

# MAPSS AND COMPANY

CHARTERED ACCOUNTANTS

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Above Indian Bank, Sec-15,

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Swastik Bone and Gelatines Private Limited

### **Opinion**

We have audited the accompanying standalone financial statements of Swastik Bone and Gelatines Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the statement of cash flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

On the facts and circumstances of the company and the audit, we determine that there are no key audit matters to communicate.

### **Information other than the financial statements and auditors' report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. As required by Section 143 (3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act subject to the matters specified in key audit matters and other matters.
  - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g) With respect to the matter to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. Refer Note no. 38 to the consolidated financial statements.
- ii. The Company has not made any provision against the pending litigation as the company believes that these claims are not tenable and hence no provisioning made by the company.
- iii. There were no amounts as on 31<sup>st</sup> March 2023, which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed

funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. As stated in note 2.16 to the accompanying standalone financial statement, the Board of Directors of the company has recognizes a liability to pay dividend to equity holders of the parent when the distribution is authorized, and the distribution is no longer at the discretion of the company. As per corporate laws in India , a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity. Company has declared and paid dividend during the period under review.

vi.As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

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

**For MAPSS AND COMPANY**  
**Chartered Accountants**  
**Firm Regn No. 012796C**



**CA GYAN CHANDRA MISKA**  
**Partner**  
**Membership No. 078183**  
**UDIN: 23078183BGVUVS3517**  
**Date : 29-07-2023**  
**Place: Ghaziabad**

## **Annexure 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Swastik Bone and Gelatines Private Limited of even date)**

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

We have audited the internal financial controls with reference to standalone financial statements of Swastik Bone and Gelatines Private Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements .

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

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Standalone Financial Statements**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For MAPSS AND COMPANY**  
**Chartered Accountants**  
**Firm Regn No. 012796C**



**CA GYAN CHANDRA MISRA**  
**Partner**  
**Membership No. 078183**  
**UDIN: 23078183BGVUVS3517**  
**Date : 29-07-2023**  
**Place : Ghaziabad**

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

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Swastik Bone and Gelatines Private Limited of even date)**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that: We report that:

(i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) No Intangible assets during the period under review;

(b) As explained to us, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with the programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the company except the following:-

<b>Description of Property</b>	<b>Gross carrying value</b>	<b>Held in name of</b>	<b>Whether promoter, director or their relative or employee</b>	<b>Period held - indicate range, where appropriate</b>	<b>Reason for not being held in name of company</b>
NIL					

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

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

(ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.

(b) The company has not been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate,



at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) (a) 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 investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties.

(b) According to the information and explanations given to us, company has not any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, hence (iii)(b) is not required to report.;

(c) According to the information and explanations given to us, company has not any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, hence (iii)(c) is not required to report.

(d) According to the information and explanations given to us, company has not any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, hence (iii)(d) is not required to report.

(e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

Name of Party	Amount renewed or extended	% of total loan	Remark, if any
	Nil		

(f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with except non-charging of interest on the loan.

(v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013.

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

(vii) (a) According to the records made available to us, company is regular in depositing 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 any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 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 is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except following: (if applicable) :

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where Dispute is Pending	Remarks, if Any
			<i>Nil</i>		

(viii) According to the information and explanations given by the management, there were no transactions related to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year.

(b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;

(c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, except for:

Nature of the fund raised	Name of the lender	Amount diverted (Rs.)	Purpose for which amount was sanctioned	Purpose for which amount was utilized	Remarks
			<i>Nil</i>		

(d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.

(e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,

(f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(g) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year, hence (ix)(g) is not required to report.

(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.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanations given to us by the management, no whistle-blower complaints have been received by the company.

(xii) The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,

(c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.

(xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(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 Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) There have been no qualifications or adverse remarks in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, clause 3(xxi) of the Order is not applicable.

**For MAPSS AND COMPANY**  
**Chartered Accountants**  
**Firm Regn No. 012796C**



**CA GYAN CHANDRA MISRA**  
**Partner**  
**Membership No. 078183**  
**Date: 29-07-2023**  
**UDIN : 23078183BGVUVS3517**  
**Place: Ghaziabad**

# Swastik Bone and Gelatines Private Limited

Balance sheet as at March 31, 2023

(Rs in '000)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>(A) Non-current assets</b>			
(a) Property, plant and equipment	3(a)	4,538	4,538
(b) Capital work in progress	3(b)	6,983	-
(c) Income tax assets		0	0
<b>Total non-current assets</b>		<b>11,521</b>	<b>4,538</b>
<b>(B) Current assets</b>			
<b>(a) Financial assets</b>			
(i) Trade receivables	4	810	-
(ii) Cash and cash equivalents	5	2,760	98
(iii) Other financial assets	6	263	253
(b) Other assets	7	5,016	34
<b>Total current assets</b>		<b>8,849</b>	<b>385</b>
<b>Total assets</b>		<b>20,370</b>	<b>4,923</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(A) Equity</b>			
(a) Share capital	8	10,000	10,000
(b) Other equity	9	(18,215)	(17,058)
<b>Total equity</b>		<b>(8,215)</b>	<b>(7,058)</b>
<b>(B) Liabilities</b>			
<b>(I) Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings	10	1,810	-
(ii) Trade payables	11	-	-
- Total outstanding dues of micro enterprise and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		2,369	118
(b) Other liabilities	12	24,406	11,863
<b>Total current liabilities</b>		<b>28,585</b>	<b>11,980</b>
<b>Total Equity and Liabilities</b>		<b>20,370</b>	<b>4,923</b>

Significant Accounting Policies

1-2

The accompanying notes from 1 to 31 form an integral part of the financial statements

As per our audit report of even date attached

**FOR MAPSS AND COMPANY**

Chartered Accountants  
Firm's Registration Number: 012796C

FRN-012796C

A GYAN CHANDRA MAPSS & CO

Partner

Membership Number: 078183

Place : Ghaziabad

Dated: 29.07.2023

UDIN : 23078183BGVUVS3517

For and on Behalf of the Board

**SWASTIK BONE AND GELATINES PRIVATE LIMITED**

CIN: U51396UP1988PTC009250

**WAJID AHMAD**

Director  
DIN: 01312261  
Place : Agra  
Dated:

**MOHD. MEHMOOD QURESHI**

Director  
DIN: 02839611  
Place : Kanpur  
Dated:

**Swastik Bone and Gelatines Private Limited**  
**Statement of profit and loss for year ended March 31, 2023**

(Rs in '000)

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
<b>(1) Income</b>			
(a) Revenue from operations	13	-	339
(b) Other income	14	750	-
<b>Total Income</b>		<b>750</b>	<b>339</b>
<b>(2) Expenses</b>			
(a) Cost of raw materials consumed	15	-	28
(b) Depreciation expense	16	-	660
(c) Other expenses	17	1,908	570
<b>Total Expenses</b>		<b>1,908</b>	<b>1,258</b>
<b>(3) Profit/(loss) before tax (1-2)</b>		<b>(1,158)</b>	<b>(919)</b>
<b>(4) Tax expense</b>	23		
(a) Current tax		-	-
(b) Deferred tax charge / (credit)		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>(5) Profit/(loss) for the year</b>		<b>(1,158)</b>	<b>(919)</b>
<b>(6) Other comprehensive income</b>			
(1) Items that will not be reclassified to Profit / (Loss)		-	-
(2) Items that will be reclassified to Profit / (Loss)		-	-
<b>Total other comprehensive income/(loss)</b>		<b>-</b>	<b>-</b>
<b>(7) Total comprehensive income for the year</b>		<b>(1,158)</b>	<b>(919)</b>
<b>Earnings per share (EPS) (Rupees per share)</b>			
Basic and diluted Earnings Per Share (in Rs)	22	(116)	(9.19)
Significant Accounting Policies	1-2		

The accompanying notes from 1 to 32 form an integral part of the financial statements

As per our audit report of even date attached

FOR MAPS AND COMPANY  
Chartered Accountants  
Firm's Registration Number: 012796C  
FRN-012796C  
CA GYAN CHANDRA MISHRA  
Partner  
Membership Number: 078183  
Place : Ghaziabad  
Dated: 29.07.2023  
UDIN : 23078183BGVUVS3517

For and on Behalf of the Board  
SWASTIK BONE AND GELATINES PRIVATE LIMITED

CIN: U51396UP1988PTC009250

WAJID AHMAD  
Director  
DIN: 01312261  
Place : Agra  
Dated:

MOHD. MEHMOOD  
QURESHI  
Director  
DIN : 02839611  
Place : Kanpur  
Dated:

**Swastik Bone and Gelatines Private Limited**  
**Statement of cashflow for the year ended March 31, 2023**

(Rs in '000)

Particulars	Year ended 31, 2023	Year ended March 31, 2022
<b>(A) Cashflows from operating activities</b>		
Profit before tax and exceptional items		(919)
<b>Adjusted for:</b>		
Depreciation and amortisation	(1,158)	660
<b>Operating cash flow before working capital changes</b>	<b>(1,158)</b>	<b>(259)</b>
<b>Adjustment for changes in working capital:</b>		
Decrease/(Increase) in trade receivables	(810)	2,972
Increase/(Decrease) in trade payables	2,252	93
Decrease/(Increase) in other financial assets	(10)	(24)
Decrease/(Increase) in other current assets	(4,982)	-
Increase/(Decrease) in other current liabilities	12,543	1,567
<b>Cash generated from operations</b>	<b>7,834</b>	<b>4,349</b>
Taxes Paid	-	-
<b>Net cashflows from operating activities</b>	<b>7,834</b>	<b>4,349</b>
<b>(B) Cashflows from investing activities</b>		
Addition in capital work in progress	(6,983)	-
Purchase of property, plant and equipment	-	-
<b>Net cashflows from investing activities</b>	<b>(6,983)</b>	<b>-</b>
<b>(C) Cashflows from financing activities</b>		
Proceeds/(Repayment) of Borrowings	1,810	(5,000)
<b>Net cashflows from financing activities</b>	<b>1,810</b>	<b>(5,000)</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>2,662</b>	<b>(651)</b>
Cash and cash equivalents at the beginning of the year	98	749
<b>Cash and cash equivalents at the end of the year</b>	<b>2,760</b>	<b>98</b>
<b>Components of cash and cash equivalents</b>		
Balance with banks in current account	2,659	46
Cash on Hand	101	51
<b>Cash and cash equivalents at the end of the year</b>	<b>2,760</b>	<b>98</b>

**Note:**

The cashflow statement has been prepared under the indirect method as set out in Indian Accounting standard (Ind AS 7) Statement of cash flows' as specified under section 133 of the Companies Act, 2013.

As per our audit report of even date attached

**FOR MPASS & CO.**

Chartered Accountants

Firm's Registration Number: 012796C

**CA GYAN CHANDRA MISRA**

Partner

Membership Number: 078183

Place : Ghaziabad

Dated: 29.07.2023

UDIN :23078183BGVUVS3517

For and on Behalf of the Board

**SWASTIK BONE AND GELATINES PRIVATE LIMITED**

CIN: U51396UP1988PTC009250

**WAJID AHMAD**

Director

DIN: 01312261

Place : Agra

Dated:

**MOHD. MEHMOOD QURESHI**

Director

DIN: 02839611

Place : Kanpur

Dated:

# Swastik Bone and Gelatines Private Limited

Statement of changes in equity for year ended March 31, 2023

## (A) Equity share capital

(Rs in '000)

Particulars	Amount
Balance as at April 1, 2021	10,000
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2022</b>	<b>10,000</b>
Balance as at April 1, 2022	10,000
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2023</b>	<b>10,000</b>

Note : There are no changes in accounting policy or prior period errors which are charged to retained earnings

## (B) Other equity

(Rs in '000)

Particulars	Reserve and Surplus	Total equity
	Retained earnings	
<b>Balance as at April 1, 2021</b>	<b>(16,139)</b>	<b>(16,139)</b>
(Loss) for the year	(919)	(919)
<b>Balance as at March 31, 2022</b>	<b>(17,058)</b>	<b>(17,058)</b>
<b>Balance as at April 1, 2022</b>	<b>(17,058)</b>	<b>(17,058)</b>
(Loss) for the year	(1,158)	(1,158)
<b>Balance as at March 31, 2023</b>	<b>(18,215)</b>	<b>(18,215)</b>

Note : There are no changes in accounting policy or prior period errors which are charged to retained earnings

### Nature and purpose of reserves

(a) **Retained Earnings:** Retained earnings are the profits that the Company has earned till date net of appropriations. It is available for distribution to Shareholders.

The accompanying notes from 1 to 31 form an integral part of the financial statements

As per our report of even date attached.

### FOR MAPSS AND COMPANY

Chartered Accountants

Firm's Registration Number: 012796C

**CA GYAN CHANDRA MISRA**

Partner

Membership Number: 078183

Place : Ghaziabad

Dated: 29.07.2023

UDIN :23078183BGVUVS3517

For and on Behalf of the Board

**SWASTIK BONE AND GELATINES PRIVATE LIMITED**

CIN: U51396UP1988PTC009250

**WAJID AHMAD**

Director

DIN: 01312261

Place : Agra

Dated:

**MOHD. MEHMOOD QURESHI**

Director

DIN: 02839611

Place : Kanpur

Dated:



# Swastik Bone and Gelatines Private Limited

## Notes to the financial statements as at March 31, 2023

### 1 Corporate Information

Swastik Bone And Gelatines Private Limited ("the Company") is domiciled and incorporated in India and it is an unlisted Company. The registered office of the Company is situated at F-15 Sight-2 UPSIDC Industrial Area, Dahi Chauki Unnao Unnao UP 209801 . The Company is engaged in the business of Manufacturing and producing products such as crush bones, bone grist, bone meal, bone sinews, horn & hoof meal, fluf meal, industrial glue and gelatine gum tape etc. The financial statements of the company for the year ended March 31, 2023 were approved and authorized for issue by board of directors in their meeting held on May 22, 2023.

### Significant accounting policies

#### 2 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments). The financial statements are presented in Indian Rupees "INR Thousands (Rs '000)" which is also the Company's functional currency.

#### 2.01 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes its purchase price including non-refundable taxes and duties, directly attributable costs of bringing the asset to its present location and condition.

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 or loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted in the line with revisions to accounting estimates.

#### Depreciation

Depreciation on property, plant and equipment is provided on straight line method, which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013.

Depreciation commences when the assets are ready for their intended use.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount. These are included in the statement of profit and loss.

The estimated useful lives are as follows :

Assets	Useful life (years)
Office equipment	10
Plant and Machinery	15
Land and Building	30

#### 2.02 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

# Swastik Bone and Gelatines Private Limited

## Notes to the financial statements as at March 31, 2023

### 2.03 Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

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

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

For financial assets and liabilities maturing within one year from the balance sheet date and which are not carried at fair value, the carrying amount approximates fair value to due to short term maturity of these instruments.

The Company recognises the transfer between the levels of fair value hierarchy at the end of the reporting period during which the changes has occurred. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summaries accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- ▶ Quantitative disclosures of fair value measurement hierarchy
- ▶ Financial instruments (including those carried at amortised cost)

### 2.04 Revenue from contract with customers

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring services to a customer. The Company identifies the performance obligations in its contracts with customers and recognises revenue as and when the performance obligations are satisfied.

Revenue from inter-company arrangement is recognised based on transaction price which is at arm's length based on transfer pricing arrangement.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

### Sale of products

Revenue from sale of products is recognised when the control and ownership of the goods have been passed to the buyer, on delivery of the goods to the ultimate consumer.

### 2.05 Taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

### Deferred Tax

Deferred tax is recognised using balance sheet approach at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in a year when asset is realised or the liability is expected to be settled based on the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax where the deferred tax assets and deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

### 2.06 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on first in, first out basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

# Swastik Bone and Gelatines Private Limited

## Notes to the financial statements as at March 31, 2023

### 2.07 Provisions and Contingent Liabilities

#### Provisions:

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

#### Contingent Liabilities:

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. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

### 2.08 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.

#### Financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are attributable to the acquisition of financial asset. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.4 for Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement

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

- ▶ Financial assets at amortised cost
- ▶ Financial assets at fair value through profit or loss
- ▶ Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses
- ▶ Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition

A 'financial asset' is measured at amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes loans and other financial assets.

A 'financial asset' is measured at FVOCI if both the following conditions are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. 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.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes investments in mutual funds. Dividends on such investments are recognised in the statement of profit and loss when the right of payment has been established.

##### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from a Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

##### Impairment of financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired, if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

# Swastik Bone and Gelatines Private Limited

## Notes to the financial statements as at March 31, 2023

### Financial liabilities

#### Initial recognition and measurement

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

#### Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 2.09 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise of cash balances at banks, on hand cash balances and demand deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

In the cash flow statement, cash and cash equivalents includes cash in hand, cash at bank, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

### 2.10 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit 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 for the year after deducting any attributable tax thereto for the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

### 2.11 Segment Reporting

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices. Unallowable items includes general corporate income and expense items which are not allocated to any business segment.

#### Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

### 2.12 Significant accounting estimates, judgements and assumptions

The preparation of the Company's Standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances existing when the Standalone financial statements were prepared. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the year in which the estimates are revised and in any future year affected.

In the process of applying the Company's accounting policies, management has made the following judgements which have significant effect on the amounts Recognized in the Standalone financial statements:

- Useful lives of property, plant and equipment and Intangible assets:** Determination of the estimated useful life of tangible assets and intangible assets and the assessment as to which components of the cost may be Capitalized. Useful life of tangible assets is based on the life specified in Schedule II of the Companies Act, 2013 and also as per management estimate for certain category of assets. Assumption also need to be made, when company assesses, whether as asset may be Capitalized and which components of the cost of the assets may be capitalized.
- Contingencies:** Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/ claim/ litigation against company as it is not possible to predict the outcome of pending matters with accuracy.

# Swastik Bone and Gelatines Private Limited

## Notes to the financial statements as at March 31, 2023

### 2.13 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

**Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

**Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

**Swastik Bone and Gelatines Private Limited**  
**Notes to the financial statements as at March 31, 2023**

**3 (a) Property, plant and equipment**

(Rs in '000)

Particulars	Land and Building	Plant & Machinery	Office Equipment's	Total
Gross Carrying Value as on April 01, 2022	6,646	6,103	87	12,836
Addition	-	-	-	-
Deletions	-	-	-	-
<b>Gross Carrying Value as on March 31, 2023</b>	<b>6,646</b>	<b>6,103</b>	<b>87</b>	<b>12,836</b>
Accumulated Depreciation as on April 01, 2022	2,123	6,103	72	8,298
Depreciation for the period	-	-	-	-
Deductions/Adjustments	-	-	-	-
<b>Accumulated Depreciation as on March 31, 2023</b>	<b>2,123</b>	<b>6,103</b>	<b>72</b>	<b>8,298</b>
<b>Net Carrying Value as on March 31, 2023</b>	<b>4,523</b>	<b>-</b>	<b>15</b>	<b>4,538</b>
Gross Carrying Value as on April 01, 2021	6,646	6,103	87	12,836
Addition	-	-	-	-
Deletions	-	-	-	-
<b>Gross Carrying Value as on March 31, 2022</b>	<b>6,646</b>	<b>6,103</b>	<b>87</b>	<b>12,836</b>
Accumulated Depreciation as on April 01, 2021	1,477	6,103	58	7,638
Depreciation for the period	646	-	14	660
<b>Accumulated Depreciation as on March 31, 2022</b>	<b>2,123</b>	<b>6,103</b>	<b>72</b>	<b>8,298</b>
<b>Net Carrying Value as on March 31, 2022</b>	<b>4,523</b>	<b>-</b>	<b>15</b>	<b>4,538</b>

*Title deeds of Immovable Properties held in name of the Company.*

Capital work in progress	March 31, 2023	March 31, 2022
Opening	-	-
Incurred during the year*	6,983	-
Capitalised	-	-
<b>Closing balance</b>	<b>6,983</b>	<b>-</b>

\*Amount included under CWIP are primarily related to Plant and Machinery for which is under construction.

(Rs in '000)

	Amount in CWIP for a period of March 31, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,983	-	-	-	6,983
<b>Total</b>	<b>6,983</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,983</b>

*Note : There is no overrun of cost or delay in projects in process as per the Company's plan.*

**Swastik Bone and Gelatines Private Limited**  
Notes to the financial statements as at March 31, 2023

(Rs in '000)

Particulars	As at					
	March 31, 2023	March 31, 2022				
<b>4 Trade Receivables</b>						
Unsecured, considered good						
- Related Party (Refer note 18)	810	-				
<b>Total</b>	<b>810</b>	<b>-</b>				
<b>Ageing of Trade receivables</b>						
<b>March 31, 2023</b>						
Particulars	Outstanding for following periods from due date of payment					Total
	Current but not due	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed Trade receivables - considered good	-	810	-	-	-	810
(ii) Undisputed Trade Receivables - which have significant increase in credit risk:						
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	-	<b>810</b>	-	-	-	<b>810</b>
<b>5 Cash and cash equivalents</b>						
Cash in hand					101	51
<b>Balance with banks</b>						
In current accounts					2,659	46
<b>Total</b>					<b>2,760</b>	<b>98</b>
<b>6 Other financial assets</b>						
Non-current (Unsecured, considered good unless otherwise stated)						
Security deposit					253	253
Fixed deposit					10	-
<b>Total</b>					<b>263</b>	<b>253</b>
<b>7 Other assets</b>						
Current (Unsecured, considered good unless otherwise stated)						
Advance against goods, services & others					3,158	-
Balance with Government/statutory authorities					1,305	34
Others					553	-
<b>Total</b>					<b>5,016</b>	<b>34</b>
<b>8 Equity share capital</b>						
<i>Authorised</i>						
March 31, 2023 - 1,00,000 (March 31,2022 - 1,00,000) Equity shares of Rs 100/- each					10,000	10,000
<i>Issued, subscribed and fully paid-up</i>						
March 31, 2023 - 1,00,000 (March 31,2021 - 1,00,000) Equity shares of Rs 100/- each					10,000	10,000
					10,000	10,000

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
<b>Equity shares</b>				
At the commencement of the year	1,00,000	10,000	1,00,000	10,000
Issued during the year	-	-	-	-
<b>At the end of the year</b>	<b>1,00,000</b>	<b>10,000</b>	<b>1,00,000</b>	<b>10,000</b>

(b) Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	% of total shares in the class	Number of shares	% of total shares in the class	Number of shares
Equity shares of Rs. 100 each fully paid-up held by				
HMA Agro Industries Limited*	100.00%	1,00,000	100.00%	1,00,000

\*Company is the holding Company

(c) Shares held by Promoter of the Company

March 31, 2023					
Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
HMA Agro Industries Limited	1,00,000	-	1,00,000	100%	-
<b>Total</b>	<b>1,00,000</b>	<b>-</b>	<b>1,00,000</b>	<b>100%</b>	<b>-</b>
March 31, 2022					
Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
HMA Agro Industries Limited	1,00,000	-	1,00,000	100%	-
<b>Total</b>	<b>1,00,000</b>	<b>-</b>	<b>1,00,000</b>	<b>100%</b>	<b>-</b>

## Swastik Bone and Gelatines Private Limited

### Notes to the financial statements as at March 31, 2023

(d) **Rights, preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs 100 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) There were no shares allotted pursuant to contract without payment being received in cash or as fully paid up by way of bonus shares or any shares bought back.

(f) No dividend is declared by the Company during the period ended March 31, 2023 and year ended March 31, 2022.

Particulars	(Rs in '000)	
	As at March 31, 2023	As at March 31, 2022
<b>9 Other Equity</b>		
Retained earnings	(18,215)	(17,058)
<b>Total</b>	<b>(18,215)</b>	<b>(17,058)</b>
<b>10 Borrowings</b>		
<b>Current</b>		
Loans from related parties (Refer note 18)	950	-
Loans from others	860	-
<b>Total</b>	<b>1,810</b>	<b>-</b>
<b>11 Trade Payables</b>		
<b>Current trade payables</b>		
- Total outstanding dues of micro enterprise and small enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises		
Others	1,909	118
Related Parties (Refer note 18)	460	-
<b>Total</b>	<b>2,369</b>	<b>118</b>

The Company has the process of identification of 'suppliers' registered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, by obtaining confirmations from all suppliers. The Company has not received intimation from any of the 'suppliers' regarding their status under MSMED Act, 2006 and hence disclosures if any, relating to amounts unpaid as at the year end together with interest paid/payable as required have not been furnished.

**Ageing of trade payable  
As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	2,309	60	-	-	2,369
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	-	<b>2,309</b>	<b>60</b>	-	-	<b>2,369</b>

**As at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	118	-	-	-	118
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	-	<b>118</b>	-	-	-	<b>118</b>

**12 Other liabilities**

<b>Current</b>		
Advance from Customers	1,302	-
Advances from related parties (Refer note 18)	23,102	11,809
Statutory Dues Payable*	2	53
<b>Total</b>	<b>24,406</b>	<b>11,863</b>

\*Includes Goods and Service Tax.



# Swastik Bone and Gelatines Private Limited

Notes to the financial statements as at March 31, 2023

(Rs in '000)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>13 Revenue from operations</b>		
Sale of Products	-	339
<b>Total</b>	<b>-</b>	<b>339</b>
<b>14 Other Income</b>		
Miscellaneous Income	750	-
<b>Total</b>	<b>750</b>	<b>-</b>
<b>15 Cost of Raw Material Consumed</b>		
Inventory at the beginning of the year	-	-
Add : Purchases during the year	-	28
Less : Inventory at the end of the year	-	-
<b>Total</b>	<b>-</b>	<b>28</b>
<b>16 Depreciation and Amortisation Expenses</b>		
Depreciation of property, plant and equipment (Refer note 3)	-	660
<b>Total</b>	<b>-</b>	<b>660</b>
<b>17 Other Expenses</b>		
Power and fuel	1,611	77
Freight charges	125	4
Rates and taxes	73	111
Repairs and maintenance plant and machinery	48	344
Auditors remuneration (Refer note 17a)	25	25
Sundry balances W/off	7	-
Bank Charges	4	7
Legal and professional charges	2	1
Miscellaneous expenses	13	2
<b>Grand Total</b>	<b>1,908</b>	<b>570</b>
<b>17a Auditors Remuneration</b>		
For statutory audit	25	25
<b>Total</b>	<b>25</b>	<b>25</b>

# Swastik Bone and Gelatines Private Limited

Notes to the financial statements as at March 31, 2023

18	Related party transactions	Nature of relationship
	<b>Related parties</b>	
1	HMA Agro Industries Limited	Parent Company
2	HMA Food Export Private Limited	Fellow Subsidiary
3	United Farm Product Private Limited	Fellow Subsidiary
4	HMA Leather Export	Company where director is interested
5	Black Gold Tanners	Company where director has substantial interest
	<b>Key managerial personnel</b>	
1	Wajid Ahmed	Director
2	Mohammad Mehmood Qureshi	Director
3	Gulzar Ahmed (w.e.f. May 06, 2022)	Director

Details of transactions with related parties		(Rs in '000)	
A	Transactions	Year ended March 31, 2023	Year Ended March 31,2022
1	<b>Purchases of plant, machinery and equipments</b>		
	HMA Agro Industries Limited	150	-
	Laal Agro Food Private Limited	210	-
2	<b>Advances taken</b>		
	HMA Agro Industries Limited	11,297	5,000
	HMA Leather Export	48	85
3	<b>Facility utilisation service</b>		
	Black Gold Tanners	750	-
4	<b>Reimbursement of expenses incurred on behalf of</b>		
	United Farm Product Private Limited	80	-
5	<b>Advances repaid back</b>		
	HMA Agro Industries Limited	-	1,231
	HMA Food Export Private Limited	-	2,341
	HMA Leather Export	52	-
6	<b>Loan taken</b>		
	Wajid Ahmed	950	-
7	<b>Loan repaid</b>		
	Wajid Ahmed	-	5,000
<b>A</b>	<b>Balances</b>	<b>Year ended March 31, 2023</b>	<b>As at March 31, 2022</b>
1	<b>Loans from related parties</b>		
	Wajid Ahmed	950	-
2	<b>Advance from related parties</b>		
	HMA Agro Industries Limited	23,021	11,724
	HMA Leather Export	81	85
3	<b>Trade Receivable</b>		
	Black Gold Tanners	810	-
4	<b>Trade Payable</b>		
	United Farm Product Private Limited	94	-
	Laal Agro Food Private Limited	248	-
	HMA Food Export Private Limited	118	-

# Swastik Bone and Gelatines Private Limited

## Notes to the financial statements as at March 31, 2023

### 19 Fair value measurement

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value those includes cash and cash equivalents, Loan from related parties and trade payables.

#### (a) Financial instruments by category

March 31, 2023		(Rs in '000)	
Particular	Carrying amount		Level
	Fair value through profit or loss	Amortised cost	
<b>Financial assets</b>			
<b>Non Current</b>			
Other Financial Assets	-	-	-
<b>Current</b>			
Trade receivables	-	810	-
Cash and cash equivalents	-	2,760	-
Other Financial Assets	-	263	-
<b>Total financial assets</b>	<b>-</b>	<b>3,833</b>	
<b>Financial liabilities</b>			
<b>Current</b>			
Trade payables	-	2,369	-
Borrowings	-	1,810	-
<b>Total financial liabilities</b>	<b>-</b>	<b>2,369</b>	

March 31, 2022		(Rs in '000)	
Particular	Carrying amount		Level
	Fair value through profit or loss	Amortised cost	
<b>Financial assets</b>			
<b>Non Current</b>			
Other Financial Assets	-	-	-
<b>Current</b>			
Cash and cash equivalents	-	98	-
<b>Total financial assets</b>	<b>-</b>	<b>98</b>	
<b>Financial liabilities</b>			
<b>Current</b>			
Trade payables	-	118	-
<b>Total financial liabilities</b>	<b>-</b>	<b>118</b>	

Note: Carrying amounts of Cash and Cash equivalents, Trade receivable, Trade payables and borrowings as at half year ended March 31, 2023 and March 31, 2022 approximate the fair value. Difference between carrying amounts and fair values of bank deposits, financial assets and financial liabilities subsequently measured at amortised cost is not significant in each of the periods presented.

# Swastik Bone and Gelatines Private Limited

## Notes to the financial statements as at March 31, 2023

### 20 Financial risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies. The Board holds regular meetings on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

#### a). Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

#### Cash and cash equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invest in deposits with banks with high credit ratings assigned by external credit rating agencies, accordingly the Company considers that the related credit risk is low.

#### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which Company operates and other macro-economic factors.

Credit quality of a customer is assessed based on its credit worthiness and historical dealings with the Company, market intelligence and goodwill. Outstanding customer receivables are regularly monitored.

The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and other receivables.

#### b). Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

#### Maturities of financial liabilities

The below table analyses the Company's financial liabilities into relevant maturity based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows.

(Rs in '000)

Particulars	Carrying amount	
	<12months	>12months
<b>March 31, 2023</b>		
<b>Non Derivative financial instruments</b>		
Borrowings	1,810	-
Trade payables	2,369	-
<b>March 31, 2022</b>		
<b>Non Derivative financial instruments</b>		
Borrowings	-	-
Trade payables	118	-

#### (c). Market risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – that will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

#### (I). Currency risk

The Company does not transact in any currency other than functional currency, hence the Company is not exposed to currency risk.

#### (II). Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

The Company's borrowings are interest free loans and are carried at amortized 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 because of a change in market interest rates.

The Company has assessed no exposure to fluctuating change of market interest rates.

## Swastik Bone and Gelatines Private Limited

Notes to the financial statements as at March 31, 2023

### 21 Ratio Analysis and its elements

(a)	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance
	Current ratio	Current Assets	Current Liabilities	0.31	0.03	864.33%	Increase due to increase in current assets
	Return on Equity ratio*	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.15	0.14	8.81%	
	Net Capital Turnover Ratio*	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.00	-0.06	-100.00%	Decrease due to decrease in sale
	Net Profit ratio	Net Profit	Net sales = Total sales - sales return	#DIV/0!	-2.71	#DIV/0!	
	Return on Capital Employed*	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.18	0.26	-30.62%	Decrease due to decrease in profit

**Swastik Bone and Gelatines Private Limited**  
Notes to the financial statements as at March 31, 2023

**22 Earnings per share**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Loss attributable to the equity holders of the Company (Rs in '000)	(1,158)	(919)
Weighted average number of equity shares	10,000	1,00,000
- Earnings per share (basic)	(116)	(9)
- Earnings per share (diluted)	(116)	(9)
Face value per equity share (Rs.)	100	100

**23 Income tax expense**

**(a) Current tax expense**

The Company has not recognized any Income tax during the current year.

**(b) Deferred tax expense/(credit)**

The Company has not recognised deferred tax asset as at March 31, 2023 based on the assessment that there will be no sufficient profits available in near future against which the company can utilize the benefits therefrom.

**(c) Reconciliation of tax expense and the accounting profit computed by applying income tax rate:**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Profit before tax	(1,158)	(919)
Tax rate	31.20%	31.20%
Tax expense	(361)	(287)
Adjustment for :		
Deferred tax asset not recognised on losses	361	287
<b>Computed tax expenses</b>	-	-

The Company has not recognised deferred tax asset in respect of carried forward losses. The aforesaid tax losses will lapse in subsequent years as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Within 0 - 5 years	-	-
From 5 - 8 years	10,712	9,554
Unabsorbed depreciation	10,501	10,501

**24 Capital management**

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through available cash and cash equivalents and borrowings from the related party.

**25 Segment reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker for assessing the Company's performance and allocating the resources based on an analysis of various performance indicators by business segments and geographical segments.

The Company is engaged into business of Manufacturing and producing products such as crush bones, bone grist, bone meal, bone sinews, horn & hoof meal, full meal, industrial glue and gelatine gum tapa etc.. Hence the Company's financial statements reflect the position for a reportable segment and no separate disclosure is required. The company operates in India and no reportable geographical segment.

**26 Commitments and contingent liabilities**

There are no commitments as of March 31, 2023 and March 31, 2022.

A search was carried out on November 5, 2022 by the Income-tax authorities at various locations of the Company under Section 132 of the Income-tax Act, 1961. Panchama's in respect of the above searches were prepared recording the search proceedings conducted by the various Income-tax officers at these locations of the Company. Thereafter, proceedings have been initiated by the Revenue authorities under various provisions of Income Tax Act, 1961 and no demand has been raised till the date of approval of these financial statements against the Company. The Company is not able to estimate the liabilities under this search and hence no amount is provided for in the books on account as of year ended March 31, 2023. Also, the Company has not accounted for any undisclosed income in its financial statement for the year ended March 31, 2023.

**27 Going concern**

The management has taken initiatives directed towards improving the profitability through operational efficiencies. The Group expects that these initiatives would result in sustainable cash flows. The Company, based on the support given by the parent company, is confident of meeting its operating and capital funding requirements. Accordingly, these financial statements have been prepared on going concern basis.

**28 The financial statements were authorised for issue by the Company's Board of directors on May 22, 2023.**

**29 Other Statutory Information**

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

**30 Events after the reporting period**

No adjusting or significant non-adjusting events have occurred between May 22, 2023 and the date of authorisation of these financial statements.

**31 The Company has evaluated subsequent events from the balance sheet date to May 22, 2023, the date at which the financial statements were available to be issued and determined that there are no other material items to disclose.**

FOR MAPSS AND COMPANY  
Chartered Accountants  
Firm's Registration Number: 012796C

CRGYAN BONDING PRIVATE LIMITED  
Place: Ghaziabad  
Membership Number: 078193  
Dated: 29.07.2023

For and on Behalf of the Board  
SWASTIK BONE AND GELATINES PRIVATE LIMITED

CIN: U51396UP1988PTC009250

WAJID AHMAD  
Director  
DIN: 01312261  
Place: Agra  
Dated:

MOHD. MEHMOOD QURESHI  
Director  
DIN NO: 02839611  
Place: Kanpur  
Dated: