during the previous year [paid up INR 4.65 per shares for 52,890 share]	-	-	-	0.25
Closing as on 31 March 2023	0.07	0.67	0.07	0.67

(B) Other equity

Balance as at 1st April 2021  
Profit/(Loss) for the year  
Premium on issue of shares during the year  
Balance as at 31 March 2022

	Securities premium	Retained earnings	Total
Balance as at 1st April 2022	226.08	(0.18)	225.90
Profit/(Loss) for the year	-	(11.02)	(11.02)
Premium on issue of shares during the year	173.36	-	173.36
Balance as at 31 March 2023	399.44	(11.20)	388.24

Balance as at 1st April 2022  
Profit/(Loss) for the year  
Balance as at 31 March 2023

Summary of significant accounting policies  
See accompanying notes forming integral part of the financial statements

For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013



Shashi Tadwalkar  
Partner  
Membership No:101797  
Place:  
Date:



For and on behalf of the Board of Directors  
Solis Hygiene Private Limited  
CIN: U17100MP2020PTC053997



Udit Alek Birla  
Director  
DIN: 07039257  
Place:  
Date:



Sukhjeet Singh Chahal  
Director  
DIN: 09129636  
Place:  
Date:

Solis Hygiene Private Limited  
Statement of cash flows for the period ended 31st March 2023  
(All amounts are in Rupees, unless otherwise stated)

For The Year Ended on  
31st March 2023

For The Year Ended  
on 31st March 2022

	For The Year Ended on 31st March 2023	For The Year Ended on 31st March 2022
<b>Cash flow from operating activities</b>		
Loss before tax	(25.84)	(10.84)
Adjustments for:		
Depreciation and amortisation expense	36.40	0.73
Finance cost	38.24	1.03
Other comprehensive income	0.00	-
Interest income	(2.31)	(2.24)
<b>Operating loss before working capital changes</b>	<b>46.49</b>	<b>(11.32)</b>
<b>Changes in working capital</b>		
(Decrease)/ increase in Inventories	(232.63)	-
(Decrease)/ increase in Trade Receivables	(35.70)	-
(Decrease)/ increase in other current liabilities	(2.50)	4.56
Decrease/ (increase) in other Non current financial assets	(33.94)	0.34
Decrease/ (increase) in other current financial assets	(1.64)	-
Decrease/ (increase) in other financial liabilities	19.48	-
Decrease/ (increase) in Trade Payables	101.11	-
Decrease/ (increase) in Provision	0.73	-
Decrease/ (increase) in other current assets	(70.13)	(31.98)
Decrease/ (increase) in non-current assets	(0.45)	(2.04)
<b>Cash generated used in operations</b>	<b>(209.18)</b>	<b>(40.44)</b>
Income tax (paid)/refund	-	(0.18)
<b>Net cash flows used in operating activities (A)</b>	<b>(209.18)</b>	<b>(40.62)</b>
<b>Cash flow from Investing activities</b>		
Payment for property, plant and equipment and intangible assets	(448.78)	(290.20)
(Increase)/decrease in bank balances other than cash and cash equivalents	2.95	83.78
Interest received	2.31	2.24
<b>Net cash flow used in investing activities (B)</b>	<b>(443.52)</b>	<b>(204.18)</b>
<b>Cash flow from Financing activities</b>		
Proceeds from issuance of equity share capital (including security premium)	-	173.61
Proceeds from borrowings (net)	623.52	150.62
Interest paid	(38.24)	(1.03)
Principal paid on lease liabilities	0.71	(71.78)
Interest paid on lease liabilities	(0.70)	(0.58)
<b>Net cash flow from financing activities (C)</b>	<b>585.29</b>	<b>250.84</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(67.41)</b>	<b>6.04</b>
Cash and cash equivalents at the beginning of the year	67.84	61.80
Cash and cash equivalents at the end of the year	<b>0.43</b>	<b>67.84</b>
<b>Cash and cash equivalents comprise (Refer note 8)</b>		
Balances with banks		
On current accounts	0.37	67.75
Cash on hand	0.06	0.09
<b>Total cash and bank balances at end of the year</b>	<b>0.43</b>	<b>67.84</b>

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013



Shashi Tadwalkar  
Partner  
Membership No: 101797  
Place:  
Date:



For and on behalf of the Board of Directors  
Solis Hygiene Private Limited  
CIN: U17100MP2020PTC053997



Udit Alok Birla  
Director  
DIN: 07039257  
Place:  
Date:



Sukhjeet Singh Chahal  
Director  
DIN: 09129636  
Place:  
Date:

**1 General Information**

Solis Hygiene Private Limited (the Company) (CIN: U17100MP2020PTC053997) is a private limited company incorporated on 05 December 2020 engaged in the business of manufacturing and dealing in Baby diapers and Adult diapers. The Company has its registered office at Plot Number 8, Integrated Industrial Area, Pithampur No. 5, Dhar MP 454775.

**2 Significant accounting policies**

**2.1 Basis of Preparation of Financial Statements**

**(a) Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 04 September 2023

These financial statements for the period ended 31 March 2023 are the financial statements prepared in accordance with Ind AS.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**(b) Basis of measurement**

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

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments).

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

**(c) Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

**2.2 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

**Depreciation methods, estimated useful lives**

The Company depreciates property, plant and equipment over their estimated useful lives using the Straight Line Method (SLM). The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful Life
Leasehold improvement*	Lease Period
<b>Plant &amp; Machinery</b>	
Baby Diaper Machine and Adult Diaper Machine	10 Years
Other Plant and Machinerics	15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Computers	3 Years
Building	30 Years
Vehicle	10 Years

\* Leasehold improvements are amortized over the lease period, which corresponds with the useful lives of the assets.



Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

### 2.3 Foreign Currency Transactions

#### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

#### (b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### 2.4 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ▶ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

### 2.5 Revenue Recognition

#### Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns and allowances, trade discounts and volume rebates, value added taxes, goods and service tax (GST) and amounts collected on behalf of third parties.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

#### Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.



## 2.6 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

### (a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit available is recognized as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

### (b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## 2.7 Leases

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of use asset measured at inception shall comprise of the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of use assets subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right of use asset is depreciated in the straight line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of use assets are tested for impairment where there any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the standalone statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company applies the short-term lease recognition exemption to its short-term leases of building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing activity in statement of cash flows.



## 2.8 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

## 2.9 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

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

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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

## 2.10 Cash and cash equivalents

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

## 2.11 Financial instruments

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

### (a) Financial assets

#### (i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.



(iv) **Derecognition of financial assets**

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) **Financial liabilities**

(i) **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) **Subsequent measurement**

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

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

*Loans and borrowings*

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

**2.12 Employee Benefits**

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.



(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

**2.13 Contributed equity**

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.14 Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

**2.15 Rounding off amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest thousands as per requirement of Schedule III of the Act, unless otherwise stated.

**3 Significant accounting judgments, estimates and assumptions**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

**3.1 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the period end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) **Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation.



#### 4 Significant accounting judgments, estimates and assumptions

##### Recent accounting pronouncements

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

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

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

##### Ind AS 12 - Income Taxes

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

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

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

##### Ind As 109 - Financial instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies the fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The Company is evaluating the requirement of the said amendment and its impact on these standalone financial statements.



5 Property, plant and equipment  
a. Tangible Assets

Particulars	Computers	Buildings	Electrical Equipment's & installations	Plant & Machineries	Furniture & Fixtures	Office Equipment	Motor Vehicles	Total
Balance as at 1 April 2021	-	-	-	-	-	-	-	-
Additions for the year	0.44	-	-	-	0.05	0.10	-	0.59
Disposals during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>0.44</b>	-	-	-	<b>0.05</b>	<b>0.10</b>	-	<b>0.59</b>
Balance as at 1 April 2022	0.44	-	-	-	0.05	0.10	-	0.59
Additions for the year	3.18	250.07	22.97	487.77	12.61	4.32	0.08	781.00
Disposals during the year	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>3.62</b>	<b>250.07</b>	<b>22.97</b>	<b>487.77</b>	<b>12.65</b>	<b>4.42</b>	<b>0.08</b>	<b>781.58</b>
Balance as at 1 April 2021	-	-	-	-	-	-	-	-
Depreciation for the year	0.07	-	-	-	0.00	0.00	-	0.07
<b>Balance as at 31 March 2022</b>	<b>0.07</b>	-	-	-	<b>0.00</b>	<b>0.00</b>	-	<b>0.07</b>
Balance as at 1 April 2022	0.07	-	-	-	0.00	0.00	-	0.07
Depreciation for the year	0.69	4.99	1.18	27.91	0.47	0.36	0.00	35.60
Disposals during the period	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>0.76</b>	<b>4.99</b>	<b>1.18</b>	<b>27.91</b>	<b>0.47</b>	<b>0.36</b>	<b>0.00</b>	<b>35.67</b>
Carrying amounts (net)								
Balance as at 31 March 2022	0.37	-	-	-	0.05	0.10	-	0.52
Balance as at 31 March 2023	2.86	245.08	21.79	459.86	12.18	4.06	0.08	745.91

b. Tangible assets under development

Particulars	For the year ended	
	2023	2022
Balance at the beginning	128.86	-
Additions for the year	98.43	128.86
Capitalised during the year	224.14	-
Sale during the year	-	-
<b>Balance at the end</b>	<b>3.15</b>	<b>128.86</b>



Solis Hygiene Private Limited  
Statement of cash flows for the period ended 31st March 2023  
(All amounts are in Rupees, unless otherwise stated)

<b>6 Right-of-use assets</b>		
Leased Land	31st March 2023	31st March 2022
less: Amortization on right to use assets*	80.00	80.00
<b>Right-of-use assets</b>	<u>1.46</u>	<u>0.65</u>
	<b>78.54</b>	<b>79.35</b>

\* The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

<b>Lease liability</b>		
Opening Balance	31st March 2023	31st March 2022
Add: Lease liability recognised during the period	6.99	-
Add: Interest Cost accrued during the period	-	80.00
Less: Payments during the period	0.70	0.58
<b>Closing Balance</b>	<u>0.69</u>	<u>73.59</u>
	<b>7.00</b>	<b>6.99</b>

The break-up of current and non-current lease liabilities as at 31 March 2023 and 31 March 2022 is as follows:

Current lease liabilities	31st March 2023	31st March 2022
Non-current lease liabilities	0.54	0.70
<b>Total lease liabilities</b>	<u>6.46</u>	<u>6.29</u>
	<b>7.00</b>	<b>6.99</b>

<b>7 Other financial assets</b>		
<u>Secured, considered good</u>	31st March 2023	31st March 2022
Bank Deposits with Maturity More than 12 Months	32.65	-
Security Deposits	3.05	1.76
	<u>35.70</u>	<u>1.76</u>

<b>8 Other non-current assets</b>		
Capital advances	31st March 2023	31st March 2022
Prepaid Expenses	21.01	227.52
Prepaid Rent	0.49	-
<b>Total other non-current other assets</b>	<u>2.06</u>	<u>2.08</u>
	<b>23.56</b>	<b>229.60</b>

<b>9 Inventories</b>		
Raw material in stock	31st March 2023	31st March 2022
Work in progress in stock	205.16	-
Finished goods in stock	1.36	-
	<u>26.11</u>	<u>-</u>
	<b>232.63</b>	<b>-</b>

<b>10 Trade receivable</b>		
Unsecured Trade Receivables	31st March 2023	31st March 2022
- Considered good	35.70	-
Less-Allowance for bad and doubtful debts	-	-
	<u>35.70</u>	<u>-</u>

**Trade Receivables Ageing Schedule 31.03.2023**

Particulars	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 year	Total
(i) Undisputed Trade receivables- considered good	35.70	-	-	-	-	35.70
(ii) Undisputed Trade receivables- Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables- considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables- Considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>35.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35.70</b>

**Trade Receivables Ageing Schedule 31.03.2022**

Particulars	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 year	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	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>11 Cash and cash equivalents</b>		
Cash in hand	31st March 2023	31st March 2022
Balances with banks:	0.06	0.09
In current accounts	0.37	67.75
	<u>0.43</u>	<u>67.84</u>

<b>12 Bank balances other than Cash and cash equivalent</b>		
Deposits with remaining maturity of less than twelve months	31st March 2023	31st March 2022
	8.27	11.22
	<u>8.27</u>	<u>11.22</u>



13 Other current Financial assets  
 Accrued Interest  
 Total Other current Financial assets

31st March 2023	31st March 2022
1.64	-
<u>1.64</u>	<u>-</u>

14 Other current assets  
 Prepaid Expenses  
 Advances other than capital advances  
 TDS/TCS Receivable  
 Balance with government authorities authorities  
 Considered good  
 Total Other current assets

31st March 2023	31st March 2022
0.97	
8.80	29.72
0.14	-
92.20	2.26
<u>102.11</u>	<u>31.98</u>



Solis Hygiene Private Limited  
Statement of cash flows for the period ended 31st March 2023  
(All amounts are in Rupees, unless otherwise stated)

15 Share capital

	31st March 2023	31 March 2022
<b>Authorized</b>		
77,000 equity shares of par value of INR10/- each [31 March 2022: 77,000 equity shares of par value of INR10/- each].	0.77	0.77
57,000 CCPS (Compulsorily Convertible Preference Shares) of par value of INR 10/- [31 Mar 2022: 57,000 of par value of 10/- each].	0.57	0.57
	<b>1.34</b>	<b>1.34</b>
<b>Issued, subscribed and paid up</b>		
10,000 Equity Share of Rs. 10/- each, Fully paid up	0.10	0.10
3,775 Series A Equity Share of Rs. 10/- each, Fully paid up	0.04	0.04
52,890 Series A1 Equity shares of	0.53	0.53
<b>Total</b>	<b>0.67</b>	<b>0.67</b>

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

(i) Equity Shares

	31st March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	0.07	0.67	0.07	0.42
Add: Issued during the year	-	-	-	-
Add: Call money received against partly paid shares during the year	-	-	-	-
Outstanding at the end of the year	<b>0.07</b>	<b>0.67</b>	<b>0.07</b>	<b>0.67</b>

(b) Rights, preferences and restrictions attached to equity shares

The Company has three class of Equity shares having a par value of 10/- .Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Rights, preferences and restrictions attached to preference shares

Company has not issued any preference shares .

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	31st March 2023		31 March 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
<b>Equity shares of INR 10 each fully paid</b>				
Mr. Udit Birla	0.01	7.50%	0.01	7.50%
Mrs. Chandni Birla	0.00	3.75%	0.00	3.75%
Mrs. Sangita Birla	0.00	3.75%	0.00	3.75%
Mr. Pratiik Kamble (Series A)	0.00	5.66%	0.00	5.66%
Brainbees Solutions Private Limited (Series A1)	0.05	79.34%	0.05	79.34%

(e) Shares held by promoters at the end of the period

Promoter name	Number of shares	% of total shares	% Change during the year
Mr. Udit Birla	0.01	7.50%	-
Mrs. Chandni Birla	0.00	3.75%	-
Mrs. Sangita Birla	0.00	3.75%	-
Brainbees Solutions Private Limited (Series A1)	0.05	79.34%	-

(f) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(g) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.



16 Other equity

	31st March 2023	31 March 2022
(A) Securities premium (SP)		
Opening balance	399.44	226.08
Add : Securities premium credited on issue of shares	-	173.36
Closing balance	<u>399.44</u>	<u>399.44</u>
(B) Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	31st March 2023	31st March 2022
Add: Net (Loss) for the year	(11.20)	(0.18)
Closing balance	<u>(48.45)</u>	<u>(11.02)</u>
<b>Total other equity (A+B)</b>	<u><b>350.99</b></u>	<u><b>388.24</b></u>
17 Non-current borrowings	31st March 2023	31st March 2022
Secured		
(a) Term loan		
From Bank		
Secured term Loan	357.50	150.62
<b>Total other Non-current borrowings</b>	<u><b>357.50</b></u>	<u><b>150.62</b></u>

Terms and conditions of loans

(i) The Company has taken term loans from HDFC bank amounting to Rs. 476.67 Millions (Previous Year Balance is Rs. 150.62 Millions) which are secured by way of exclusive charge on Current Assets (Present & Future) of the company, Land and Building in name of company, Plant & Machinery (Present & future)of the company and Fixed Deposit which needs to be placed upfront as per 3 month of equal monthly instalment above borrowing is to be repaid in five years with 1 year moratorium. Interest rate is 12 Month MCLR+30 bps).

18 Deferred Tax liabilities

	31st March 2023	31st March 2022
Deferred Tax liabilities	11.41	-
<b>Total other Non-current borrowings</b>	<u><b>11.41</b></u>	<u><b>-</b></u>

19 Borrowings

	31st March 2023	31st March 2022
Secured, from bank		
Current Maturity of Secured term Loan	119.17	-
Cash Credit Facility	97.47	-
Unsecured, Loans from related		
from body corporates	200.00	-
<b>Total short-term borrowings</b>	<u><b>416.64</b></u>	<u><b>-</b></u>

Terms and conditions of loans

Current Maturity of Secured term Loan

(i) The Company has taken term loans from HDFC bank amounting to Rs. 476.67 Millions (Previous Year Balance is 150.62 Millions) which are secured by way of exclusive charge on Current Assets (Present & Future) of the company, Land and Building in name of company, Plant & Machinery (Present & future)of the company and Fixed Deposit which needs to be placed upfront as per 3 month of equal monthly instalment above borrowing is to be repaid in five years with 1 year moratorium. Interest rate is 12 Month MCLR+30 bps).

Cash Credit Facility

(i)The Company has taken Cash Credit Facility from HDFC bank amounting to Rs. 97.47 Million (Previous Year Balance is Nil) which are secured by way of exclusive charge on Current Assets (Present & Future) of the company, Land and Building in name of company, Plant & Machinery (Present & future)of the company. Interest rate is 8.80 PA linked to 3 Month T-bill (Interest rate PY is 7.90 PA Linked to 3 Month Repo).

from body corporates

(i)The Company has taken loan from Swara Baby Products Private Limited amounting to Rs. 200.00 (Previous Year Balance is Nil) which are Unsecured. Interest rate us 8.25% PA, to be paid along with repayment of principal or otherwise as mutually agreed between Parties.

20 Lease Liability

	31st March 2023	31st March 2022
Lease Liability	6.46	0.70
Lease Liability-Current	0.54	6.29
<b>Total Lease Liability</b>	<u><b>7.00</b></u>	<u><b>6.99</b></u>



<b>21 Trade payables</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Trade payables-MSME	21.63	-
Trade payables	79.48	-
<b>Total trade payables</b>	<b>101.11</b>	<b>-</b>

**Trade Payables ageing schedule as on 31.03.2023**

Particulars	Less than 1 year	1-2 Years	2-3 years	More than 3 year	Total
(i) Undisputed dues- MSME	21.63	-	-	-	21.63
(ii) Undisputed dues - Others	79.48	-	-	-	79.48
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>101.11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>101.11</b>

**Trade Payables ageing schedule as on 31.03.2022**

Particulars	Less than 1 year	1-2 Years	2-3 years	More than 3 year	Total
(i) Undisputed dues- MSME	-	-	-	-	-
(ii) Undisputed dues - Others	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Disclosure under Micro, Small and Medium Enterprises development (MSMED) Act, 2006\***

Particulars	31st March 2023	31st March 2022
a. the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;	21.70	-
b. the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c. the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
e. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-
	<b>21.70</b>	<b>-</b>

\* The Company has not received full information from all the Vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid / payable under this Act has been given to the extent, the said information is available. The Auditors have relied on the same.

<b>22 Other financial liabilities</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
<b>Other financial liabilities at amortised cost</b>		
Capital creditors	11.30	-
Employee related payables	3.95	-
Interest cost payable	4.23	-
<b>Total other financial liabilities</b>	<b>19.48</b>	<b>-</b>

<b>23 Other current liabilities</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Statutory due payable	0.83	0.67
Customer advance	-	-
Other Payable	1.28	3.94
<b>Other current liabilities</b>	<b>2.11</b>	<b>4.61</b>

<b>24 Provision</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Provision for gratuity-Current	0.21	-
Provision for gratuity-Non Current	0.31	-
Provision for compensation absences-Current	0.07	-
Provision for compensation absences-Non Current	0.14	-
<b>Total Provision</b>	<b>0.73</b>	<b>-</b>



(All amounts are in Rupee Million, unless otherwise stated)

<b>25 Revenue from operations</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Sale of products	728.56	-
Other Operating Revenue	9.05	-
<b>Total</b>	<b>737.61</b>	<b>-</b>
<b>26 Other income</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Interest Income	2.31	2.24
Miscellaneous Income	2.56	-
<b>Total</b>	<b>4.87</b>	<b>2.24</b>
<b>27 Cost of material consumed</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Inventory at the beginning of the year	-	-
Add: Purchases*	827.14	-
Other Direct Expenses	18.70	-
Less: Inventory at the end of the year	205.16	-
<b>Cost of raw material consumed</b>	<b>640.68</b>	<b>-</b>
* Includes packing material, Customs, Clearing Charges, Carriage Inward, etc. incurred in order to bring the materials in its intended use.		
<b>28 Changes in inventories of finished goods, stock-in-trade and work-in-progress</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
<b>Inventories at the beginning of the year</b>		
-Finished goods	-	-
-Work-in-progress	-	-
-Stock-in-trade	-	-
<b>Less: Inventories at the end of the year</b>		
-Finished goods	26.11	-
-Work-in-progress	1.36	-
-Stock-in-trade	-	-
<b>Net decrease/ (increase)</b>	<b>27.47</b>	<b>-</b>
	<b>(27.47)</b>	<b>-</b>
<b>29 Employee benefits expense</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Salaries, wages, bonus and other allowances	28.14	7.93
Contribution to provident and other funds	1.20	-
Gratuity	0.48	-
Compensated absences for Employees	0.21	-
Staff welfare expenses	1.41	-
<b>Total</b>	<b>31.44</b>	<b>7.93</b>
<b>30 Finance costs</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Interest on delay in payment of taxes	0.43	0.03
Interest Expense on lease liability	0.70	0.58
Interest on CC	5.40	-
Interest on Term Loan	22.73	-
Other Borrowing Costs	9.68	1.00
<b>Total</b>	<b>38.94</b>	<b>1.61</b>
<b>31 Depreciation and amortization expense</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Depreciation and Amortisation	35.60	0.07
Amortization on right to use assets	0.80	0.66
<b>Total</b>	<b>36.40</b>	<b>0.73</b>



## 32 Other expenses

	31st March 2023	31st March 2022
Power and Fuel	17.03	-
Labour charges	8.51	-
Repairs and maintenance - others	0.01	-
Repairs and Maintenance - Plant & Machinery	3.27	-
Bank Charges	0.67	-
Legal & Professional Charges	1.85	2.22
Payment to Auditors	0.58	0.36
Lease Rent on Land	0.15	0.02
Rates and Taxes	0.40	-
Freight Outward	0.85	-
License & Registration	1.12	-
Manpower Recruitment Charges	0.03	-
Security Services	2.10	-
Stamp Charges	0.77	-
Vehicle Hire Charges	2.51	-
Travel and conveyance	3.45	-
Postage & Courier Charges	0.19	-
Insurance	0.85	-
Printing & Stationery	0.37	0.01
Communication, broadband and internet expenses	0.25	-
Business Promotion	0.74	-
Miscellaneous expenses	2.63	0.20
<b>Total</b>	<b>48.33</b>	<b>2.81</b>

## (i) Auditor's Remuneration

## As auditor:

	31st March 2023	31st March 2022
- Audit fee	0.45	0.20
- Tax audit fee	0.05	-
<b>Total</b>	<b>0.50</b>	<b>0.20</b>

## 33 Items that will not be re-classified to profit or (loss) Re-measurements of the net defined benefit plans

	31st March 2023	31st March 2022
Actuarial Losses /Gains	(0.00)	-
<b>Total</b>	<b>(0.00)</b>	<b>-</b>



**34 Earnings/ Loss per share**

Basic (loss) per share amounts are calculated by dividing the (loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31st March 2023	31 March 2022
(Loss) attributable to equity holders	(37.25)	(11.02)
(Loss) attributable to equity holders adjusted for the effect of dilution	(37.25)	(11.02)
Weighted average number of equity shares for basic EPS	0.07	0.04
Basic earning per share (INR)	(558.79)	(262.51)
Weighted average number of equity shares for diluted EPS	0.07	0.04
Diluted earning per share (INR)	(558.79)	(262.51)

**35 Employee benefits****(A) Defined Contribution Plans**

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss-

	31st March 2023	31 March 2022
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 29)	1.20	-
(B) Defined benefit plans		
a) Gratuity payable to employees	0.48	-

**i) Actuarial assumptions**

	31st March 2023	31 March 2022
Discount rate (per annum)	7.30%	-
Rate of increase in Salary	10.00%	-
Expected average remaining working lives of employees (years)	28.28	-
Attrition rate	20.00%	-

**ii) Changes in the present value of defined benefit obligation**

	31st March 2023	31 March 2022
Present value of obligation at the beginning of the year	-	-
Interest cost	0.01	-
Past service cost	0.14	-
Current service cost	0.38	-
Curtailements	-	-
Settlements	-	-
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	(0.01)	-
Present value of obligation at the end of the year	0.52	-

**iii) Expense recognized in the Statement of Profit and Loss**

	31st March 2023	31 March 2022
Current service cost	0.38	-
Past service cost	0.14	-
Interest cost	0.01	-
Expected return on plan assets	-	-
Actuarial (gain) / loss on obligations	(0.01)	-
Settlements	-	-
Curtailements	-	-
Total expenses recognized in the Statement Profit and Loss	0.52	-



iv) Assets and liabilities recognized in the

	31st March 2023	31 March 2022
Present value of unfunded obligation as at the end of the year	0.52	-
Unrecognized actuarial (gains)/losses	-	-
<b>Unfunded net asset / (liability) recognized in Balance Sheet</b>	<b>0.52</b>	<b>-</b>

v) A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is as shown below:

Impact on defined benefit obligation	31st March 2023	31 March 2022
Discount rate		
1% increase	0.49	-
1% decrease	0.54	-
Rate of increase in salary		
1% increase	0.54	-
1% decrease	0.49	-

**36 Related Party Disclosures:**

i) Names of related parties and description of relationship as identified and certified by the Company:

**Parent Company**

Brainbees Solutions Pvt. Ltd.

**Sister Concern**

Swara Baby Product Pvt. Ltd.

**Enterprises over which KMP/Director and relatives of KMP/Director exercises significant influence**

KA Enterprises

**Key Management Personnel (KMP)**

Udit Alok Birla

Amitava Saha

Sukhjeet Singh Chahal

ii) Details of transactions with related party in the ordinary course of business for the period ended :

Name of Related Party	Nature of Transaction	31st March 2023	31 March 2022
Brainbees Solutions Pvt. Ltd.	Sale	15.45	-
Swara Baby Products Pvt. Ltd.	Short Term Borrowing	200.00	-
Swara Baby Products Pvt. Ltd.	Interest On Borrowings	9.68	-
Swara Baby Products Pvt. Ltd.	Purchase	19.83	-
Swara Baby Products Pvt. Ltd.	Sale	580.68	-
KA Enterprises	Purchase	0.51	-
Udit Birla	Remuneration	6.00	6.00
Udit Birla	Reimbursement of Expenses	0.66	1.16

(iii) Details of the Issue of Share

	31st March 2023	31 March 2022
Brainbees Solutions Pvt. Ltd.	-	173.61
<b>Total</b>	<b>-</b>	<b>173.61</b>

**37 Segment reporting**

The company is engaged in only one segment. Hence, Balance sheet as at 31st March 2023 and Statement of Profit & Loss for period ended pertains to one Segment only.

**38 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

**39 Capital and other commitments**

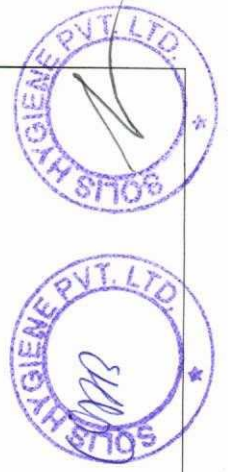
The Company has entered into various contracts with vendors and contractors for the acquisition of plant and machinery, building contacts of capital nature amounting to Rs. Nil as on at 31st March 2023 (31 March 2022: Rs. 544.71Million), which are yet to be executed. The company has contractual obligation towards purchase commitments (net of provisions) for Rs. 217.55 Million as at 31st March 2023 (31 March 2022: Rs. 254.18 Million).



40 Ratios

S No.	Ratio	Formula	Particulars		March 31, 2023		March 31, 2022		Ratio as on 31-Mar-23	Ratio as on 31-Mar-22	Variation	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator						
(a)	Current Ratio	$\frac{\text{Current Assets} / \text{Current Liabilities}}{\text{Current Assets} - \text{Inventories} + \text{Current Investment} + \text{Trade Receivable} + \text{Cash \& Cash Equivalents} + \text{Other Current Assets} + \text{Current tax (Assets)}}$	$\frac{\text{Current Liability} + \text{Short term borrowings} + \text{Trade Payables} + \text{Other financial Liability} + \text{Provisions} + \text{Other Current Liability}}$	380.78	540.16	111.04	5.31	0.70	20.91	97%	The Company is in the phase of setting up of Plant and during the year the company has used the fund for procurement of Plant assets, accordingly there is change in current ratio as compared to earlier period.	
(b)	Debt-Equity Ratio	$\frac{\text{Debt}}{\text{Equity}}$	$\frac{\text{Debt} = \text{long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability}}{\text{Equity} = \text{Equity} + \text{Reserve and Surplus}}$	774.14	351.66	150.62	388.91	2.20	0.39	-468%	During the year the company has taken loan from bank, accordingly there is change in debt equity ratio as compared to earlier period.	
(c)	Debt Service Coverage Ratio	$\frac{\text{Net Operating Income} / \text{Debt Service}}{\text{Net Operating Income} = \text{Net profit after taxes} + \text{Non-cash operating expenses} + \text{finance cost}}$	$\frac{\text{Debt Service} = \text{Interest \& Lease Payments} + \text{Principal Repayments}}$	38.09	38.94	(8.68)	1.61	0.98	(5.39)	118%		
(d)	Return on Equity Ratio	$\frac{\text{Profit after tax less pref. Dividend} \times 100}{\text{Shareholder's Equity}}$	$\frac{\text{Net Income} = \text{Net Profits after taxes} - \text{Preference Dividend}}{\text{Shareholder's Equity}}$	(37.25)	351.66	(11.02)	388.91	(0.11)	(0.03)	-274%		
(e)	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold} / \text{Average Inventory}}$	$\frac{\text{Cost of Goods Sold}}$	640.68	116.32	N.A.	N.A.	5.51	N.A.	N.A.		
(f)	Trade Receivables Turnover Ratio	$\frac{\text{Net Credit Sales} / \text{Average Trade Receivables}}$	$\frac{\text{Net Sales}}{\text{Net Sales}} = \frac{\text{Net Credit Sales} / \text{Average Trade Receivables}}{\text{Trade Receivable} / 2}$	728.56	17.85	N.A.	N.A.	40.82	N.A.	N.A.		
(g)	Trade Payables Turnover Ratio	$\frac{\text{Net Credit Purchases} / \text{Average Trade Payables}}$	$\frac{\text{Net Purchases}}{\text{Net Purchases}} = \frac{\text{Net Credit Purchases} / \text{Average Trade Payables}}{\text{Closing Trade Payables} / 2}$	827.14	50.56	N.A.	N.A.	16.36	N.A.	N.A.		
(h)	Net Capital Turnover Ratio	$\frac{\text{Revenue} / \text{Average Working Capital}}$	$\frac{\text{Revenue}}{\text{Revenue}} = \frac{\text{Revenue} / \text{Average Working Capital}}{\text{Average of Current assets} - \text{Current liabilities}}$	728.56	(79.69)	N.A.	N.A.	(9.14)	N.A.	N.A.		
(i)	Net Profit Ratio	$\frac{\text{Net Profit} / \text{Net Sales}}$	$\frac{\text{Net Profit}}{\text{Net Profit}}$	(37.25)	728.56	N.A.	N.A.	(0.05)	N.A.	N.A.		
(j)	Return on Capital Employed	$\frac{\text{EBIT} / \text{Capital Employed}}$	$\frac{\text{EBIT} = \text{Earnings before interest and taxes}}{\text{Capital Employed} = \text{Total Assets} - \text{Current Liability}}$	13.10	727.48	(9.23)	545.82	0.02	(0.02)	206%		
(k)	Return on Investment	$\frac{\text{Net Profit} / \text{Net Investment}}$	$\frac{\text{Net Profit}}{\text{Net Profit}} = \frac{\text{Net Profit} / \text{Net Investment}}{\text{Net Investment} = \text{Net Equity}}$	(37.25)	727.48	(11.02)	545.82	(0.05)	(0.02)	-154%		

The Company is in the phase of setting up of Plant, the only income is from interest on fixed deposit and expenses related to the employee benefits in previous financial year, other related to expenses of interest on leases and other operating expenses in previous financial year. Since the company is in the phase of setting up of plant. There is variation in these ratio.



## 41 Borrowings secured against current assets

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	31st March 2023	31 March 2022
<b>Current</b>			
<b>Financial Assets</b>			
Trade receivables	10	35.70	-
<b>Non Financial Assets</b>			
<b>Inventories</b>			
a) Raw material	9	205.16	-
b) WIP	9	1.36	-
c) Finished Goods	9	26.11	-
<b>Total current assets pledged as security</b>		<b>268.33</b>	<b>-</b>
<b>Non Current Assets</b>			
Buildings	5	245.08	-
Right-of-use assets	6	78.54	79.35
Plant & Machineries Including Electric Installation	5	481.65	-
Capital WIP	5	3.15	128.87
<b>Total non current assets pledged as security</b>		<b>808.42</b>	<b>208.22</b>
<b>Total assets pledged as security</b>		<b>1,076.75</b>	<b>208.22</b>

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-22	HDFC Bank	Finished Goods Including WIP	-	-	-	
		Raw material	92.10	92.10	-	
		Trade receivables	-	-	-	
Sep-22	HDFC Bank	Finished Goods Including WIP	11.98	11.98	-	
		Raw material	232.10	232.10	-	
		Trade receivables	28.32	28.32	-	
Dec-22	HDFC Bank	Finished Goods Including WIP	29.40	29.40	-	
		Raw material	289.60	240.80	48.80	Goods in transit amount Rs. 48.80 Million
		Trade receivables	15.96	15.64	0.33	Change of amount Rs. 0.33 Million due to update in classification.
Mar-23	HDFC Bank	Finished Goods Including WIP	27.47	21.50	5.97	Change of amount Rs. 5.97 Million is due to revised valuation.
		Raw material	205.16	178.57	26.59	-Goods in transit amount Rs. 28.56. - change of amount Rs. 1.96 Million is due to revised valuation.
		Trade receivables	35.70	35.82	(0.12)	Change of amount Rs. 0.11 Million due to update in classification.



Solis Hygiene Private Limited

Notes forming part of the Financial Statements for the period ended 31st March 2023

(All amounts are in Rupee Million, unless otherwise stated)

#### 42 Fair value measurements

##### A Accounting classifications and fair values

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables and other current financial liabilities approximates their carrying amounts largely due to short term maturities of these instruments.

The following table shows carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

As at 31st March 2023

Particulars	Carrying amount	Amortised cost	Fair value		
			Level 1	Level 2	Level 3
<b>Financial assets at amortised cost</b>					
Security Deposits	3.05	3.05	-	-	-
Cash and cash equivalents	0.43	0.43	-	-	-
Other bank balances	8.27	8.27	-	-	-
<b>Total financial assets</b>	<b>11.75</b>	<b>11.75</b>	-	-	-
<b>Financial liabilities at amortised cost</b>					
Borrowings	774.14	774.14	-	-	-
Lease liability	7.00	7.00	-	-	-
<b>Total financial liabilities</b>	<b>781.14</b>	<b>781.14</b>	-	-	-

As at 31 March 2022

Particulars	Carrying amount	Amortised cost	Fair value		
			Level 1	Level 2	Level 3
<b>Financial assets at amortised cost</b>					
Security Deposits	1.76	1.76	-	-	-
Cash and cash equivalents	67.84	67.84	-	-	-
Other bank balances	11.22	11.22	-	-	-
<b>Total financial assets</b>	<b>80.82</b>	<b>80.82</b>	-	-	-
<b>Financial liabilities at amortised cost</b>					
Borrowings	150.62				
Lease liability	6.99	6.99	-	-	-
<b>Total financial liabilities</b>	<b>157.61</b>	<b>6.99</b>	-	-	-

#### 43 Financial instruments - Risk management

##### Fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs 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.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company does not have assets and liabilities which are measured at fair value on a recurring basis as of 31 March 2023 and 31 March 2022.

##### Financial risk management framework

A financial risk management framework is in place in the form of a treasury policy approved by board of directors of holding company which has been adopted by the Company. In accordance with its treasury policy, the Company actively monitors and manages financial risk with the objectives of reducing fluctuations in reported earnings and cash flows from these risks and providing economic protection against cost increases. These objectives are achieved through (a) an assessment of the impact of market risks against defined risk limits, which take into account the risk appetite of the Company and (b) the use of a variety of derivative and non-derivative financial instruments. This policy also guides the manner of investing the surplus funds of the Company. Also, the Company has a Trade Finance Credit policy which guides on managing the customer credit limits.

##### Financial risk factors:

The nature of the Company's business exposes it to a range of financial risks. These risks include:

- (i) market risks, which include potential unfavorable changes in foreign exchange rates, interest rates, commodity prices and other market prices,
- (ii) credit risk and
- (iii) liquidity and refinancing risk.

##### (i) Market risk factors:

###### Foreign exchange risk:

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The following table analyzes the Company's foreign currency risk exposure as a result of financial instruments designated in major foreign currencies as at 31 March 2023



Particulars	US Dollar	INR	Total (INR)
Trade Payables		0.17	13.64
<b>Total</b>	<b>0.17</b>	<b>13.64</b>	<b>13.64</b>

The following table analyzes the Company's foreign currency risk exposure as a result of financial instruments designated in major foreign currencies as at 31 March 2022

Particulars	US Dollar	INR	Total (INR)
Trade Payables	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Interest rate risk

The Company's borrowings carry a fixed rate of interest and are measured at amortised cost. They are, therefore, not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flows will fluctuate due to change in market interest rates.

#### (ii) Credit risk:

Credit risk arises from the possibility that counterparties involved in transactions with the Company may default on their obligation, resulting in financial losses to the Company. Credit risk relates both to financial assets as well as to operational assets managed by the Company's businesses (such as trade receivables, security deposits).

The Company has policies and operating guidelines in place to ensure that financial instrument transactions and bank deposit transactions are only entered into with high credit quality banks and financial institutions.

The credit risk to operational assets is managed through the use of credit limits based on credit worthiness and business capabilities of the customers. The credit risk is also partially mitigated through commercial activities, which include cash sales incentives and obtaining other security from customers where appropriate.

On account of adoption of Ind AS 109 Financial Instruments, the Company uses expected credit loss model to assess the impairment loss of trade receivables.

Expected credit loss assessment for trade receivables and security deposits as at 31 March 2023 and 31 March 2022.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

The trade receivables are subject to low credit risk since the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil based on the Company's past experience. Hence, no provision has been created for Expected credit loss for credit risk arising from these financial assets.

#### (iii) Liquidity risk:

The Company's principal sources of liquidity are cash and cash equivalents, other financial assets and cash flow that is generated from operations. The Company believes that the current working capital is sufficient to meet its current obligatory requirements. Accordingly, no liquidity risk is perceived.

As on 31 March 2023, the Company had a working capital as follows.

Particular	31st March 2023	31 March 2022
Current assets	380.78	111.04
Current liabilities	540.16	5.31
Working capital	-159.38	105.73

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2023 & 31 March 2022.

#### As at 31st March 2023

Particulars	Carrying amount	Contractual cash flows Less than 1 year	1- 3 years	More than 3 years	Total
Trade payables	101.11	101.11	-	-	101.11
Lease liabilities	7.00	0.54	0.93	5.53	7.00
Borrowing	774.14	416.64	238.33	119.17	774.14
Other financial liabilities	19.48	19.48	-	-	19.48

#### As at 31st March 2022

Particulars	Carrying amount	Contractual cash flows Less than 1 year	1- 3 years	More than 3 years	Total
Trade payables	-	-	-	-	-
Lease liabilities	6.99	0.70	1.02	5.27	6.99
Borrowing	150.62	-	75.31	75.31	150.62
Other financial liabilities	-	-	-	-	-



44 Income Taxes

(i) The income tax expense consists of the following :-  
Tax Expenses recognised in profit and loss

Particulars	31st March 2023	31st March 2022
<b>Current Tax</b>		
Current tax expense for current year	-	0.18
Current tax expense/ (benefit) pertaining to prior years	-	-
<b>Total current tax expenses</b>	-	<b>0.18</b>
<b>Deferred Tax</b>		
Deferred tax expense for current year	11.41	-
Deferred tax benefit pertaining to prior years	-	-
<b>Total Deferred tax expenses</b>	<b>11.41</b>	-
<b>Total income tax expense recognised in current year</b>	<b>11.41</b>	<b>0.18</b>

(ii) The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:-

Particulars	31st March 2023	31st March 2022
Loss before tax	-25.84	-10.84
Indian statutory income tax rate (%)	17.16%	17.16%
Expected income tax expense	-	0.18
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense	11.41	-
<b>Total income tax expense</b>	<b>11.41</b>	<b>0.18</b>

44 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

45 The Company has considered the possible effects that may result from the COVID pandemic, while assessing its liquidity, recoverable values of its financial and non-financial assets taking all relevant external and internal factors into consideration and has concluded that there are no material adjustments required in the financial statements. However, the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.

46 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

*Shashi Tadwalkar*

Shashi Tadwalkar  
Partner  
Membership No: 101797

Place:  
Date:



For and on Behalf of Board of Directors  
Solis Hygiene Private Limited  
CIN: U17100MP2020PTC053997

*Udit Ajok Birla*

Udit Ajok Birla  
Director  
DIN: 07039257

Place:  
Date:

*Sukhjeet Singh Chahal*

Sukhjeet Singh Chahal  
Director  
DIN: 09129636

Place:  
Date: