M/s. Sanjay S. Rathi & Co.
Chartered Accountants
H.O.: Malpani Plaza, Block No. 105, First Floor, Omkarnath Malpani Marg, Sangamner 422 605, Dist. Ahilyanagar
Branch : Flat No. 6, Shri Sadguru Nivas Sanstha, 2nd Floor, F.C.Road, Shivajinagar, Pune - 411016.
Ph.: 02425 - 225041, 227042 Email : caadityasrathi@gmail.com Website : www.ssrca.co.in

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IMAGICAA NEXT PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **IMAGICAA NEXT PRIVATE LIMITED**, which comprise the Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2026, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 financial statements.

Information Other than the Financial Statement and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained 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 in this Other Information; we are required to report that fact. We have nothing to report in this regard.

M/s. Sanjay S. Rathi & Co. FRN: 109182W Chartered Accountants

Management's and Board of Director's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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 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 financial controls 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 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 the 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

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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, 2020 ("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 the paragraph 3 and 4 of the Order, to the extent applicable.
2.

(A) 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, except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account

d. In our opinion, the aforesaid financial statements comply with the AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

e. On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

g. The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(A)(b) above on reporting under Section 143(3) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(B) 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:

a. The Company does not have any pending litigations which would impact its financial position.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d.

i. The Management has represented that ,to the best of its knowledge and belief as disclosed in notes to accounts, no fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person or entities including foreign entities (Intermediaries) with the understandings , whether recorded in writings or otherwise ,that the intermediary shall ,directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiary") or provide any guarantee security or the like to or on behalf of the ultimate beneficiaries.

ii. The management has represented that, to the best of its knowledge and belief, as disclosed in financial statements, no funds have been received by the company from any persons or entities, 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;

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

e. No Dividend Is declared and paid during the year by the company.

M/s. Sanjay S. Rathi & Co.
FRN - 109182W
Chartered Accountants

f. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility at application level. The feature of recording audit trail (edit log) facility was not enabled at database level.

Further, where the audit trail (edit log) facility was enabled, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per statutory requirement for record retention.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

CA Sanjay S Rathi
Partner
M. No – 042436
UDIN: 26042436VYCKPX3451

Place of Signature: Sangamner
Date: 11/05/2026

M/s. Sanjay S. Rathi & Co.
FRN - 109182W
Chartered Accountants

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure Referred to in our Independent auditors' Report paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IMAGICAA NEXT 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:

(i) The company does not have Property, Plant and Equipment and Intangible Assets. Accordingly, the provisions of clause 3(i) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.

(ii)

(a) The Company has not started its operations and hence it does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) During the year, the company has not been sanctioned working capital limits in excess of 5 crore rupees, in aggregate, from any bank or financial institution hence the reporting under Clause No 3 (ii) (b) of the order is not applicable to the company

(iii) The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, Paragraph 3(iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provisions of section 185 and 186 of the Companies Act, 2013 are to be complied with. Therefore Paragraph 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits under the directives of the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)

(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 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, as applicable and as amounts deducted / accrued in the books of account, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

(b) According to the information and explanations given to us, there are no dues in respect of 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 that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanation given to us, company has no transactions, not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 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 except the Intercorporate Deposit received from its Holding company of Rs 1,90,00,000/- excluding Interest payable of Rs. 3,32,082/- which are repayable on the repayment date which is 4 years from the date of deposit. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the relevant financial year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, The Company has not raised any short-term loans and hence, reporting under clause 3(ix)(d) of
the Order is not applicable.

(e) 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. Hence reporting under clause 3(ix) (e) of the Order is not applicable

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act) and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

(xi)

(a) No fraud by the Company and no material 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 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints, received during the year by the company;

(xii) Company is not a Nidhi Company; accordingly, provisions of the Clause 3(xii) of the Order is not applicable to the company:

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

(xiv) In our opinion and based on our examination, the company does not have internal audit and is not required to have an internal audit system as per the provision of the Companies Act 2013.

(xv) In our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.

(xvi)

(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred not incurred any cash losses during the financial year covered by our audit except reported as under:

Particulars	FY 2025-26
Cash Losses	Rs . (7,705)

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable;

(xix) On the basis of the financial ratios, ageing and expected dates of realization 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 indicating that company is incapable 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.

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

(xx) The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

CA Sanjay S Rathi
Partner
M. No – 042436
UDIN: 26042436VYCKPX3451
Place of Signature: Sangamner
Date: 11/05/2026

Annexure B to the Independent Auditor's Report on the standalone financial statements of IMAGICAA NEXT PRIVATE LIMITED for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

We have audited the internal financial controls with reference to financial statements of **IMAGICAA NEXT PRIVATE LIMITED** ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 financial statements based on our audit. We conducted our audit in accordance with 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 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 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 the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 standalone financial statements, whether due to fraud or error.

M/s. Sanjay S. Patil & Co.
FRN : 109182W
Chartered Accountants

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **M/s Sanjay S Rathi & Co;**
Chartered Accountants
FRN - 109182W

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

CA Sanjay S Rathi
Partner
M. No – 042436
UDIN: 26042436VYCKPX3451

Place of Signature: Sangamner
Date: 11/05/2026

Imagicaa Next Private Limited

Standalone Balance Sheet as at 31st March,2026

(Amt in Lacs)

Particulars	Notes	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-current Assets			
(a) Intangible asset under development	1	130.06	-
(b) Financial Asset			
i) Other Financial Asset	2	25.72	
Total Non-current Assets		**155.78**	-
Current Assets			
(a) Financial assets			
i) Cash and cash equivalents	3	47.62	-
(b) Other Current Assets	4	17.79	-
Total Current Assets		**65.40**	-
Total Assets		**221.18**	-
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	5	1.00	-
(b) Reserve & Surplus		(0.08)	-
		0.92	-
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities		-	-
i) Borrowings -(ICD)	6	192.99	-
Total Non Current Liabilities		**192.99**	-
Current Liabilities			
(a) Financial Liabilities			
i) Trade payables			
Total outstanding dues of micro enterprises and small enterprises		0.15	-
Total outstanding dues of creditors other than micro enterprises and small enterpr	7	0.46	-
(b) Other current liabilities	8	26.66	-
Total Current Liabilities		**27.27**	-
Total Liabilities		**221.18**	-
		-	
Summary of material accounting policies			
The accompanying notes are an integral part of the standalone financial statements.			

For & on Behalf of
M/s Sanjay S Rathi & Co
Chartered Accountants
FRN: 109182W

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

CA SANJAY S RATHI
Partner 42436
UDIN: 26042436VYCKPX3451
Date - 11.05.2026

For and on behalf of the Board of Directors of
Imagicaa Next Private Limited

RAJESH OMKARNATH MALPANI
Director 01596468

MANISH MADHAV MALPANI
Director 00039560

Imagicaa Next Private Limited

Standalone Statement of Profit and Loss for the year ended 31st March, 2026

(Amt in Lacs)

Particulars			Notes	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
INCOME:					
Other income			9	1.30	-
Total Income (I)				**1.30**	-
EXPENSES:					
Other expenses			10	1.38	-
Total Expenses (II)				**1.38**	-
Profit / (Loss) before exceptional and tax (I-II)				**-0.08**	-
Exceptional items (net)				-	-
Profit before tax				-0.08	-
Tax Expenses					
Current tax				-	-
Deferred tax				-	-
Profit for the year				**-0.08**	-
Other comprehensive income					
A	(i)	Items that will not be reclassified to profit or loss Remeasurement of the net defined benefit liability/asset,		-	-
	(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
B	(i)	Items that will be reclassified to profit or loss		-	-
	(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the year				**(0.08)**	-
Earnings per equity share (in ₹)					
Basic				-0.00	-
Diluted				-0.00	-
Summary of material accounting policies					

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

For & on Behalf of
M/s Sanjay S Rathi
Chartered Accountants
FRN: 109182W

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

CA SANJAY S RATHI
Partner 42436
UDIN: 26042436VYCKPX3451
Date - 11/05/2026

For and on behalf of the Board of Directors of
Imagicaa Next Private Limited

RAJESH OMKARNATH MALPANI
Director 01596468

MANISH MADHAV MALPANI
Director 00039560

Imagicaa Next Private Limited

Notes forming part of the standalone financial statements

(Amt in Lacs)

NOTE 1 : Intangible asset under development

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	-	-
Add: Addition during the year	130.06	-
Less: Capitalised during the year	-	-
Closing Balance	**130.06**	-

Current reporting period

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	
Projects in progress					
Intangible asset under development	130.06	-	-	-	**130.06**

Previous reporting period

Particulars	Amount in CWIP for the period of				Total
	Less than 1 year	1 -2 Years	2-3 Years	More than 3 Years	
Projects in progress					
Intangible asset under development	-	-	-	-	-

NOTE 2 : Other Financial Asset

	As at 31st March, 2026	As at 31st March, 2025
Security Deposit	25.72	-
Total	**25.72**	-

NOTE 3 : Cash and cash equivalents

	As at 31st March, 2026	As at 31st March, 2025
Cash on hand- Petty Cash	0.04	-
Balance with banks in Current Accounts	47.58	
Total	**47.62**	-

NOTE 4 : Other Current Assets

	As at 31st March, 2026	As at 31st March, 2025
IGST input	17.79	-
Total	**17.79**	-

M/s. Sanjay S. Rathi & Co.
FRN - 109182W
Chartered Accountants

Imagicaa Next Private Limited

Notes forming part of the standalone financial statements

(Amt in Lacs)

NOTE 5 :

A. Equity Share capital

	As at 31st March, 2026	As at 31st March, 2025
Authorised Share Capital		
1,00,000		
10,000 Equity shares of Rs.10/- each	1.00	-
	1.00	**-**
Issued, Subscribed and Fully Paid up		
10,0000 Equity shares of Rs. 10/- each, fully paid up at the beginning of the year	1.00	-
Add:- Issued during the year ---- shares of Rs.10/- each "fully paid up"	-	-
Outstanding at the end of the year	**1.00**	**-**

(a) Reconciliation of the shares outstanding at 31 March, 2026 and 31 March, 2025 is as under:

Particulars	As at 31st,March 2026		As at 31st March, 2025	
	Number of shares	Amount	Number of share	Amount
Shares outstanding at the beginning of the year	10,000	1,00,000.00	-	-
Add:- Issued during the year	-	-	-	-
Outstanding at the end of the year	**10,000**	**1,00,000.00**	**-**	**-**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. 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.

The equity shareholders are entitled to receive dividend as declared from time to time.

(c) Details of shares held by holding Company

Name of the Shareholder	No of Shares	
	As at 31st,March 2026	As at 31st March, 2025
Imagicaaworld Entertainment Limited	9,999	-

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

Name of the Shareholder	As at 31st,March 2026		As at 31st March, 2025	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
For and on behalf of the Board of Directors of Imagicaa Next Private Limited	9,999	99.99%	-	0.00%

(e) Details of shareholdings by Promoter's of the Company

Name of Promoters	As at 31st,March 2026		As at 31st March, 2025	
Director 01596468	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Imagicaaworld Entertainment Limited	9,999	99.99%	-	0.00%
Total Promoters Shares	**9,999**	**99.99%**	**-**	**0.00%**

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

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(Amt in Lacs)

Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(a) No shares have been issued as bonus shares.

(b) No shares have been bought back.

B. Other Equity

Current reporting period

Particulars	Reserves & Surplus			Total
	Securities premium	General Reserve	Retained Earnings	
Balance as at 1 April 2025	0.00	0.00	-	-
Changes in Accounting Policy or Prior Period Errors	-	-	-	-
Restated balance as at 1 April 2025	0.00	0.00	-	-
Add: Profit/(Loss) during the year	-	-	-0.08	-0.08
Total Comprehensive Income/(Expense)	**0.00**	**0.00**	**-0.08**	**-0.08**
Balance as at 31 March 2026	**0.00**	**0.00**	**-0.08**	**-0.08**

Previous reporting period

Particulars	Reserves & Surplus			Total
	Securities premium	General Reserve	Retained Earnings	
Balance as at 1 April 2024	0.00	0.00	-	-
Changes in Accounting Policy or Prior Period Errors	-	-	-	-
Restated balance as at 1 April 2024	0.00	0.00	-	-
Add: Profit/(Loss) during the year	-	-	-	-
Total Comprehensive Income/(Expense)	**0.00**	**0.00**	**-**	**-**
Balance as at 31 March 2025	**0.00**	**0.00**	**-**	**-**

NOTE 6 : Borrowings - Non Current

	As at 31st March, 2026	As at 31st March, 2025
Loan from related Company (Unsecured)	192.99	-
Total	**192.99**	-

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Imagicaa Next Private Limited
Notes forming part of the standalone financial statements

(Amt in Lacs)

NOTE 7 : Trade Payables

In Rs.

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of Micro Enterprise and small enterprise	0.15	-
Total outstanding dues of Creditor of other than Micro Enterprise and small enterprise	0.46	-
Total	**0.61**	-

Trade Payables ageing schedule (Current Year)

In Rs.

Particulars	Unbilled	Undue	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME		-	-	-	-	-	-
(ii) Others	-		0.04	-	-	-	0.04
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
Total							0.04
MSME - Undue							0.15
Others - Undue							0.42
Total							**0.61**

Trade Payables ageing schedule (Previous Year)

In Rs.

Particulars	Unbilled	Undue	Outstanding for following periods from due date of paymer				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
Total							-
MSME - Undue							-
Others - Undue							-
Total							-

NOTE 8 : Other Current Liabilities

	As at 31st March, 2026	As at 31st March, 2025
Statutory Dues	26.66	-
Total	**26.66**	-

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Imagicaa Next Private Limited

Notes forming part of the standalone financial statements

(Amt in Lacs)

NOTE 9 : Other Income

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Other non operating Income - Exchange difference gain	1.30	-
	1.30	-

NOTE 10 : Other expenses

	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Preliminary Expenses	0.56	
Secretarial Expenses	0.12	-
Audit Fees	0.10	
Professional Fees Expenses	0.59	-
Other Expense	0.00	-
Total	**1.38**	-

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Imagicaa Next Private Limited

Notes forming part of the standalone financial statements

(Amt in Lacs)

NOTE 11 : Earning Per Share

Particulars	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Profit attributable to equity shareholders In Rs.	(7,705.22)	-
Weighted average number of Equity Shares	10,000.00	-
Earnings per share basic (Rs)	(0.77)	-
Earnings per share diluted (Rs)	(0.77)	-
Face value per equity share (Rs)	10.00	-

NOTE 12 : Auditor's Remuneration

Particulars	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Payment to auditor as		
- Audit Fees	10,000.00	-
- Other Services	5,000.00	-
Total	**15,000.00**	-

NOTE 13 : Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Principal amount outstanding (whether due or not) to micro and small enterprises	15,000.00	
Interest due thereon		
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	

Note : Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by management. This has been relied upon by the auditors.

NOTE 14 : Commitment

Particulars	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Capital Commitment	52.53	
Total	**52.53**	-

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NOTE 15 : Related Party Disclosure

(i) List of Related Parties

	Relationship
Imagicaaworld Entertainment Limited	Holding Company
Rajesh Omkarnath Malpani	Director
Manish Madhav Malpani	Director
Jai Manish Malpani	Director

(ii) Related Party Transactions

Particulars	Relationship	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Loan Availed			
- Imagicaaworld Entertainment Limited	Holding Company	190.00	-
Interest accrued			
- Imagicaaworld Entertainment Limited	Holding Company	3.32	-

(iii) Related Party Balances

Particulars	Relationship	For the Year ended 31st March, 2026	For the Year ended 31st March, 2025
Unsecured Loan			
- Imagicaaworld Entertainment Limited	Holding Company	192.99	-

NOTE 16 : Financials Instrument

Financial Risk Management - Objectives and Policies

The Company's Board of Directors have an overall responsibility for the establishment and oversight of the Company's risk management framework. 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.

The Company has exposure to the following risks arising from financial instruments:
- credit risk - See Below
- liquidity risk - see below
- interest rate risk - See Below
- Market Risk - See Below

A : Financials Assets and Liabilities

Particulars	As at 31 March 2026			As at 31 March 2025		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Assets Measured at						
Cash and cash equivalent	47.62	-	-	-	-	-
Non current Financial Assets	25.72	-	-	-	-	-
Total	**73.33**	-	-	-	-	-
Liability Measured at						
Borrowings	192.99	-	-	-	-	-
Trade payables	0.61	-	-	-	-	-
Total	**193.60**	-	-	-	-	-

Fair Value Hierarchy

M/s. Sanjay S. Rathi & Co.
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B : Market Risk

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

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rates by selecting appropriate type of borrowings and by negotiation with the bankers.

(i) Sensitivity Analysis

(b) Foreign Currency Risk

(i) Exposure to Foreign Currency Risk
(ii) Sensitivity Analysis

Other Price Risk

C : 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.
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 associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and Company's historical experience for customers.

(ii) Credit risk on cash and cash equivalents if any is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.
(iii) Other financial assets are subject to low credit risk

(iv) Expected Credit Losses:

D : 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, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.
The Company's treasury department is responsible for liquidity and funding. In addition policies and procedures relating to such risks are overseen by the management.
The Company has raised and deploys capital to support its the business of operating Indoor Gaming Parks. The Company has received interest-free

E : Capital Management
The Company's capital comprises equity share capital, surplus in the statement of profit and loss and other equity attributable to equity holders.
The Company's objectives when managing capital are to :
- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

M/s. Sanjay S. Rathi & Co.
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Chartered Accountants

NOTE 17 : Ratio Analysis

Particulars	Numerator/Denominator	As at 31 March 2026	As at 31 March 2025	Change in %	Reasons
(a) Current Ratio	Current Assets / Current Liabilities	2.40	-	-	-
(b) Debt-Equity Ratio	Total Debts / Equity	209.10	-	-	-
(c) Return on Equity Ratio	Profit after Tax / Average Shareholder's Equity	-0.08	-	-	-
(d) Return on Capital employed	arning before interest and tax / Closing Capital Employed	-0.0004	-	-	-

Note: There are no variance in the ratios being the first year of the company.

NOTE 18 : Other Statutory Information

Following are the additional disclosures required as per Schedule III to the Companies Act, 2013 vide Notification dated March 24, 2021 -

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property .

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
(v) The Company has not been declared as Wilful Defaulter by any Bank or Financial Institution or other lender.
(vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(vii) During the financial year ended 31st March 2026, other than the transactions undertaken in the normal course of business and in accordance with extant regulatory guidelines as applicable ,

(a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

(viii) The Company does not have any transactions not recorded in the books of accounts that have 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). Also, there are NIL previously unrecorded income and related assets.

For & on Behalf of
M/s Sanjay S Rathi & Co
Chartered Accountants
FRN: 109182W

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

CA SANJAY S RATHI
Partner 42436
UDIN: 26042436VYCKPX3451
Date - 11-05-2026

For and on behalf of the Board of Directors of
Imagicaa Next Private Limited

RAJESH OMKARNATH MALI
Director 01596468

MANISH MADHAV MALPANI
Director 00039560

Imagicaa Next Private Limited

Standalone Cash Flow Statement for the year ended on 31-03-2026

(Amt in Lacs)

Particulars	Note No	For Year ended 31-Mar-26	For Year ended 31-Mar-25
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		(0.08)	-
Adjustments for:			
Operating profit before working capital changes		-	-
Adjustment for (increase) / decrease in operating assets			
Other assets		(17.79)	-
Adjustment for (Increase) / decrease in operating liabilities			
Trade payables		0.61	-
Other financial liabilities		-	-
Other Liabilities		26.66	-
Cash generated from operations		9.49	-
Income tax paid (net)		-	-
Net cash generated by operating activities		9.49	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Intangible Under Development		-130.06	-
Security Deposit		-25.72	-
Net cash (used in) / generated by investing activities		-155.78	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceed for long term Borrowings		192.99	
Issue of Equity Shares		1.00	-
Net cash used in financing activities		193.99	-
Net increase / (decrease) in cash and cash equivalents		47.62	-
Cash and cash equivalents at the end of the year		**47.62**	**-**

Particulars	For Year ended 31 March 2026	For Year ended 31 March 2025
Reconciliation of Cash and Cash Equivalents with Balance Sheet:		
Cash and cash equivalents includes		
Cash on hand	0.04	-
Balances with Banks	47.58	-
Total	**47.62**	-

For & on Behalf of
M/s Sanjay S Rathi & Co
Chartered Accountants
FRN: 109182W

Partner 42436
UDIN: 26042436VYCKPX3451
Date -11/05/2025

For and on behalf of the Board of Directors of
Imagicaa Next Private Limited

RAJESH OMKARNATH MALPANI
Director 01596468

MANISH MADHAV MALPANI
Director 00039560

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

IMAGICAA NEXT PRIVATE LIMITED

Office No .6, Building No.A, 2nd Floor 1Modi Baug, Bhamburda,

Ganesh Khind Road, Pune Maharashtra 411016

<u>NOTE 1 & 2</u>

NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS F. Y. 2025-26

1. CORPORATE INFORMATION

IMAGICAA NEXT PRIVATE LIMITED ("the Company") is a company domiciled in India, with its registered office situated at Office No.6, 2nd Floor, Modibaug Commercial, Ganeshkhind Road, Shivajinagar, and Pune - 16. The Company has been incorporated under the provisions of Indian Companies Act. The Company is primarily involved in running indoor games and entertainment.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and presentation

a) Statement of Compliance

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) notified under section 133 of the Companies Act, 2013 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Company.

The Standalone financial statements for the year ended March 31, 2026 were approved for issue by the Company's Board of Directors on 11.05.2026

b) Basis of measurement

The Standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

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

ii) Asset held for sale measured at lower of carrying amount or fair value less cost to sell;

iii) Net defined benefit (asset) / liability that are measured at fair value of plan assets less present value of defined benefit obligations.

The accounting policies adopted for preparation and presentation of Standalone financial statements have been consistent with the previous year.

The Standalone financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Lacs , up to two places of decimal, unless otherwise stated.

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

c) **New and amendments standards adopted by the Company**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified amendments to

1. Ind AS 1 - the Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants
2. Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements
3. Ind AS 12 - International Tax Reform – Pillar Two Model Rules
4. Ind AS 21 - Lack of Exchangeability

This amendment does not have any material impact on the amounts recognized in the prior periods and are not expected to significantly affect the current or future periods.

2.2 Current and non-current classification of assets and liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as 12 months.

2.3 Use of judgments estimates and assumptions

The preparation of the Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, and disclosure of the contingent liabilities at the end of each reporting period. Such estimates are on a reasonable and prudent basis considering all available information, however, due to uncertainties about these judgments, estimates and assumptions, actual results could differ from estimates. Information about each of these estimates and judgments as required is included in relevant notes.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the Standalone financial statements is included in the following notes:

- **Going concern assumption:**

These Standalone financial statements have been prepared on a going concern basis. The management has assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of this Standalone financial statements. Based this evaluation, Management believes that the Company will be able to continue as a 'going concern' in the foreseeable future and for a period of at least twelve months from the date of this financial statement based on the following:

i) Expected future operating cash flows based on business projections, and

ii) Available credit facilities with its bankers.

Based on the above factors, Management has concluded that the "going concern" assumption is appropriate. Accordingly, the Standalone financial statement does not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

2.4 Revenue recognition:

M/s. Sanjay S. Rathi & Co. FRN - 109182W Chartered Accountants

Sales are recognized when control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorized representative and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue is measured based on the transaction price, which is the consideration, net of returns, trade discounts and volume rebates, if any.

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established, and it is probable that the economic benefits associated with the dividend will flow to the Company and that the amount of the dividend can be measured reliably.

Recognized using the effective interest rate method on time proportionate basis.

The Company measures the revenues at fair value of the consideration received or receivable after taking in to account the amount of any discount or rebates allowed to the customers. The Company presents revenues net of indirect taxes collected in its statement of profit and loss.

Advances received for services and products are reported as "Advance received against sale" until all conditions for revenue recognition are met.

2.6 Property, plant and equipment

• Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if 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.

Property, plant and equipment's are carried at cost which includes capitalized borrowing costs, less accumulated depreciation and impairment loss, if any. Items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour , any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. These components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

• Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as incurred.

• Disposal

An item of property, plant and equipment is derecognized upon disposal or when no future benefits are

M/s. Sanjay S. Rathi & Co.
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Chartered Accountants

expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/ expenses in the Statement of Profit and Loss.

- **Depreciation method and estimated useful lives**

Depreciation on tangible assets is provided on the straight-line method on pro-rata basis, over the useful lives of assets as prescribed in Schedule – II of the Companies Act, 2013 which is as follows:

Sr. No.	Nature of Asset	Estimated Useful Life
1.	**Building**	
(a)	RCC Frame Structure (Other than factory building)	60 Years
(b)	other than RCC Frame Structure (Other than factory building)	30 Years
2.	Roads	10 Years
3.	**Plant and Machinery**	15 Years
(a)	Plant and Machinery	15 Years
4.	**Furniture and fittings**	
(a)	General furniture and fittings	10 Years
(b)	Furniture and fittings used in hotels and restaurant	8 Years
(c)	Furniture and Fixture Dead Stocks	3 Years
5.	**Motor Vehicles**	
(a)	Motor cycles	8 Years
(b)	Motor buses and motor cars.	8 Years
(c)	Electrically operated vehicles including battery powered or fuel cell powered vehicles.	8 Years
6.	Office equipment / Plant Equipment	5 Years
7.	**Computers and data processing units**	
(a)	Servers and networks	6 Years
(b)	End user devices, such as, desktops, laptops, etc.	3 Years
8.	Electrical Installations and Fittings	10 Years
9.	Pipes & Fittings	15 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation is charged on Straight Line Method over the useful life of the assets as estimated by the management is as under:

S. No.	Nature of Asset	Estimated Useful Life
1.	Trees & Nursery	3 Years to 30 Years

Scrap Value of Asset are estimated as below

S. No.	Nature of Asset	% Scrap Value
1.	Plant and Machinery	3 %
2.	Computers and devices	5%
3.	Rest All other assets	0%

In case of Opening Assets the scarp value has been considered @ 5%

Impairments of non-financial assets:

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. Indefinite life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. If any such indication exists, the Company estimates the

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recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.7 Other intangible assets:

- **Recognition and measurement**

Intangible assets are recognized when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

Expenditure on research activities is recognized in the Statement of Profit and Loss as incurred. Development expenditure is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to complete development and to use or sell the asset.

Intangible assets which comprise of the development expenditure incurred on new product and expenditure incurred on acquisition of user licenses for computer software are recorded at their acquisition price.

- **Subsequent measurement**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortization**

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets i.e., computer software is amortized on a straight-line basis over the period of expected future benefits commencing from the date the asset is available for its use.

The management has estimated the useful life for software & licenses as following,

Asset Class	Years
Software & licenses	5

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

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Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

• **Disposal**

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

2.8 Assets held for sale:

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal Group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell except for those assets that are specifically exempt under relevant Ind AS. Once the assets are classified as "Held for sale", those are not subjected to depreciation till disposal.

An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognized.

A gain or loss not previously recognized by the date of the sale of the non-current asset is recognized at the date of derecognition.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Balance Sheet.

2.9 Income taxes:

Income tax expense comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (OCI).

• **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognized amounts and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

• **Deferred tax**

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

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Deferred tax liabilities are recognized 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,

- Taxable temporary differences arising on the initial recognition of goodwill.

- Temporary differences related to investments in subsidiaries, associates, and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 (including unabsorbed depreciation) can be utilized, 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.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the 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 realized 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 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.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

2.10 Earnings per share (EPS):

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements and stock split in equity shares issued during the year and excluding treasury shares. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares and stock split, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS adjust the figures used in the determination of basic EPS to consider.

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.11 Employee Benefit

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All employee benefits payable wholly within twelve months rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognized during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

2.12 Provision and contingent liabilities / assets:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

Contingent liabilities are obligations 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.
Contingent liability is disclosed in case of

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.

- present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events where the probability of outflow of resources is not remote.

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Contingent asset is not recognized in the Standalone financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.13 Fair value measurement

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 considers 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.

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

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the Standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.14 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in the Statement of Profit and Loss.

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2.15 Financial instruments

2.17.1 Financial assets

Initial recognition and 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. All financial assets are recognized initially at fair value plus except for trade receivables which are initially measured at transaction price, 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 asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in one of the three categories:
a) At amortised cost
b) At fair value through Other Comprehensive Income ('FVTOCI')
c) At fair value through profit or loss ('FVTPL')

(a) Financial assets classified as measured at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- 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 at amortized cost using the effective interest rate ('EIR') method, less impairment charge. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance expense/ (income) in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade receivables, security and other deposits receivable by the Company.

(b) Financial assets classified as measured at FVOCI

A financial asset is measured at fair value through other comprehensive income if it 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. Further, the Company makes such election on an instrument-by-instrument basis, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognized in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

(c) Financial assets classified as measured at FVTPL

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a mutual fund investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises.

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Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

De-recognition of financial asset

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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:

- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes 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 the Company recognizes 12 month expected credit losses for all originated or acquired financial assets if at the reporting date, the credit risk has not increased significantly since its original recognition. However, if credit risk has increased significantly, lifetime ECL is used. ECL impairment loss allowance (or reversal) recognized in the Statement of Profit and Loss.

2.17.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost. The Company's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated as such upon initial recognition. 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.

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Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities designated as such upon initial recognition at the initial date of recognition 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 recognised in OCI. These gains/ losses are not subsequently transferred to the Statement of Profit and Loss. 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.

(a) Financial liabilities at amortized cost

The Company generally classifies interest bearing borrowings as financial liabilities carried at amortized cost. After initial recognition, these instruments are subsequently measured at amortized cost using the effective interest rate (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 amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

De-recognition of financial liability

A financial liability (or a part of a financial liability) is derecognised from the 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.

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 realize the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Profit and Loss.

Financial guarantee contracts:

Financial guarantee contracts issued by the Company are those contracts that require specified payments to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.
Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortization.

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Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as fees receivable under "other financial assets" or as a part of the cost of the investment, depending on the contractual terms.

2.19 Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of not more than three months, which are subject to an insignificant risk of changes in value.

2.20 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, such as deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. In the statements of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above net of outstanding bank overdrafts as they are considered as integral part of the Company's cash management.

2.21 Recent accounting pronouncements:

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

Ind AS 1 – Presentation of Standalone financial statements, The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its Standalone financial statements.

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

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its Standalone financial statements.

For IMAGICAA NEXT PRIVATE LIMITED

RAJESH OMKARNATH MALPANI	**MANISH MADHAV MALPANI**
Director	**Director**

Place of Signature: Sangamner
Date: 11.05.2026

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