P G BHAGWAT LLP
Chartered Accountants
LLPIN: AAT-9949

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INDEPENDENT AUDITOR'S REPORT

To the Members of OPTIQUA PIPES AND ELECTRICALS PRIVATE LIMITED

Report on the Audit of the Standalone Indian Accounting Standards (Ind AS) Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of OPTIQUA PIPES AND ELECTRICALS PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2021, the statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the standalone state of affairs of the Company as at March 31, 2021, and its standalone loss (including Other Comprehensive Income), standalone changes in equity and its standalone cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS Financial Statement.

Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the standalone financial position, standalone financial performance, standalone changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. 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 standalone Ind AS 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 Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statement 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A; a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

   e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, and to the best of our information and according to the explanations given to us, the company has not paid/ provided any remuneration to its directors during the year.

   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, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company does not have any pending litigations as at March 31, 2021which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts as at March 31, 2021.

(iii) There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W

Sd/-
Nachiket Deo
Partner
Membership No: 117695
UDIN: 2117695AAAABF9220
Pune
Date: April 08, 2021

Annexure A to Independent Auditors' Report (CARO)

Referred to in paragraph 1 of our "Report on Other Legal and Regulatory Requirements" on even date

(i)	There are no property, plant and equipment with the company during the period covered under audit. Therefore, the provisions of Clause 3(i)(a), (i)(b) and (i)(c) of the said Order are not applicable to the Company.
(ii)	The Company does not hold any inventories during the period under audit. Therefore, the provisions of Clause 3(ii)(a), (ii)(b) and (ii)(c) of the said Order are not applicable to the Company.
(iii)	The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
(iv)	The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
(v)	In our opinion and according to information and explanation given to us, the Company has not accepted public deposits, hence the directive issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under, are not applicable to it. According to information and explanation given to us, no order has been passed against the company by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
(vi)	The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

(vii)	(a)	According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of statutory dues were in arrears as at 31st March, 2021, for a period more than six months from the date they became payable
	(b)	According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or Goods and Service Tax, which have not been deposited on account of any dispute.
(viii)	As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.	
(ix)	The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.	
(x)	During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.	
(xi)	The Company has not paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.	

(xii)	As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
(xiii)	The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.
(xiv)	According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company
(xv)	According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
(xvi)	According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Nachiket Deo
Partner
Membership No: 117695
UDIN:- 21117695AAAABF9220
Pune
Date: April 08, 2021

Annexure B to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Optiqua Pipes and Electrical Private Limited.

Report on the Internal Financial Controls with reference to Standalone Ind AS Financial 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 Ind AS Financial Statements of **Optiqua Pipes and Electrical Private Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('The Act').

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone Ind AS 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") 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 Ind AS financial statements, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone Ind AS financial statements were 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 internal financial controls with reference to standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 internal financial controls with reference to standalone Ind AS financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to standalone Ind AS financial statements

A company's internal financial control over financial reporting with reference to standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over financial reporting with reference to standalone Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to standalone Ind AS financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to standalone Ind AS financial Statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to standalone Ind AS 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, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls were operating effectively as at March 31, 2021, 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.

For **P G BHAGWAT LLP**
Chartered Accountants
Firm Registration Number: 101118W/W100682

Sd/-
Nachiket Deo
Partner
Membership Number: 117695
UDIN: 21117695AAAABF9220
Pune
Date: April 08, 2021

Optiqua Pipes And Electricals Private Limited
Statement of profit and loss for the period from 19 February 2021 to 31 March 2021

₹ in Lakhs

Particulars	Note No.	From 19 February 2021 to 31 March 2021
Income		
Revenue from operations		-
Other income		-
Total Income		-
Expenses		
Cost of raw materials and components consumed		-
Purchase of traded goods		-
Changes in inventories of finished goods, work-in-progress and traded goods		-
Employee benefits expense		-
Finance costs		-
Depreciation and amortisation expense		-
Other Expenses	8	1.01
Total Expenses		**1.01**
Profit before exceptional items and tax		**(1.01)**
Exceptional Items [Income/(Expense)]		-
Profit before tax		**(1.01)**
Tax expense		**(0.05)**
Current tax	9	-
(Excess)/short provision related to earlier years		-
Deferred tax	9	(0.05)
Profit for the year		**(0.96)**
Other comprehensive income		
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		-
Re-measurement gains / (losses) on defined benefit plans		-
Income tax effect on above		-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (A)		-
Total other comprehensive income for the year, net of tax [A]		-
Total comprehensive income for the year		**(0.96)**
Earnings per equity share [nominal value per share ₹ 10/-		
Basic		(7.90)
Diluted		(7.90)
Significant accounting policies	10	

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

As per our attached report of even date

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/ W100682

NACHIKET DEO
Partner
Membership Number : 117695
Pune : 08 April, 2021

P. G. BHAGWAT LLP * PUNE * CHARTERED ACCOUNTANTS

For and on behalf of the board of directors

SANJEEV NIMKAR
Director
DIN: 07869394

PAWAN KUMAR AGARWAL
Director
DIN: 02723352
Pune : 08 April, 2021

Optiqua Pipes And Electricals Private Limited
Balance Sheet as at 31 March 2021

₹ in Lakhs

Particulars	Note No.	As at 31 March 2021
ASSETS		
I. Non-current assets		**0.05**
(a) Property, plant and equipment		-
(b) Capital work-in-progress		-
(c) Other Intangible assets		-
(d) Deferred tax assets (net)	1	0.05
(e) Other non-current assets		-
II.Current assets		**8.06**
(a) Inventories		-
(b) Financial assets		
(i) Trade receivables		-
(ii) Cash and cash equivalents	2	5.00
(c) Current tax assets (net)		-
(d) Other current assets	3	3.06
Total Assets		**8.11**
EQUITY AND LIABILITIES		
Equity		**4.04**
(a) Equity share capital	4	5.00
(b) Other equity		
Retained earnings	5	-0.96
Liabilities		
I. Non-current liabilities		-
(a) Financial liabilities		-
(b) Provisions		-
(c) Other non-current liabilities		-
II.Current liabilities		**4.07**
(a) Financial liabilities		
(i) Trade and other payables	6	
a) total outstanding dues of micro enterprises and small enterprises		-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		4.02
(b) Other current liabilities	7	0.05
(c) Provisions		-
Total Equity and Liabilities		**8.11**
Significant accounting policies	10	

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

As per our attached report of even date

For and on behalf of the board of directors

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/ W100682

NACHIKET DEO
Partner
Membership Number : 117695
Pune : 08 April, 2021

P.G. BHAGWAT LLP * PUNE * CHARTERED ACCOUNTANTS

SANJEEV NIMKAR
Director
DIN: 07869394

PAWAN KUMAR AGARWAL
Director
DIN: 02723352
Pune : 08 April, 2021

Optiqua Pipes And Electricals Private Limited
Statement of changes in Equity for the period from 19 February 2021 to 31 March 2021

A. Equity Share Capital (Note 4)

₹ in Lakhs

Equity Shares of Rs 10 each issued, subscribed and fully paid	No. of Shares	Amount
At 19 February 2021	-	-
Issue/Reduction, if any during the year	50,000	5.00
At 31 March 2021	**50,000**	**5.00**

B. Other Equity (Note 5)

₹ in Lakhs

Particulars	Reserves and Surplus			Total
	Capital Redemption Reserve	General Reserve	Retained Earnings	
As at 19 February 2021	-	-	-	-
Profit for the year	-	-	(0.96)	(0.96)
Other comprehensive income for the year	-	-	-	-
Total Comprehensive income for the year	-	-	**(0.96)**	**(0.96)**
As at 31 March 2021	-	-	**(0.96)**	**(0.96)**

Significant accounting policies 10

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

As per our attached report of even date

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/ W100682

NACHIKET DEO
Partner
Membership Number : 117695
Pune : 08 April, 2021

P.G. BHAGWAT LLP * PUNE * CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

SANJEEV NIMKAR
Director
DIN: 07869394

PAWAN KUMAR AGARWAL
Director
DIN: 02723352
Pune : 08 April, 2021

Optiqua Pipes And Electricals Private Limited
Statement of Cash Flow the the period from 19 February 2021 to 31 March 2021

₹ in Lakhs

Particulars	From 19 February 2021 to 31 March 2021
CASH FLOW FROM OPERATING ACTIVITIES	
Profit before Tax	(1.01)
Adjustments to reconcile profit before tax to net cash flows:	
Add:	
Depreciation and Amortisation	-
Loss on disposal of assets & Others	-
Inventories written down	-
Bad debts and irrecoverable balances written off	-
Finance cost	-
	-
Less :	
Interest received (Finance income)	-
Provisions no longer required written back	-
	-
Operating Profit before working capital changes	**(1.01)**
Working Capital Adjustments	
(Increase) / Decrease in Trade and Other Receivables	(3.06)
(Increase) / Decrease in Inventories	-
Increase / (Decrease) in Trade and other Payables	4.07
Increase / (Decrease) in Provisions	-
	1.01
Net Cash generated from operations	-
Direct taxes paid	-
NET CASH FLOW FROM OPERATING ACTIVITIES	-
CASH FLOW FROM INVESTING ACTIVITIES	
Add :	
Proceeds from Sale of Property, Plant and Equipment	-
Proceeds from Sale of investments (Net)	-
Interest received (Finance income)	-
Income from investment property	-
Dividend received	-
	-
Less :	
Payments for Purchase of Property, Plant and Equipment	-
	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	-
CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from issue of Equity Shares	5.00
Interest paid (finance cost)	-
Repayment of borrowing	-
NET CASH USED IN FINANCING ACTIVITY	**5.00**

P.G. BHAGWAT LLP * PUNE * CHARTERED ACCOUNTANTS

Optiqua Pipes And Electricals Private Limited
Statement of Cash Flow the the period from 19 February 2021 to 31 March 2021

₹ in Lakhs

Particulars	From 19 February 2021 to 31 March 2021
Net increase / (decrease) in cash and cash equivalents	**5.00**
Opening Cash and Cash equivalents	-
Closing Cash and Cash equivalents (Refer Note 2)	**5.00**

As per our attached report of even date.

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/ W100682

NACHIKET DEO
Partner
Membership Number : 117695
Pune : 08 April, 2021

P.G. BHAGWAT LLP * PUNE * CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors.

SANJEEV NIMKAR
Director
DIN: 07869394

PAWAN KUMAR AGARWAL
Director
DIN: 02723352
Pune : 08 April, 2021

Optiqua Pipes And Electricals Private Limited

Notes to the Financial Statements

Note 1 : Deferred tax Asset (net)

₹ in Lakhs

Particulars	As at 31 March 2021
Deferred Tax Asset	**0.05**
Depreciation	-
Preliminary Expenses (Sec. 35D of Income Tax Act, 1961)	0.05
Less : Deferred Tax Assets	-
Others	-
Total	**0.05**

1. Reconciliation of deferred tax assets / (liabilities), net ₹ in Lakhs

Particulars	As at 31 March 2021
Opening balance as of 19 February 2021	-
Tax income/(expense) during the year recognised in profit or loss	0.05
Tax income/(expense) during the year recognised in OCI	-
Closing balance as at 31 March	**0.05**

2. Tax Losses ₹ in Lakhs

Particulars	As at 31 March 2021
Unused tax losses for which no Deferred Tax Assets have been recognised	-
Potential Tax benefit	-

3. The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

4. Deferred tax is measured on temporary differences at the rate of 25.168% (substantively enacted rate).

P.G. BHAGWAT LLP * CHARTERED ACCOUNTANTS * PUNE

Optiqua Pipes And Electricals Private Limited
Notes to the Financial Statements

Note 2 : Cash and cash equivalents

	₹ in Lakhs
Particulars	**As at 31 March 2021**
Balance with Bank	
Current accounts and debit balance in cash credit accounts	5.00
Cash on hand	-
Total	**5.00**

1. Refer Note 10.4.5 for further details

P.G. BHAGWAT LLP * CHARTERED ACCOUNTANTS * PUNE

Optiqua Pipes And Electricals Private Limited
Notes to the Financial Statements

Note 3 : Other current assets

₹ in Lakhs

Particulars	**As at 31 March 2021**
Advance to suppliers	-
Prepaid expenses	3.06
Total	**3.06**

P.G. BHAGWAT LLP
PUNE
CHARTERED ACCOUNTANTS

Optiqua Pipes And Electricals Private Limited
Notes to the Financial Statements

Note 4 : Share capital

Authorised share capital
Equity shares of ₹ 10 each

Particulars	No. of shares	₹ in Lakhs
At 19 February 2021	-	-
Increase/(decrease) during the year	50,000	5.00
At 31 March 2021	**50,000**	**5.00**

Issued and subscribed share capital
Equity shares of ₹ 10 each

Particulars	No. of shares	₹ in Lakhs
As at 19 February 2021	-	-
Changes during the year	**50,000**	**5.00**
At 31 March 2021	**50,000**	**5.00**

Subscribed and fully paid up
Equity shares of ₹ 10 each

Particulars	No. of shares	₹ in Lakhs
As at 19 February 2021	-	-
Changes during the year	**50,000**	**5.00**
At 31 March 2021	**50,000**	**5.00**

Terms/Rights attached to the equity shares
1. The Company has only one class of equity shares having a par value of Rs 10/- each. Each equity shareholder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders.

2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3. Shares held by holding company

Particulars	As at 31 March 20
La-Gajjar Machineries Private Limited	
No. of Equity shares of ₹ 10 each	49,999
Face value of Equity share holding (₹ in Lakhs)	5.00
Equity share holding (%)	99.998%

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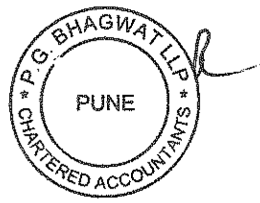
Optiqua Pipes And Electricals Private Limited

Notes to the Financial Statements

Note 5 : Other Equity

	₹ in Lakhs
Particulars	**As at 31 March 2021**
RETAINED EARNINGS	**(0.96)**
Opening Balance	-
Add : Profit for the year	(0.96)
Add : Other Comprehensive income / (Loss)	-
	(0.96)
Total	**(0.96)**



Optiqua Pipes And Electricals Private Limited

Notes to the Financial Statements

Note 6 : Trade and other payables

Particulars	₹ in Lakhs As at 31 March 2021
Due to micro, small and medium enterprises	-
Due to other than micro, small and medium enterprises	4.02
Total	**4.02**

1. Trade and other payables are measured at amortised cost
2. For terms and conditions with related parties, refer Note 10.5.5

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Optiqua Pipes And Electricals Private Limited
Notes to the Financial Statements

Note 7 : Other Current liabilities (Current)

₹ in Lakhs

Particulars	As at 31 March 2021
Advance from customers	-
Statutory dues	0.05
Total	**0.05**

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Optiqua Pipes And Electricals Private Limited
Notes to the Financial Statements

Note 8 : Other expenses

₹ in Lakhs

Particulars	From 19 February 2021 to 31 March 2021
Administration expenses	**1.01**
Professional charges	-
Auditor's remuneration (Refer Note 10.5.2)	0.50
Preliminary expenses	0.51
Total	**1.01**

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Optiqua Pipes And Electricals Private Limited
Notes to the Financial Statements

Note 9 : Income tax

₹ in Lakhs

Particulars	From 19 February 2021 to 31 March 2021
Current tax	-
Current income tax	-
Deferred tax	**(0.05)**
Relating to origination and reversal or temporary difference	(0.05)
Income tax expense reported in the statement of profit and loss	**(0.05)**

Other Comprehensive Income (OCI)

₹ in Lakhs

Particulars	From 19 February 2021 to 31 March 2021
Deferred tax related to items recognised in OCI during the year	
Net loss/(gain) on actuarial gains and losses	-
Exchange differences in translating the financial statements of a foreign operation	-
Deferred tax charged to OCI	-

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the years ended 31 March 2019 and 31 March 2018.

Current tax

₹ in Lakhs

Particulars	From 19 February 2021 to 31 March 2021
Accounting profit before income tax expense	(1.01)
Tax @ 25.168%	**-0.25**
Tax effect of adjustments in calculating taxable income:	**0.20**
Disallowance under IT	
Preliminary Expenses U/s 35D of Incometax Act	0.08
Business Loss not allowed for carry forward	0.12
At the effective income tax rate of 4.96%	**(0.05)**

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OPTIQUA PIPES AND ELECTRICALS PRIVATE LIMITED

NOTE 10: NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2021

1. Corporate Information

The company is a Private Limited Company domiciled in India and is incorporated under the provisions of the Companies Act 2013. The registered office of the company is located at Sr. No. 298/P 375/P-1, Panchratna Ind Estate, Tal. Sanand, Changodar, Ahmedabad – 382 213. The equity shares of the company are not listed on any stock exchanges in India.

The company is a subsidiary company of La-Gajjar Machineries Private Limited

The company intends to commence the business of manufacturing and sales of Cables, Pipes, Submersible Pumps, Electric Motors and spares thereof. For this purpose, the company has entered into definitive business transfer Agreement (BTA) with Optiflex Industries on 24th March 2021 subject to fulfillment of certain conditions. The company is expecting to complete conditions, approvals, etc. necessary for business transfer in the FY 2021-22.

The Board of Directors of the Company, in its meeting held on 24th March 2021, approved issue of 85,00,000 equity shares of face value of Rs. 10/- each for cash at Par, on rights basis to the existing equity shareholders of the Company as on 25th March 2021. Accordingly, offer letters were issued to the existing shareholders of the Company on 25th March 2021. Offer period for subscribing to the equity shares was open from 1st April 2021 to 7th April 2021. La-Gajjar Machineries Private Limited subscribed to the whole issue of 85,00,000 equity shares, including portion of 170 shares renounced by Mr. Sanjeev Nimkar (Nominee of La-Gajjar Machineries Private Limited). Accordingly, La-Gajjar Machineries Private Limited, made payment of subscription money to the Company on 7th April 2021. The Company is in process of completing formalities of filing of requisite E-Forms with Ministry of Corporate Affairs duly.

The standalone financial statements were approved by the Board of Directors and authorized for issue on 8th April 2021.

2. Basis of preparation of Financial Statements

The Company's standalone financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by the Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with rule 7 of the companies (Accounts) Rules, 2014. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied.

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The standalone financial statements have been prepared on a historical cost basis, except for,

(i) the investments which have been measured at fair value as they are classified as fair value through profit or loss or fair value through other comprehensive income.

(ii) defined benefit plans - plan assets measured at fair value

3. Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

3.1. Judgements

In the process of applying the company's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

Leases

The company has applied provisions of Ind AS 116 from the date of incorporation. The said standard provides for certain recognition exemptions for short term leases as well as provides for certain criteria when the lease contracts are non-enforceable. The determination of lease term for the purpose of availing such exemptions and evaluation of such criteria for non-enforceability of a contract involves significant judgment.

3.2. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The company bases its assumptions and estimates on information available till the date of approval of these standalone financial statements. The assumptions and estimates, however, may change based on future developments, due to market conditions or due to circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions and estimates when they occur.

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Deferred Tax

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

4. Significant Accounting Policies

4.1. Current Vs Non-Current Classification

The company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is current when it is:

a. Expected to be realised or intended to be sold or consumed in normal operating cycle
b. Held primarily for the purpose of trading
c. Expected to be realised within twelve months after the reporting period, or
d. Cash or cash equivalents 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:

a. Expected to be settled in normal operating cycle
b. Held primarily for the purpose of trading
c. Due to be settled within twelve months after the reporting period, or
d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

4.2. Fair value measurement

The company measures financial instruments such as investments 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:

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- 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 Company measures the fair value of an asset or a liability assuming that market participants would use it when pricing the asset or liability and that market participants act in their best economic 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 assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuation experts are involved for valuation of significant assets and liabilities. Involvement of external valuation experts is decided upon annually by the management.

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4.3. Financial instruments – initial recognition and subsequent measurement

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

a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement of financial assets

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets at fair value through profit or loss (FVTPL)

- Financial assets at amortised cost :

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured by applying the effective interest rate (EIR) to the gross carrying amount of a financial asset if applicable. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

- Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

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- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognised or reclassified, are subsequently measured at fair value with unrealised gains or losses recognised in other comprehensive income except for interest income, impairment gains or losses and foreign exchange gains and losses which are recognised in the statement of profit and loss.

- Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

In addition, the company may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

After initial measurement, such financial assets are subsequently measured at fair value with unrealised gains or losses recognised in the statement of profit and loss.

(iii) Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire, or
- The company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party 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.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither

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transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

(iv) Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for.

Original classification	**Revised classification**	**Accounting treatment**
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in the statement of Profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

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FVOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.

(v) Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost.
- Financial assets that are debt instruments and are measured as at FVOCI
- Lease receivables under Ind AS 116
- Trade receivables under Ind AS 115

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables resulting from transactions within the scope of Ind AS 115, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 that contain a significant financing component, if the company applies practical expedient to ignore separation of time value of money, and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent

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period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the company is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected in a separate line in the P&L as an impairment gain or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not derecognize impairment allowance from the gross carrying amount.
- Loan commitments: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

(ii) Subsequent measurement of financial liabilities

For the purposes of subsequent measurement, financial liabilities are classified and measured as follows:

- Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The company has not designated any financial liability as at fair value through profit and loss.

- Loans and Borrowings at amortised Cost

This is the category most relevant to the company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss.

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(iii) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

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.

4.4. Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

a. Company as a lessee

A lessee is required to recognise assets and liabilities for all leases and to recognise depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss. The Company uses the practical expedient to apply the requirements of this standard to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions. The lease payments associated with those leases are generally recognized as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

Right-of-use Asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term

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or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

Lease Liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Lease Modification

For a lease modification that is not accounted for as a separate lease, the company accounts for the re-measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

b. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of profit and Loss on a straight-line basis over the term of the lease.

4.5. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

4.6. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities; on the basis of the taxable profits computed for the current accounting period in accordance with 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 in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity, respectively, and not in the statement of Profit and Loss. The Management

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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.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax liabilities are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets are recognised for all deductible temporary differences including, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit 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

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extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.7. Provisions and Contingencies

Necessary provisions are made for the present obligations that arise out of past events entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.

However a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

4.8. Earnings Per Share

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

4.9. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferral or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the company are segregated.

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5. Additional Notes to the Financial Statements

5.1. Commitments

(i) Leases

The company adopted Ind AS 116 "Leases" from its date of incorporation.

The company has agreed for binding lease agreements coming into effect from 1 April 2021 for land and building for five years which has lock in period up to 31 March 2025. The undiscounted lease payments during the said periods are as follows :

(₹ in Lakhs)

Period of Balance Term	Annual Lease Payment
From 1st April, 2021 to 31st March, 2022	37.78
From 1st April, 2022 to 31st March, 2023	39.67
From 1st April, 2023 to 31st March, 2024	41.65
From 1st April, 2024 to 31st March, 2025	43.73
From 1st April, 2025 to 31st March, 2026	45.92

5.2. Payment to Auditors (Net of Taxes)

(₹ in Lakhs)

Sr. No.	Particulars	2020-21
A	Statutory Auditors	
	a. As Auditors	**0.50**
	Audit & Assurance Fees	0.50
	TOTAL (A)	**0.50**

5.3. The company has no amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act) as at 31 Mar 2021

The Information has been given in respect of such vendors on the basis of information available with the company.

5.4. Related parties have been identified as defined under paragraph 9 of Indian Accounting Standard (Ind AS) 24, "Related Party Disclosures"

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5.5. (A) Description of Related Parties

i) Name of the related party and nature of relationship where control exists:

Sr. No.	Related Party Category	Company
1	Holding Company	La-Gajjar Machineries Pvt. Ltd.
2	Ultimate Holding Company	Kirloskar Oil Engines Ltd.
3	Entity controlled by Key Managerial Personnel of Holding Company	Snow Leopard Technology Ventures, LLP
		Beluga Whale Capital Management Pte. Ltd.
		Derwent Crystal Private Limited
		La-Gajjar Blowers Private Limited
		Varuna Engineer Private Limited
		Truangle Technologies LLP
4	Entity controlled by close member of Key Managerial Personnel of Holding Company	Gumtree Capital Advisors LLP
		Snow Leopard Infrastructure-1 LLP
		Snow Leopard Global Technology - II – LLP
		Snow Leopard Global Technology - III – LLP
		La-Gajjar Pumps Private Limited
		Lakom Electricals Private Limited
		Sheth & Gajjar Realty LLP
		Truangle Technologies LLP
		Fantasy Games LLP
		Navsai Investments Private Limited
		Kirloskar Energen Private Limited
		Lakeland Universal Limited, BVI
		Kirloskar Solar Technologies Pvt. Ltd.

ii) **Key Management Personnel and their relatives:**

Sr. No.	Name	Name of Relatives	Relationship
a	Sanjeev Nimkar	Ashwini Nimkar	Wife
		Ishita Nimkar	Daughter
		Sakshi Nimkar	Daughter
b	Pawan Kumar Agarwal	Priti Agarwal	Wife
		Varun Agarwal	Son
		Tarun Agarwal	Son
c	Gauri Kirloskar	Christopher Kolenaty	Husband
		Pia Kolenaty	Daughter
		Maya Kolenaty	Daughter
		Atul C. Kirloskar	Father
		Arti A. Kirloskar	Mother
d	Udayan Gajjar (Promoter Director : La-Gajjar Machineries Private Limited)	Varun Gajjar	Son

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(B) Transactions with Related Parties

(₹ in Lakhs)

Sr. No.	Nature of the transaction / relationship / major parties	2020-21	
		Amount	Amount from major parties
1	**Issue of Equity Shares**		
	Holding Company	5.00	
	La-Gajjar Machineries Pvt. Ltd.		5.00
	Total	**5.00**	**5.00**
2	**Reimbursement of Expenses paid to**		
	Holding Company	3.57	
	La-Gajjar Machineries Pvt. Ltd.		3.57
	Total	**3.57**	**3.57**

(₹ in Lakhs)

Sr. No.	Nature of the transaction / relationship / major parties	As at 31 March 2021	
	Outstanding		
1	**Accounts Receivable / (Payable)**		
	Holding Company	-3.57	
	La-Gajjar Machineries Pvt. Ltd.		-3.57
	Total	**-3.57**	**-3.57**

Terms and conditions of transactions with related parties

Transactions entered into with related party are made in ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken during each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The company does not have any unfulfilled commitments with the related parties as on 31 March 2021.

Transactions with key management personnel
The company does not have any transactions with the key management personnel as on 31 March 2021.

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5.6. Earnings Per Share (Basic and Diluted)

Particulars	From 19 February 2021 to 31 March 2021
Profit for the year after tax (₹ in Lakhs)	-0.96
Total number of equity shares at the end of the year (One Equity share of face value of ₹ 10/- each)	50,000
Weighted average number of equity shares for the purpose of computing Earnings Per Share	12,195
Basic and Diluted Earnings Per Share (in ₹)	-7.90

Earnings per share are calculated in accordance with Indian Accounting Standard (Ind AS) 33, "Earnings Per Share".

5.7. Fair value disclosures for financial assets and financial liabilities

The management believes that the fair values of non-current financial assets, current financial assets, non-current financial liabilities and current financial liabilities approximate their carrying amounts.

5.8. Financial instruments risk management objectives and policies

The company's principal financial liabilities comprise Operational Liabilities. The main purpose of these financial liabilities is to finance and support the company's operations. The company's principal financial assets Operational assets. In the course of its business, the Company is exposed primarily to market risk, liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments.

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended 31 March 2021

Particulars	31 March 2021
Cash and cash equivalents	5.00
Current borrowings	0.00
Non-current borrowings	0.00
Net Debt	**5.00**

Particulars	Cash and cash equivalents	Current borrowings	Non-current borrowings	Total
Net debt as on 19 February 2021	**0.00**	**0.00**	**0.00**	**0.00**
Cash flows	5.00	0.00	0.00	**5.00**
Net debt as on 31 March 2021	**5.00**	**0.00**	**0.00**	**5.00**

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5.9. Capital management

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

NOTE 11: Standards issued but not yet effective

Following exposure drafts have been issued by the Institute of Chartered Accountants of India:

1. **Amendment to Ind AS 116, "Leases" - Covid-19-Related Rent Concessions beyond 30 June 2021**
   On 24 July 2020, the MCA issued the Companies (Indian Accounting Standard) Amendment Rules, 2020 which amended Ind AS 116 to provide relief for lessees in accounting for eligible rent concessions upto 31 July 2021 that are a direct consequence of COVID-19. The exposure draft on amendments to Ind AS 116 issued by the Institute of Chartered Accountants of India proposes amendments to extend the relief for lessees in accounting for eligible rent concessions upto 31 July 2022.

2. **Amendment to Ind AS 116, "Leases" - Interest Rate Benchmark Reform: Phase 2**
   The exposure draft on amendments to Ind AS 116 issued by the Institute of Chartered Accountants of India proposes amendments to include a practical expedient in respect of all lease modifications that change the basis for determining future lease payments as a result of interest rate benchmark reform.

3. **Amendments to Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets" – Onerous Contracts**
   The exposure draft on amendments to Ind AS 37 issued by the Institute of Chartered Accountants of India proposes amendments regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

4. **Amendments to Ind AS 16, "Property, Plant and Equipment" – Proceeds before Intended Use**
   The exposure draft on amendments to Ind AS 16 issued by the Institute of Chartered Accountants of India proposes amendments regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

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5. **Amendments to Ind AS 103, "Business Combinations" – Reference to the Conceptual Framework**
The exposure draft on amendments to Ind AS 103 issued by the Institute of Chartered Accountants of India proposes amendments to change out updated reference to "Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards" and update it with reference to "Conceptual Framework for Financial Reporting under Indian Accounting Standards". It also proposes certain consequential amendments.

6. **Amendments to 101, "First-time Adoption of Indian Accounting Standards" – Subsidiary as a First-time Adopter**
The exposure draft on amendments to Ind AS 101 issued by the Institute of Chartered Accountants of India proposes amendments to simplify the application of Ind AS 101 by a subsidiary that becomes a first-time adopter after its parent in relation to the measurement of cumulative translation differences.

7. **Amendments to 41, "Agriculture" – Taxation in Fair Value Measurements**
The exposure draft on amendments to Ind AS 41 issued by the Institute of Chartered Accountants of India proposes amendments to remove a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in Ind AS 41 with those in other Ind AS's.

8. **Amendments to Ind AS 109, "Financial Instruments" and Ind AS 107, "Financial Instruments: Disclosures" - Interest Rate Benchmark Reform: Phase 2**
The exposure draft on amendments to Ind AS 109 and Ind AS 107 issued by the Institute of Chartered Accountants of India proposes amendments to assist entities in providing useful information about the effects of the transition to alternative benchmark rates and support preparers in applying the requirements of Ind AS's when changes are made to contractual cash flows or hedging relationships as a result of the transition to an alternative benchmark interest rate.

9. **New Indian Accounting Standard (Ind AS) 117, Insurance Contracts**
The exposure draft of Ind AS 117 is issued by the Institute of Chartered Accountants of India as replacement for Ind AS 104 Insurance Contracts.

10. **Amendments to Division I, II and III of Schedule III**
On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of schedule III and are applicable from April 1, 2021. The amendments are extensive and the company will evaluate the same to give effect to them as required by law.

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The above exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April, 2021 as at the date of approval of these financial statements. On issue of the amendment by MCA, the Company would evaluate the impact of the change in the standalone financial statements.

NOTE 12: As this is the company's year of incorporation, there are no corresponding figures relate to previous year. The statement of Profit & Loss and notes related thereto have been prepared from the date of incorporation i.e. 19 February 2021 to 31 March 2021, herewith referred to as "Period" in the financial statements.

All amounts disclosed in financial statements and notes are presented in "Rupees Lakhs" and have been rounded off to two decimal places as per the requirement of Division II of Schedule III to the Act, unless otherwise stated.

Signatures to Note 1 to 12, forming part of the Financial Statements.

As per our attached report of even date

FOR P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number: 101118W/ W100682

NACHIKET DEO
Partner
Membership Number: 117695

P.G. BHAGWAT LLP * CHARTERED ACCOUNTANTS * PUNE

Pune : 08 April, 2021

For and on behalf of the Board of Directors

SANJEEV NIMKAR
Director
DIN: 07869394

PAWAN KUMAR AGARWAL
Director
DIN: 02723352

Pune : 08 April, 2021