BHATT ANIL & ASSOCIATES

CHARTERED ACCOUNTANTS

1433/T, 2nd Floor, Kumar Complex, Wazir Nagar,
Kotla Mubarakpur, New Delhi- 110003
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
M/s ENTECRES LABS PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **M/s ENTECRES LABS PRIVATE LIMITED** - ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 31 March 2023, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone financial statements and Auditor's Report Thereon

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

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements,

including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
    (d) In our opinion, the aforesaid Ind AS standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
    (e) On the basis of the written representations received from the directors as on 31st

March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

i. the Company does not have any pending litigations which would impact its financial position

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

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

iv. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT
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Date: 2023.05.22 15:04:13 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Anil Kumar Bhatt
(Prop.)
M.No. 502117
UDIN : 23502117BGPZDX6676
Place : New Delhi
Date : 22/05/2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **M/s ENTECRES LABS PRIVATE LIMITED** as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended and as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For Bhatt Anil & Associates

Chartered Accountants

ANIL KUMAR BHATT

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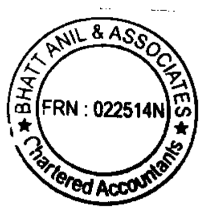
Date: 2023.05.22 15:05:05 +05'30'



Anil Kumar Bhatt

(Prop.)

M.No. 502117

UDIN : 23502117BGPZDX6676

Place : New Delhi

Date : 22/05/2023

ANNEXURE "B" TO THE AUDITOR'S REPORT

(Referred to in paragraph 2 of our report of even date)

Report on Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of

M/s ENTECRES LABS PRIVATE LIMITED

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a. A. The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

B. The Company has maintained proper records showing full particulars of intangible assets

b. The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment's has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

c. No immovable property is owned by the company.

d. The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. a. The physical verification of inventory have been conducted at reasonable intervals by Management during the year. the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not material. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

b. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The Company has made investments, and granted unsecured loans to in companies, during the year, in respect of which:

a. The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reportingunder clause 3(iii)(a) of the Order is not applicable.

b. In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

d. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

e. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

f. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

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

vii. a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, value added tax, Goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

b. According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues which have not been deposited on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a. The company has not defaulted in repayment of loans or borrowing to a financial institution/bank. Further the Company does not have any loans or borrowings from any government nor has it issued any debentures as at the balance sheet date.

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. On an overall examination of the standalone financial statements of the Company, funds raised on shortterm basis have, prima facie, not been used during the year for long-term purposes by the Company.

e. On an overall examination of the standalone financial statements of the Company, the Company hasnot taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. a. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

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

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. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS standalone financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b. The provisions of internal audit not applicable to company hence reporting under clause (xiv) of the Order is not applicable,

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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 not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and 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 not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. As CSR Provisions are not applicable to company accordingly reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT
Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 15:05:38 +05'30'

Anil Kumar Bhatt
(Prop.)
M.No. 502117
UDIN : 23502117BGPZDX6676
Place : New Delhi
Date: 22/05/2023

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI - 110045
CIN U73100DL2012PTC230786

BALANCE SHEET AS ON 31ST MARCH 20223 **Amount in thousand**

Particulars	Note	31.03.2023	31.03.2022
ASSETS			
Non - Current assets			
Property, Plant and Equipment	"4"	1924.75	2567.09
Financial Assets			
(i) Investments	"5"	1015.00	1015.00
(ii) Loans	"6"	4846.12	4196.12
Deferred Tax Assets (Net)	"7"	525.65	504.55
		0.00	
Current Assets			
Inventories	"8"	8270.41	1261.25
Financial Assets			
(i) Trade Receivable	"9"	20640.75	18881.74
(ii) Cash and Cash Equivalents	"10"	11006.00	9057.13
(iii) Loans		0.00	0.00
(iv) Others	"11"	459.00	297.00
Current Tax Assets (Net)		0.00	0.00
Other Current Assets	"12"	1421.08	629.36
TOTAL ASSETS		**50108.76**	**38409.24**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	"13"	167.40	167.40
Other Equity	"14"	32335.76	29148.24
Liabilities			
Non - Current liabilities			
Financial Liabilities			
(i) Borrowings	"15"	0.00	7.65
Deferred Tax Liabilities (Net)		0.00	0.00
Current Liabilities			
Financial Liabilities			
(i) Borrowings	"16"	1003.66	804.13
(ii) Trade Payable	"17"		
a) total outstanidng dues of micro and small enterprises		3883.59	0.00
b) total outstanidng dues of creditors other than micro enterprises and small enterprises		10932.82	6719.17
(iii) Other Financial Liabilities	"18"	4.34	139.16
Other Current Liabilities	"19"	1502.62	1153.32
Provisions		278.57	270.16
TOTAL EQUITY AND LIABILITIES		**50108.76**	**38409.24**
Notes Forming Part of Financial Statements	"1-30"	-	-

(As per our audit report of even date attached)

For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT
Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 15:06:12 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Anil Kumar Bhatt
(Proprietor)
M.No. 502117
UDIN : 23502117BGPZDX6676
Date : 22/05/2023

For and on behalf of Board

Vivek Kumar
Digitally signed by Vivek Kumar
Date: 2023.05.22 15:11:01 +05'30'

Bheemireddy Bhargav Rami Reddy

Vivek Kumar
Director
DIN : 03480312

Bhargav Rami Reddy
Director
DIN : 03604266

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI - 110045
CIN U73100DL2012PTC230786
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

Amount in thousand

	Particulars	Note	31-03-2023	31-03-2022
I	Revenue from operations	"20"	82672.01	53654.80
II	Other Income	"21"	399.53	285.52
III	Total Revenue(I+II)		83071.54	53940.32
IV	Expenses:			
	Cost of Material Consumed		40407.90	24086.92
	Changes in inventories of finished goods, stock-in-trade and work-in-progress		-7009.16	-175.68
	Employee benefit Expenses	"22"	14326.83	7008.16
	Depreciation & Amortization expenses	"4"	932.46	734.85
	Finance Expenses		128.88	204.85
	Other Expenses	"23"	29937.48	19547.41
	Total Expenses		78724.39	51406.51
V	Profit before Exceptional items and tax (III-IV)		4347.16	2533.81
VI	Exceptional items		0.00	0.00
VII	Profit before tax (V-VI)		4347.16	2533.81
VIII	Tax expenses :	"24"		
	(1) Current tax		1180.74	643.04
	(2) Deferred tax		-21.10	65.84
IX	Profit (Loss) For the period(VII-VIII)		3187.52	1824.94
X	Other Comprehensive Income			0.00
XI	Total Comprehensive Income for the period (IX+X)		3187.52	1824.94
XII	Earning Per equity share (Basic and Diluted)	"25"	190.41	109.02
Notes Forming Part of Financial Statements		"1-30"		

(As per our audit report of even date attached)

For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT Digitally signed by ANIL KUMAR BHATT Date: 2023.05.22 15:06:33 +05'30'

BHATT ANIL & ASSOCIATES FRN : 022514N Chartered Accountants

Anil Kumar Bhatt
(Proprietor)
M.No. 502117
UDIN : 23502117BGPZDX6676
Date : 22/05/2023

For and on behalf of Board

Vivek Kumar Digitally signed by Vivek Kumar Date: 2023.05.22 15:11:32 +05'30'

Vivek Kumar
Director
DIN : 03480312

Bheemireddy Bhargav Rami Reddy Digitally signed by Bheemireddy Bhargav Rami Reddy Date: 2023.05.22 15:15:16 +05'30'

Bhargav Rami Reddy
Director
DIN : 03604266

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI-110045
CIN U73100DL2012PTC230786
CASH FLOW STATEMENT 2022-2023

Amount in thousand

Particulars	Note	Year ended March 31st	
		31/03/2023	31/03/2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit as per profit and loss account before tax and exceptional items		4347.16	2533.81
Adjustments to reconcile profit before tax to cash generated by operating activities			
Depreciation and amortization expense		932.46	734.85
Interest income		-325.48	-206.70
Interest Paid		128.88	204.85
Effect of exchange differences on translation of assets and liabilities		-24.14	-57.54
Changes in assets and liabilities			
Inventories		-7009.16	-175.68
Trade receivables		-1759.01	9306.84
Loans and advances		0.00	0.00
Other Current Assets		-953.72	-177.44
Liabilities and provisions		8311.71	-4836.89
		3648.68	7326.10
Income taxes paid		-1172.33	-896.20
NET CASH GENERATED BY OPERATING ACTIVITIES		2476.36	6429.90
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment towards capital expenditure		-290.11	-959.39
Investment in shares		0.00	-1015.00
loan provided		-650.00	-4196.12
Interest received		325.48	206.70
NET CASH USED IN INVESTING ACTIVITIES		-614.63	-5963.81
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of share capital		0.00	0.00
Interest Paid		-128.88	-204.85
Security Premium		0.00	0.00
Long Term Borrowings		-7.65	-122.21
NET CASH USED IN FINANCING ACTIVITIES		-136.53	-327.05
Effect of exchange differences on translation of foreign currency cash and cash equivalents		24.14	57.54
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		1749.34	196.58
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		8253.00	8056.42
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		10002.34	8253.00
(Bank overdraft is reduced while calculating cash and cash equivalent)			
Notes Forming Part of Financial Statement	"1-30"		

(As per our audit report of even date attached)
For Bhatt Anil & Associates
Chartered Accountants

For and on behalf of Board

ANIL KUMAR BHATT
Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 15:06:59 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Vivek Kumar
Digitally signed by Vivek Kumar
Date: 2023.05.22 15:12:08 +05'30'

Bheemireddy Bhargav Rami Reddy
Digitally signed by Bheemireddy Bhargav Rami Reddy
Date: 2023.05.22 15:15:50 +05'30'

Anil Kumar Bhatt
(Proprietor)
M.No. 502117
UDIN : 23502117BGPZDX6676
Date : 22/05/2023

Vivek Kumar
Director
DIN : 03480312

Bhargav Rami Reddy
Director
DIN : 03604266

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI-110045
CIN U73100DL2012PTC230786

Statement of change in Equity as at 31March, 2023

A	**Equity share Capital**	**Amount in thousand**
	As at 01.04.2021	167.40
	Increse During the year	0.00
	As at 31.03.2022	167.40
	Increse During the year	0.00
	As at 31.03.2023	167.40

B Other Equity

Particular	Reserve and surplus	
	Security Premium	**Retained Earnings**
Balance as at 01.04.2021	12448.98	14874.32
Profit for the year	0.00	1824.94
Other comprehensive income	0.00	0.00
Tax Adjustment on other Comprehensive income	0.00	0.00
Total Comprehensive income for the year	0.00	1824.94
Transaction with owners in their capacity as owners :	0.00	0.00
Balance as at 31.03.2022	12448.98	16699.26
Profit for the year	0.00	3187.52
Other comprehensive income	0.00	0.00
Tax Adjustment on other Comprehensive income	0.00	0.00
Total Comprehensive income for the year	0.00	3187.52
Transaction with owners in their capacity as owners :	0.00	0.00
Balance as at 31.03.2023	12448.98	19886.78

(As per our audit report of even date attached)
For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT
Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 15:07:26 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Anil Kumar Bhatt
(Proprietor)
M.No. 502117
UDIN : 23502117BGPZDX6676
Date : 22/05/2023

For and on behalf of Board

Vivek Kumar
Digitally signed by Vivek Kumar
Date: 2023.05.22 15:12:30 +05'30'

Vivek Kumar
Director
DIN : 03480312

Bheemireddy Bhargav Rami Reddy
Digitally signed by Bheemireddy Bhargav Rami Reddy
Date: 2023.05.22 15:16:33 +05'30'

Bhargav Rami Reddy
Director
DIN : 03604266

Notes to the Financial Statements

1. Company Overview

Entecres Labs Private Limited (referred to as "the Company" hereinafter) was incorporated under Companies Act 1956 with its registered office at RZD -30B Dabri Extension East New Delhi 110045. The Company is engaged in manufacturing/trading of hand on science, robotics kits and rendering services of training to students. The Company strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. The Company strategy is to be a navigator for students and faculty of our clients as they learn science concept in easiest manner.

2. Basis of preparation of financial statements

These standalone financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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

Use of estimates

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3. Significant Accounting Policies

The Company has applied following accounting policies to all periods presented in the standalone Financial Statement:

a. Revenue recognition

Sale of goods

Revenue is recognized at the fair value of the consideration that can be reliably measured and net of returns, trade discounts, volume based incentives, and Goods and Service tax and other taxes as may be applicable, when all significant risk and rewards in the ownership of the goods are transferred to the buyer and it is probable that the future economic benefit will flow to the entity as per the terms of the contract, which usually co-inside with the delivery of the goods.

Service Income

Revenue from services is recognized in the accounting period in which the services are rendered. For Fixed price contracts, revenue is recognized based on actual service provided to the end of the reporting period as a proportion of total services to be provided (percentage of completion method).Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Interest Income is recognized on time proportionate method using effective interest method.

b. Property, Plant and Equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

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/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c. Depreciation:

Property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life (determined by the management based on technical estimates), as follows:

The estimated useful lives of assets are as follows:

i. Plant and Machinery : 15 Years
ii. Computers : 3 Years
iii. Furniture and fixtures : 10 Years
iv. Vehicles : 8 Years
v. Office equipment's : 5 Years

Individual items of assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition

d. Financial instruments

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

Initial Recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, except in the case of financial assets not recorded at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed through the Statement of Profit and Loss.

Subsequent Measurement

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

• Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

• Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through Other Comprehensive Income (FVOCI)

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

Fair value through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit or Loss is recognized in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

Derecognisation

A financial asset is derecognized only when:

• The rights to receive cash flows from the financial asset have expired, or

• The Company has transferred its rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows to one or more recipient.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial Liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

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 financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

e. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. Bank overdraft are shown within borrowings in current liabilities in the balance sheet. However Bank overdraft repayable on demand and which form integral part of cash management are included in cash and cash equivalent for presentation of statement of cash flows.

f. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g. Impairment of Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 post-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 taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h. Inventories

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

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

i. Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
ii. Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

i. Taxation

Current income tax

Current income 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.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences 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 can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are 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 realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

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

Goods and Service Tax paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognized net of the amount of GST paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

j. Employee Benefit Schemes

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

Post-employment benefits

Defined contribution plan

Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. EPFO administer such fund and The Company has no obligation, other than the contribution payable to the such fund. The Company recognizes contribution payable to such fund as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

k. Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

l. Foreign currency transactions

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income

m. Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares

n. Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

o. Research and development

Revenue expenditure towards research and development is charged to the statement of profit and loss in the year it is incurred. Capital expenditure on research and development related to property, plant and equipments is included in the cost of related property, plant and equipments.

p. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company’s general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straightline basis over the lease term.

q. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the “Board of Directors”. The Company has identified ‘STEM Programme’ as its only primary reportable segment, which primarily includes products science and robotic kits

ENTECRES LABS PRIVATE LIMITED

PROPERTY PLANT AND EQUIPMENT AS ON 31ST MARCH 2023

Note - 4

(As per Companies Act)

Amount in thousand

PARTICULARS	RATE	GROSS BLOCK			DEPRECIATION			WDV	
		AS ON 01.04.2022	ADD/SALE	AS ON 31.03.2023	AS ON 01.04.2022	FOR THE YEAR	AS ON 31.03.2023	AS ON 31.03.2023	AS ON 31.03.2022
Computer	0.6316	871.90	63.56	935.46	510.21	267.26	777.48	157.98	361.68
(Previous Year)		*562.79*	*309.11*	*871.90*	*371.29*	*138.92*	*510.21*	*361.68*	*191.50*
Vehicles	0.3123	1963.57		1963.57	1630.97	103.87	1734.84	228.73	332.60
(Previous Year)		*1963.57*	*0.00*	*1963.57*	*1481.55*	*149.42*	*1630.97*	*332.60*	*482.02*
Plant and Machinary	0.181	831.47	25.55	857.02	205.75	86.73	292.48	564.54	625.72
(Previous Year)		*831.47*		*831.47*	*165.52*	*40.23*	*205.75*	*625.72*	*665.95*
Tools and Dies	0.6316	872.32	31.00	903.32	848.71	17.68	866.39	36.94	23.61
(Previous Year)		*872.32*	*0.00*	*872.32*	*808.23*	*40.48*	*848.71*	*23.61*	*64.09*
Office Equipments	0.4507	1124.58	170.00	1294.58	908.98	195.97	1104.95	189.63	215.61
(Previous Year)		*878.32*	*246.26*	*1124.58*	*756.64*	*152.34*	*908.98*	*215.61*	*121.68*
Furniture and Fittings	0.2589	2018.34		2018.34	1010.46	260.94	1271.40	746.93	1007.87
(Previous Year)		*1614.32*	*404.02*	*2018.34*	*796.99*	*213.47*	*1010.46*	*1007.87*	*817.32*
Total		**7682.17**	**290.11**	**7972.28**	**5115.08**	**932.46**	**6047.53**	**1924.75**	**2567.09**
Total of Previous Year		**6722.78**	**959.39**	**7682.17**	**4380.23**	**734.85**	**5115.08**	**2567.09**	**2342.56**

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI-110045
CIN U73100DL2012PTC230786

NOTES FORMING PART OF THE BALANCE SHEET — Amount in thousand

		31-03-2023	31-03-2022
5	**INVESTMENTS**		
	a. Trivi Solution Private Limited (1500 shares of Rs.10 each) for 15 % equity	15.00	15.00
	b. Books Mountain Private Limited(100000 shares of Rs10 each)for 50% equity	1000.00	1000.00
		1015.00	**1015.00**
6	**LOANS**		
	Loan to Trivi Solution Private Limited	4846.12	4196.12
		4846.12	**4196.12**
7	**DEFERRED TAX ASSETS/(DEFERRED TAX LIABILITY) {NET}**		
	Timing Difference Between Book and Tax Dep.	452.07	386.11
	Trade Receivables	73.58	118.43
		525.65	**504.55**
	Movement in Deferred Tax Asset/(Deferred Tax Liabilities)		
	Opening Balance	504.55	570.38
	Charged/ Credited		
	-to statement of Profit and loss account	21.10	-65.84
	-to Other Comprehensive Income		0.00
	Closing DTA/(DTL)	**525.65**	**504.55**
8	**INVENTORISES**		
	Raw Material	2652.32	371.09
	Work in Progress	5023.45	418.71
	Finished Goods	594.64	471.45
		8270.41	**1261.25**
			0.00
9	**TRADE RECEIVABLES**		
	Trade Receivables Considered Good- Unsecured	20923.74	19337.24
	Less : Allowance for Expected Credit Loss	282.99	455.50
		20640.75	**18881.74**
	Trade Receivable ageing schedule for the year ended as on 31.03.2023 and 31.03.2022		
	Outstanding for following periods from due date of payment		
	a. Undisputed Trade Receivables - Considered Good		
	Outstanding Less than 6 Months	12656.18	11147.54
	Outstanding 6 Months-1 year	3672.41	2145.87
	Outstanding 1-2 Years	1764.79	478.67
	Outstanding 2-3 Years	525.75	652.22
	Outstanding More than 3 Years	0.00	0.00
	Total	**18619.14**	**14424.29**
	b. Disputed Trade Receivables - Considered Good		
	Outstanding Less than 6 Months	**0.00**	468.23
	Outstanding 6 Months-1 year	**0.00**	1728.97
	Outstanding 1-2 Years	1131.03	1428.21
	Outstanding 2-3 Years	294.52	436.91
	Outstanding More than 3 Years	879.05	850.64
	Total	**2304.60**	**4912.95**
	Grand Total (a+b)	**20923.74**	**19337.24**
	Less : Allowance for Expected Credit Loss	282.99	455.50

Total Trade Receivables	**20640.75**	**18881.74**

10	**FINANCIAL ASSETS -CURRENT: CASH & CASH EQUIVALENTS**		
	a.Cash in Hand	25.90	128.70
	b.Balance with Bank	10980.10	8928.43
		11006.00	**9057.13**

11	**FINANCIAL ASSETS -CURRENT: OTHERS**		
	(at amortised cost)		
	Security Deposit	459.00	297.00
		459.00	**297.00**

12	**OTHER CURRENT ASSETS**		
	(Unsecured considered good)		
	Advance to Suppliers	0.00	629.36
	Advance for Plot	500.00	0.00
	Advance Salary	20.00	0.00
	Input GST	901.08	0.00
		1421.08	**629.36**

13	**Equity Share Capital**	**Number of Shares**	**Amount (Rs)**
	Authorised Equity Share Capital		
	As at April 1 2020	30,000.00	30,000.00
	Increase During the Year	-	
	As at March 31 2021	30,000.00	30,000.00
	Increase During the Year	-	-
	As at March 31 2022	30,000.00	30,000.00
	Issued Subscribed and Paid up:		
	Movement in Equity Share Capital		
	As at April 1 2021	16,740.00	16,740.00
	Increase During the Year	-	-
	As at March 31 2022	16,740.00	16,740.00
	Increase During the Year	-	-
	As at March 31 2023	16,740.00	16,740.00

Rights, Preferences and Restrictions attached to Shares:

i) In respect of every Ordinary share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up

ii) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also announce an interim dividend.

iii) In the event of liquidation, the shareholders of Ordinary shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

Number of Ordinary shares held by each shareholder holding more than 5 percent of the issued share capital

Name of Shareholder	As at March 31,2023			As at March 31,2022	
	% of Share capital	No. of Shares	% Change	No. of Shares	% of Share capital
Vivek Kumar	49.46	8,280.00	-	8,280.00	49.46
Bhargav Rami Reddy	17.20	2,880.00	-	2,880.00	17.20
Informed Technologies India Limited	27.96	4,680.00	-	4,680.00	27.96
Gautam Khandelwal	5.38	900.00	-	900.00	5.38
	100.00	**16,740.00**	**-**	**16,740.00**	**100.00**

14 OTHER EQUITY

Security Premium Account	12448.98	12448.98
Retained Earning	19886.78	16699.26
	32335.76	**29148.24**

15 FINANCIAL LIABILITIES-NON CURRENT :BORROWINGS

Bank of Baroda Car Loan	0.00	7.65
	0.00	**7.65**

16 FINANCIAL LIABILITIES-CURRENT :BORROWINGS

Bank of Baroda Overdraft	1003.66	804.13
		0.00
	1003.66	**804.13**

17 FINANCIAL LIABILITIES -CURRENT : TRADE PAYABLE

a) total outstanidng dues of micro and small enterprises

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

The amount of Principal and interest outstanding during the year given below		
a. Amounts outstanding but not due as at March 31	0.00	0.00
b. Amounts due but unpaid as at March 31	3883.59	0.00
c. Amounts paid after appointed date during the year	0.00	0.00
d. Amount of interest accrued and unpaid as at March 31	0.00	0.00
e. Amount of estimated interest due and payable for the period from April 1, 2022 to actual date of payment or June 15, 2022 (Whichever is earlier)	0.00	0.00
	3883.59	**0.00**

b) total outstanidng dues of creditors other than micro enterprises and small enterprises

Trade Creditors	4649.74	3640.26
Audit Fee Payable	134.82	97.20
Imprest Account	136.99	161.41
Professioanl Fee Payable	0.00	135.16
Commission Payable	2008.82	1053.82
Salary and Bonus Payable	3907.75	1577.15
Electricity and Water Exp. Payable	94.71	54.18
	10932.82	**6719.17**

Trade Payable ageing schedule for the year ended as on 31.03.2023 and 31.03.2022:

(i) MSME			
Outstanding less then 1 year	3883.59	**0.00**	
Total	**3883.59**	**0.00**	
(ii) Others			
Outstanding less then 1 year	4502.54	6269.36	
Outstanding less then 1 - 2 years	61.90	449.81	
Outstanding less then 2 -3 years	85.30	0.00	
Outstanding more then 3 years	0.00	0.00	
Total	**4649.74**	**6719.17**	-
(iii) Disputed dues – MSME	**0.00**	**0.00**	
(iv) Disputed dues – Others	**0.00**	**0.00**	
Total	**8533.33**	**6719.17**	

18 FINANCIAL LIABILITIES -CURRENT : OTHER FINANCIAL LIABILITIES

Kotak Mahindra Bank loan maturing during one year	0.00	0.00
Bank of Baroda loan maturing during one year	4.34	139.16
	4.34	**139.16**

19 OTHER CURRENT LIABILITIES

Advance From Customers	490.00	688.45
Vat/GST Payable	737.33	325.92
TDS Payable	217.73	96.60
EPF Payable	51.50	40.34
ESIC Payable	6.05	2.02
	1502.62	**1153.32**

20 REVENUE FROM OPERATIONS

Sale of Products	72417.06	45342.11
Sale of Services	10254.96	8312.69
	82672.01	**53654.80**

21 OTHER INCOME

Interest	325.48	206.70
Discount Received	49.91	21.28
Foreign Exchange Fluctuation Gain	24.14	57.54
	399.53	**285.52**

22 EMPLOYEE BENEFIT EXPENSE

Director Remuneration	2522.80	2522.80
Salary & Wages	7517.56	3515.67
Defined Contribution Plan Expenses	673.48	274.00
Staff Welfare	778.43	420.40
Bonus	2834.57	275.30
	14326.83	**7008.16**

23 OTHER EXPENSES

Advertisement Expenses	54.73	23.14
Audit Fee	104.00	90.00
Bad/ Doubtful Debt Allowance	1662.46	595.65
Bank Charges	94.21	77.24
Business Promotion	743.27	0.00
Commission	2625.00	1068.82
Conveyance	1700.67	1121.07
Discount Allowed	71.15	692.81
Electricity and Water Expenses	391.44	292.90
Festival Expenses	477.39	47.22
Interest on TDS	5.01	5.82
Job Work/ Project Fee	7375.31	3466.66
Misc Expenses	130.81	132.58
Office Expenses	273.14	407.83
Postage,Courier and Freight	4906.08	3252.34
Printing & Stationary	69.50	86.33
Professional Fee	933.90	1293.15
Rent	3261.02	2970.89
Repair and Maintenance	273.13	608.66
Research and Development Exp.	2139.59	1580.33
Telephone	95.53	82.55
Tour and Travel Expenses	1976.96	1341.29
Web Site/Software Expenses	573.17	310.14
	29937.48	**19547.41**

24 INCOME TAX EXPENSES

a. Income Tax Expense

Current Tax		
Current Tax on Profit for the year	1180.39	587.95
Adjustment on current tax of Prior Period	0.35	55.09
Total Current Tax Expenses	1180.74	643.04
Deferred Tax	-21.10	65.84
Income tax Expenses	1159.63	708.88

b. Reconciliation of Tax expense and the accounting profit multiplied by India's Tax Rate

Profit Before Income Tax Expense	4347.16	2533.81
Tax at the Indian Tax rate of 26%	1130.26	658.79
Tax effect of items which are not deductible in calculating taxable income:		
Interest on Income Tax	27.72	26.88
Other Item	1.30	-31.89
Adjustment for Current tax of prior period	0.35	55.09
	1159.63	708.88

25 EARNING PER SHARE:

Profit After Tax	3187.52	1824.94
Weighted average number of Ordinary Shares for Basic EPS (Nos.)	16,740.00	16,740.00
Earning Per Share (Basic)	190.41	109.02
Weighted average number of Ordinary Shares for Diluted EPS (Nos.)	16,740.00	16,740.00
Earning Per Share (Diluted)	190.41	109.02

26 RELATED PARTY DISCLOSURES

A. Related party and their relationship

a. Key Management Personnel
Vivek Kumar
Bhargav Rami Reddy

b. Associates
Informed Technologies India Limited
Books Mountain Private Limited

B. Transactions with Related Parties

Director Remuneration	2522.80	2522.80

27 OPERATING LEASES

The Company has taken operating leases for factory and office premise. The Company has given refundable interest free security deposit under the lease agreements. These lease arrangements are cancellable. Description of significant operating lease arrangements in respect of premises are as follows:

Both agreements contain provision for renewal at the option of either party and also include escalation clause.
Both agreements provide for restriction on sub lease.
Lease payments recognised in Statement of Profit and Loss are shown as “Rent” under Other Expenses

28. Financial Risk Management

Inherent to the nature of the Company's business are a variety of financial risks, namely liquidity risk, market risk and credit risk. Developing policies and processes to assess, monitor, manage and address these risks is the responsibility of the Company's Management. The Management oversees this risk management framework in the Company and intervenes as necessary to ensure there exists an appropriate level of safeguards against the key risks. Updates on compliance, exceptions and mitigating action are placed before the Board of Directors periodically. Risk management policies and systems are reviewed regularly to reflect changes like major changes in ERP systems or go to market model, changes in organization structure, events denoting material change in the risk environment, etc. The Company's Management works closely with its other department to ensure there are appropriate policies and procedures governing the operations of the Company with a view to providing assurance that there is visibility into financial risks and that the business is being run in conformity with the stated risk objectives. Periodic reviews with concerned stakeholders provides an insight into risks to the business associated with currency movements, credit risks, commodity price fluctuations, etc. and necessary deliberations are undertaken to ensure there is an appropriate response to the developments.

A. **MANAGEMENT OF LIQUIDITY RISK** The Company follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure and dividend policies. The Company is approaching for overdraft facility with banks to support any temporary funding requirements. The Company is cognizant of reputational risks that are associated with the liquidity risk and the risk is factored into the overall business strategy.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities. Trade payable ageing is also provided in Note No.15

B. MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

• currency risk;

• commodity price risk;

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's Management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	**MANAGEMENT POLICY**	**SENSITIVITY TO RISK**
1. CURRENCY RISK		
The Company is subject to the risk of changes in foreign currency values that impact revenue from exports. Balance sheets foreign currency denominated	The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD, AED and SGD. The	A 1% strengthening of the INR against key currencies to which the Company is exposed at year end would have led to approximately an additional 0.71 lacs gain in

Receivables will also be impacted. As at March 31, 2023, the unhedged exposure to the Company on holding financial assets other than in its functional currency amounted to 71,41,862/-(March 31,2022 70,18,729 /-)	Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented.	the Statement of Profit and Loss (2021-22) : 0.70 lacs gain). A 1% weakening would have led to an equal but opposite effect.
2. COMMODITY PRICE RISK		
The Company is exposed to the risk of changes in commodity prices in relation to its purchase of its raw materials	The Company develops periodic financial forecasts based on commodity price forecasts by its Procurement group and appropriate actions including selling price changes and cost saving measures to reduce the impact of commodity price changes is considered as part of the financial model.	A 1% increase in commodity prices would have led to approximately an additional 404 thousand loss in the Statement of Profit and Loss (2021-2022: 240 thousands loss). A 1% weakening in commodity prices would have led to an equal but opposite effect.

C. MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or other counter-party fails to meet its contractual obligations.

Trade Receivables:

Trade receivables are subject to credit limits, controls and approval processes. Due to a large customer base, the Company is not exposed to material concentration of credit risk. Basis the historical experience supported by the level of default, the credit risk in case of trade receivable is low and so trade receivables are considered to be a single class of financial assets. Basis of provision for doubtful receivables is dependent on the customer ageing, customer category and historical experience of the Company. The gross carrying amount of trade receivables is 2,06,40,750.46 as at March 31, 2023 and 1,88,81,740.97 as at March 31, 2022 , ageing analysis is attached in Note No. 7.

Other financial assets

The Company maintains exposure in cash and cash equivalents. Other Financial assets are not significant.

29. Ratios

Particulars	**Numerator**	**Denominator**	**31.03.2023**	**31.03.2022**	**Variance in %**	**Remarks**
Current Ratio	Current assets	Current liabilities	2.37	3.32	(28.40)	Stock increase due purchase are made against order to be full filled in April 2023
Debt – Equity Ratio	Total Debt	Shareholder’s Equity	3.09	2.77	11.51	
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	32.80	13.82	137.41	Debt reduction substantially
Return on Equity (ROE)	Net Profits after taxes	Shareholder’s Equity	9.81	6.23	57.54	Sale increase and also profit increase
Inventory Turnover Ratio	Sale	Average inventory	15.20	38.64	(60.68)	Purchase are made due to purchase order to be full filled in April 2023
Trade receivables turnover ratio	Revenue from operation	Average Trade Receivable	4.18	2.28	83.51	Due to efficient recovery of receivables and increase in sales during current year
Trade payables turnover ratio	Purchases of Goods services and other expenses	Average Trade Payables	3.75	2.63	42.76	Purchase are made due to purchase order to be full filled in April 2023
Net capital turnover ratio	Revenue	Working Capital	3.43	2.56	33.95	Stock increase due purchase are made against order to be full filled in April 2023
Net profit ratio	Net Profit	Revenue	3.84	3.38	13.41	Due to increase in revenue
Return on capital	Earning before	Capital	13.37	8.64	54.78	Due to increase in

employed (ROCE)	interest and taxes	Employed				revenue
Return on Investment (ROI)	Income Generated from Investment	Time Weighted Average Investment	9.81	6.23	57.54	Due to increase in revenue

30. Capital Management

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital, 2) Share Premium and 3) Retained Earnings.

The Company's capital structure is based on the Managements assessment of the balances of key elements to ensure strategic decisions and day to day activities. The capital structure of the Company is managed with a view of the overall macro-economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company.

The Company's focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

Signature to Notes 1-30

For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT Digitally signed by ANIL KUMAR BHATT Date: 2023.05.22 15:08:57 +05'30'

BHATT ANIL & ASSOCIATES FRN : 022514N Chartered Accountants

Anil Kumar Bhatt
(Prop.)
M.No.502117
UDIN : 23502117BGPZDX6676
Place : New Delhi
Date : 22/05/2023

For and on behalf of Board

Vivek Kumar Digitally signed by Vivek Kumar Date: 2023.05.22 15:13:30 +05'30'

Vivek Kumar
(Director)
DIN: 03480312

Bheemireddy Bhargav Rami Reddy Digitally signed by Bheemireddy Bhargav Rami Reddy Date: 2023.05.22 15:17:40 +05'30'

Bhargav Rami Reddy
(Director)
DIN: 03604266

BHATT ANIL & ASSOCIATES

CHARTERED ACCOUNTANTS

1433/T, 2nd Floor, Kumar Complex, Wazir Nagar,
Kotla Mubarakpur, New Delhi- 110003
Tel :. 9911992500, 08510054117
E – mail :ca.anilbhatt@gmail.com

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

M/s ENTECRES LABS PRIVATE LIMITED

Report on the Audit of the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/s ENTECRES LABS PRIVATE LIMITED** - (hereinafter referred to as "the Holding Company") and its associate BOOKS MOUNTAIN PRIVATE LIMITED (Holding Company and its associate together referred to as "the Group") , which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated 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'sCode of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Information Other than the Consolidated financial statements and Auditor's Report Thereon

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 Responsibility

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Consolidated Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid Ind AS consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act
   (e) On the basis of the written representations received from the directors of the

Holding Company and its associate which are incorporated in India, as on 31 March 2022 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act..

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its Associate Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. the group does not have any pending litigations which would impact its financial position

ii. the group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the group.

iv. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT
Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 17:16:10 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Anil Kumar Bhatt
(Prop.)
M.No. 502117
UDIN : 23502117BGPZDZ4259
Place : New Delhi
Date: 22/05/2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

In conjunction with our audit of the consolidated financial statements of M/s ENTECRES LABS PRIVATE LIMITED ("the Holding Company") as of 31 March 2023, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its associate, which are incorporated in India as of that date

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its associate which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding company and its associate, which are incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective entity'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.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system with reference to financial statements of the Holding Company and its associate which are incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its associate which are incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2023, based on the internal control with reference to financial statements criteria established by the Holding Company and its associate which are incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Bhatt Anil & Associates

Chartered Accountants

ANIL KUMAR BHATT

Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 17:16:43 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Anil Kumar Bhatt

(Prop.)

M.No. 502117

UDIN : 23502117BGPZDZ4259

Place : New Delhi

Date : 22/05/2023

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI - 110045
CIN U73100DL2012PTC230786

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 20223 **Amount in thousand**

Particulars	Note	31.03.2023	31.03.2022
ASSETS			
Non - Current assets			
Property, Plant and Equipment	"4"	19,24,749.86	25,67,093.48
Financial Assets			
(i) Investments	"5"	9,28,608.93	9,93,539.97
(ii) Loans	"6"	48,46,120.00	41,96,120.00
Deferred Tax Assets (Net)	"7"	5,25,648.00	5,04,545.00
		-	
Current Assets			
Inventories	"8"	82,70,412.00	12,61,250.00
Financial Assets			
(i) Trade Receivable	"9"	2,06,40,750.46	1,88,81,740.97
(ii) Cash and Cash Equivalents	"10"	1,10,06,001.25	90,57,132.67
(iii) Loans		-	-
(iv) Others	"11"	4,59,000.00	2,97,000.00
Current Tax Assets (Net)		-	-
Other Current Assets	"12"	14,21,077.45	6,29,355.52
TOTAL ASSETS		**5,00,22,367.95**	**3,83,87,777.61**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	"13"	1,67,400.00	1,67,400.00
Other Equity	"14"	3,22,68,118.17	2,91,26,778.65
Liabilities			
Non - Current liabilities			
Financial Liabilities			
(i) Borrowings	"15"	-	7,646.31
Deferred Tax Liabilities (Net)		-	-
Current Liabilities			
Financial Liabilities			
(i) Borrowings	"16"	10,03,662.71	8,04,134.40
(ii) Trade Payable	"17"		
a) total outstanidng dues of micro and small enterprises		38,83,587.75	-
b) total outstanidng dues of creditors other than micro enterprises and small enterprises		1,09,32,824.95	67,19,170.31
(iii) Other Financial Liabilities	"18"	4,336.31	1,39,164.00
Other Current Liabilities	"19"	15,02,615.06	11,53,323.94
Provisions		2,59,823.00	2,70,160.00
TOTAL EQUITY AND LIABILITIES		**5,00,22,367.95**	**3,83,87,777.61**
Notes Forming Part of Financial Statements	"1-30"	-	-

(As per our audit report of even date attached)

For Bhatt Anil & Associates
Chartered Accountants

For and on behalf of Board

ANIL KUMAR BHATT
Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 17:17:07 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Vivek Kumar
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Date: 2023.05.22 17:17:36 +05'30'

Bheemireddy Bhargav Rami Reddy
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Date: 2023.05.22 17:18:10 +05'30'

Anil Kumar Bhatt
(Proprietor)
M.No. 502117
UDIN : 23502117BGPZDZ4259
Date : 22/05/2023

Vivek Kumar
Director
DIN : 03480312

Bhargav Rami Reddy
Director
DIN : 03604266

ENTECRES LABS PRIVATE LIMITED

RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI - 110045

CIN U73100DL2012PTC230786

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

Amount in thousand

	Particulars	**Note**	**31-03-2023**	**31-03-2022**
I	Revenue from operations	"20"	82672.01	53654.80
II	Other Income	"21"	399.53	285.52
III	Total Revenue(I+II)		83071.54	53940.32
IV	Expenses:			
	Cost of Material Consumed		40407.90	24086.92
	Changes in inventories of finished goods, stock-in-trade and work-in-progress		-7009.16	-175.68
	Employee benefit Expenses	"22"	14326.83	7008.16
	Depreciation & Amortization expenses	"4"	932.46	734.85
	Finance Expenses		128.88	204.85
	Other Expenses	"23"	29937.48	19547.41
	Total Expenses		78724.39	51406.51
V	Profit before Exceptional items and tax (III-IV)		4347.16	2533.81
VI	Exceptional items		0.00	0.00
VII	Share of profit/loss of associates company		64.93	21.46
VIII	Profit before tax (V-VI)		4282.23	2512.35
IX	Tax expenses :	"24"		
	(1) Current tax		1161.99	643.04
	(2) Deferred tax		-21.10	65.84
X	Profit (Loss) For the period(VII-VIII)		3141.34	1803.48
XI	Other Comprehensive Income			0.00
XII	Total Comprehensive Income for the period (IX+X)		3141.34	1803.48
XIII	Earning Per equity share (Basic and Diluted)	"25"	187.65	107.73
Notes Forming Part of Financial Statements		"1-30"		

(As per our audit report of even date attached)

For Bhatt Anil & Associates

Chartered Accountants

ANIL KUMAR BHATT

Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 17:18:39 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Anil Kumar Bhatt
(Proprietor)
M.No. 502117
UDIN : 23502117BGPZDZ4259
Date : 22/05/2023

For and on behalf of Board

Vivek Kumar

Digitally signed by Vivek Kumar
Date: 2023.05.22 17:19:14 +05'30'

Vivek Kumar
Director
DIN : 03480312

Bheemireddy Bhargav Rami Reddy

Digitally signed by Bheemireddy Bhargav Rami Reddy
Date: 2023.05.22 17:19:43 +05'30'

Bhargav Rami Reddy
Director
DIN : 03604266

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI-110045
CIN U73100DL2012PTC230786
CONSOLIDATED CASH FLOW STATEMENT 2022-2023

Amount in thousand

Particulars	Note	Year ended March 31st	
		31/03/2023	31/03/2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit as per profit and loss account before tax and exceptional items		4347.16	2533.81
Adjustments to reconcile profit before tax to cash generated by operating activities			
Depreciation and amortization expense		932.46	734.85
Interest income		-325.48	-206.70
Interest Paid		128.88	204.85
Effect of exchange differences on translation of assets and liabilities		-24.14	-57.54
Changes in assets and liabilities			
Inventories		-7009.16	-175.68
Trade receivables		-1759.01	9306.84
Loans and advances		0.00	0.00
Other Current Assets		-953.72	-177.44
Liabilities and provisions		8311.71	-4836.89
		3648.68	7326.10
Income taxes paid		-1172.33	-896.20
NET CASH GENERATED BY OPERATING ACTIVITIES		2476.36	6429.90
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment towards capital expenditure		-290.11	-959.39
Investment in shares		0.00	-1015.00
loan provided		-650.00	-4196.12
Interest received		325.48	206.70
NET CASH USED IN INVESTING ACTIVITIES		-614.63	-5963.81
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of share capital		0.00	0.00
Interest Paid		-128.88	-204.85
Security Premium		0.00	0.00
Long Term Borrowings		-7.65	-122.21
NET CASH USED IN FINANCING ACTIVITIES		-136.53	-327.05
Effect of exchange differences on translation of foreign currency cash and cash equivalents		24.14	57.54
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		1749.34	196.58
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		8253.00	8056.42
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		10002.34	8253.00
(Bank overdraft is reduced while calculating cash and cash equivalent)			
Notes Forming Part of Financial Statement	"1-30"		

(As per our audit report of even date attached)
For Bhatt Anil & Associates
Chartered Accountants

For and on behalf of Board

ANIL KUMAR BHATT Digitally signed by ANIL KUMAR BHATT Date: 2023.05.22 17:20:14 +05'30'

BHATT ANIL & ASSOCIATES FRN : 022514N Chartered Accountants

Vivek Kumar Digitally signed by Vivek Kumar Date: 2023.05.22 17:20:54 +05'30'

Bheemireddy Bhargav Rami Reddy Digitally signed by Bheemireddy Bhargav Rami Reddy Date: 2023.05.22 17:21:28 +05'30'

Anil Kumar Bhatt
(Proprietor)
M.No. 502117
UDIN : 23502117BGPZDZ4259
Date : 22/05/2023

Vivek Kumar
Director
DIN : 03480312

Bhargav Rami Reddy
Director
DIN : 03604266

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI-110045
CIN U73100DL2012PTC230786

CONSOLIDATED Statement of change in Equity as at 31March, 2023

A	**Equity share Capital**	**Amount in thousand**
	As at 01.04.2021	167.40
	Increse During the year	0.00
	As at 31.03.2022	167.40
	Increse During the year	0.00
	As at 31.03.2023	167.40

B Other Equity

Particular	**Reserve and surplus**	
	Security Premium	**Retained Earnings**
Balance as at 01.04.2021	12448.98	14874.32
Profit for the year	0.00	1803.48
Other comprehensive income	0.00	0.00
Tax Adjustment on other Comprehensive income	0.00	0.00
Total Comprehensive income for the year	0.00	1803.48
Transaction with owners in their capacity as owners :	0.00	0.00
Balance as at 31.03.2022	12448.98	16677.80
Profit for the year	0.00	3141.34
Other comprehensive income	0.00	0.00
Tax Adjustment on other Comprehensive income	0.00	0.00
Total Comprehensive income for the year	0.00	3141.34
Transaction with owners in their capacity as owners :	0.00	0.00
Balance as at 31.03.2023	12448.98	19819.14

(As per our audit report of even date attached)
For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT
Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 17:22:18 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Anil Kumar Bhatt
(Proprietor)
M.No. 502117
UDIN : 23502117BGPZDZ4259
Date : 22/05/2023

For and on behalf of Board

Vivek Kumar
Digitally signed by Vivek Kumar
Date: 2023.05.22 17:23:14 +05'30'

Vivek Kumar
Director
DIN : 03480312

Bheemireddy Bhargav Rami Reddy
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Date: 2023.05.22 17:24:15 +05'30'

Bhargav Rami Reddy
Director
DIN : 03604266

Notes to the Financial Statements

1. Company Overview

Entecres Labs Private Limited (referred to as "the Company" hereinafter) was incorporated under Companies Act 1956 with its registered office at RZD -30B Dabri Extension East New Delhi 110045. The Company is engaged in manufacturing/trading of hand on science, robotics kits and rendering services of training to students. The Company strategic objective is to build a sustainable organization that remains relevant to the agenda of clients, while creating growth opportunities for employees and generating profitable returns for investors. The Company strategy is to be a navigator for students and faculty of our clients as they learn science concept in easiest manner.

Under Companies Act, 2013 Group is defined as parent, subsidiaries, joint ventures and associates. As Entecres Labs Private Limited has no subsidiary the consolidation pertains to Entecres Labs Private Limited (hereafter holding Company) and it's Associate viz

Name of the Associate Companies	Percentage of Holding
Books Mountain Private Limited	50%

2. Basis of preparation of financial statements

These consolidated financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

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

Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Principles of Consolidation

The consolidated financial statements relate to Entecres Labs Pvt. Ltd. ('the Company or Investor') and it's Associate Books Mountain Private Limited. The company and its Associate together constitute 'The Group'. The consolidated financial statements have been prepared on the following basis.

i. The financial statements of the Company and Associate used in the consolidated procedure are drawn up to the same reporting date i.e. 31st March, 2023.

ii. Investment in associate company has been accounted in this consolidated financial statements as per the equity method in terms of Indian Accounting Standards (Ind AS) 28-'Investments in Associates and Joint Ventures'. They are initially recognised at cost, which include transactions costs. Subsequent to initial recognition, Consolidated Financial Statements include the Group' share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

iii. Where the Group's share of losses of an equity accounted investee exceed the Group's interest in that associate, the group discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the associate.

iv. These consolidated financial statements have been prepared in compliance of section 129 of the Companies Act, 2013

3. Significant Accounting Policies

The Company has applied following accounting policies to all periods presented in the consolidated Financial Statement:

a. Revenue recognition

Sale of goods

Revenue is recognized at the fair value of the consideration that can be reliably measured and net of returns, trade discounts, volume based incentives, and Goods and Service tax and other taxes as may be applicable, when all significant risk and rewards in the ownership of the goods are transferred to the buyer and it is probable that the future economic benefit will flow to the entity as per the terms of the contract, which usually co-inside with the delivery of the goods.

Service Income

Revenue from services is recognized in the accounting period in which the services are rendered. For Fixed price contracts, revenue is recognized based on actual service provided to the end of the reporting period as a proportion of total services to be provided (percentage of completion method).Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Interest Income is recognized on time proportionate method using effective interest method.

b. Property, Plant and Equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

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/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c. Depreciation:

Property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life (determined by the management based on technical estimates), as follows:

The estimated useful lives of assets are as follows:

i. Plant and Machinery : 15 Years
ii. Computers : 3 Years
iii. Furniture and fixtures : 10 Years
iv. Vehicles : 8 Years
v. Office equipment's : 5 Years

Individual items of assets costing up to Rs. 5,000 are fully depreciated in the year of acquisition

d. Financial instruments

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

Initial Recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, except in the case of financial assets not recorded at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed through the Statement of Profit and Loss.

Subsequent Measurement

For purposes of subsequent measurement, the Company classifies its financial assets in the following measurement categories:

• Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

• Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through Other Comprehensive Income (FVOCI)

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

Fair value through Profit or Loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit or Loss is recognized in the Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is included in other income.

Derecognisation

A financial asset is derecognized only when:

• The rights to receive cash flows from the financial asset have expired, or

• The Company has transferred its rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows to one or more recipient.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial Liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

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 financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

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

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

e. Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above. Bank overdraft are shown within borrowings in current liabilities in the balance sheet. However Bank overdraft repayable on demand and which form integral part of cash management are included in cash and cash equivalent for presentation of statement of cash flows.

f. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g. Impairment of Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When 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 post-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 taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h. Inventories

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

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

i. Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
ii. Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

i. Taxation

Current income tax

Current income 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.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences 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 can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are 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 realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

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

Goods and Service Tax paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognized net of the amount of GST paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

j. Employee Benefit Schemes

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

Post-employment benefits

Defined contribution plan

Eligible employees of the Company receive benefits from a provident fund, which is a defined contribution plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. EPFO administer such fund and The Company has no obligation, other than the contribution payable to the such fund. The Company recognizes contribution payable to such fund as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

k. Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

l. Foreign currency transactions

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income

m. Earnings per share

The Company presents basic and diluted earnings per share (“EPS”) data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares

n. Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 “Statement of Cash Flows”, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

o. Research and development

Revenue expenditure towards research and development is charged to the statement of profit and loss in the year it is incurred. Capital expenditure on research and development related to property, plant and equipments is included in the cost of related property, plant and equipments.

p. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straightline basis over the lease term.

q. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the "Board of Directors". The Company has identified 'STEM Programme' as its only primary reportable segment, which primarily includes products science and robotic kits

ENTECRES LABS PRIVATE LIMITED

PROPERTY PLANT AND EQUIPMENT AS ON 31ST MARCH 2023

Note - 4

(As per Companies Act)

Amount in thousand

PARTICULARS	RATE	GROSS BLOCK			DEPRECIATION			WDV	
		AS ON 01.04.2022	ADD/SALE	AS ON 31.03.2023	AS ON 01.04.2022	FOR THE YEAR	AS ON 31.03.2023	AS ON 31.03.2023	AS ON 31.03.2022
Computer	0.6316	871.90	63.56	935.46	510.21	267.26	777.48	157.98	361.68
(Previous Year)		*562.79*	*309.11*	*871.90*	*371.29*	*138.92*	*510.21*	*361.68*	*191.50*
Vehicles	0.3123	1963.57		1963.57	1630.97	103.87	1734.84	228.73	332.60
(Previous Year)		*1963.57*	*0.00*	*1963.57*	*1481.55*	*149.42*	*1630.97*	*332.60*	*482.02*
Plant and Machinary	0.181	831.47	25.55	857.02	205.75	86.73	292.48	564.54	625.72
(Previous Year)		*831.47*		*831.47*	*165.52*	*40.23*	*205.75*	*625.72*	*665.95*
Tools and Dies	0.6316	872.32	31.00	903.32	848.71	17.68	866.39	36.94	23.61
(Previous Year)		*872.32*	*0.00*	*872.32*	*808.23*	*40.48*	*848.71*	*23.61*	*64.09*
Office Equipments	0.4507	1124.58	170.00	1294.58	908.98	195.97	1104.95	189.63	215.61
(Previous Year)		*878.32*	*246.26*	*1124.58*	*756.64*	*152.34*	*908.98*	*215.61*	*121.68*
Furniture and Fittings	0.2589	2018.34		2018.34	1010.46	260.94	1271.40	746.93	1007.87
(Previous Year)		*1614.32*	*404.02*	*2018.34*	*796.99*	*213.47*	*1010.46*	*1007.87*	*817.32*
Total		**7682.17**	**290.11**	**7972.28**	**5115.08**	**932.46**	**6047.53**	**1924.75**	**2567.09**
Total of Previous Year		**6722.78**	**959.39**	**7682.17**	**4380.23**	**734.85**	**5115.08**	**2567.09**	**2342.56**

ENTECRES LABS PRIVATE LIMITED
RZ D - 30 B, DABRI EXTENSION EAST NEW DELHI-110045
CIN U73100DL2012PTC230786
CONSOLIDATED NOTES FORMING PART OF THE BALANCE SHEET

Amount in thousand

		31-03-2023	31-03-2022
5	**INVESTMENTS**		
	a. Trivi Solution Private Limited (1500 shares of Rs.10 each) for 15 % equity	15.00	15.00
	b. Books Mountain Private Limited(100000 shares of Rs10 each)for 50% equity	913.61	978.54
		928.61	**993.54**
6	**LOANS**		
	Loan to Trivi Solution Private Limited	4846.12	4196.12
		4846.12	**4196.12**
7	**DEFERRED TAX ASSETS/(DEFERRED TAX LIABILITY) {NET}**		
	Timing Difference Between Book and Tax Dep.	452.07	386.11
	Trade Receivables	73.58	118.43
		525.65	**504.55**
	Movement in Deferred Tax Asset/(Deferred Tax Liabilities)		
	Opening Balance	504.55	570.38
	Charged/ Credited		
	-to statement of Profit and loss account	21.10	-65.84
	-to Other Comprehensive Income		0.00
	Closing DTA/(DTL)	**525.65**	**504.55**
8	**INVENTORISES**		
	Raw Material	2652.32	371.09
	Work in Progress	5023.45	418.71
	Finished Goods	594.64	471.45
		8270.41	**1261.25**
			0.00
9	**TRADE RECEIVABLES**		
	Trade Receivables Considered Good- Unsecured	20923.74	19337.24
	Less : Allowance for Expected Credit Loss	282.99	455.50
		20640.75	**18881.74**
	Trade Receivable ageing schedule for the year ended as on 31.03.2023 and 31.03.2022		
	Outstanding for following periods from due date of payment		
	a. Undisputed Trade Receivables - Considered Good		
	Outstanding Less than 6 Months	12656.18	11147.54
	Outstanding 6 Months-1 year	3672.41	2145.87
	Outstanding 1-2 Years	1764.79	478.67
	Outstanding 2-3 Years	525.75	652.22
	Outstanding More than 3 Years	0.00	0.00
	Total	**18619.14**	**14424.29**
	b. Disputed Trade Receivables - Considered Good		
	Outstanding Less than 6 Months	**0.00**	468.23
	Outstanding 6 Months-1 year	**0.00**	1728.97
	Outstanding 1-2 Years	1131.03	1428.21
	Outstanding 2-3 Years	294.52	436.91
	Outstanding More than 3 Years	879.05	850.64
	Total	**2304.60**	**4912.95**
	Grand Total (a+b)	**20923.74**	**19337.24**
	Less : Allowance for Expected Credit Loss	282.99	455.50

Total Trade Receivables	**20640.75**	**18881.74**

10 FINANCIAL ASSETS -CURRENT: CASH & CASH EQUIVALENTS

a.Cash in Hand	25.90	128.70
b.Balance with Bank	10980.10	8928.43
	11006.00	**9057.13**

11 FINANCIAL ASSETS -CURRENT: OTHERS

(at amortised cost)

Security Deposit	459.00	297.00
	459.00	**297.00**

12 OTHER CURRENT ASSETS

(Unsecured considered good)

Advance to Suppliers	0.00	629.36
Advance for Plot	500.00	0.00
Advance Salary	20.00	0.00
Input GST	901.08	0.00
	1421.08	**629.36**

13 Equity Share Capital

	Number of Shares	Amount (Rs)
Authorised Equity Share Capital		
As at April 1 2020	30,000.00	30,000.00
Increase During the Year	-	
As at March 31 2021	30,000.00	30,000.00
Increase During the Year	-	-
As at March 31 2022	30,000.00	30,000.00
Issued Subscribed and Paid up:		
Movement in Equity Share Capital		
As at April 1 2021	16,740.00	16,740.00
Increase During the Year	-	-
As at March 31 2022	16,740.00	16,740.00
Increase During the Year	-	-
As at March 31 2023	16,740.00	16,740.00

Rights, Preferences and Restrictions attached to Shares:

i) In respect of every Ordinary share (whether fully paid or partly paid), voting right shall be in the same proportion as the capital paid up

ii) The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also announce an interim dividend.

iii) In the event of liquidation, the shareholders of Ordinary shares are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

Number of Ordinary shares held by each shareholder holding more than 5 percent of the issued share capital

Name of Shareholder	**As at March 31,2023**			**As at March 31,2022**	
	% of Share capital	No. of Shares	% Change	No. of Shares	% of Share capital
Vivek Kumar	49.46	8,280.00	-	8,280.00	49.46
Bhargav Rami Reddy	17.20	2,880.00	-	2,880.00	17.20
Informed Technologies India Limited	27.96	4,680.00	-	4,680.00	27.96
Gautam Khandelwal	5.38	900.00	-	900.00	5.38
	100.00	**16,740.00**	**-**	**16,740.00**	**100.00**

14 OTHER EQUITY

Security Premium Account	12448.98	12448.98
Retained Earning	19819.14	16677.80
	32268.12	**29126.78**

15 FINANCIAL LIABILITIES-NON CURRENT :BORROWINGS

Bank of Baroda Car Loan	0.00	7.65
	0.00	**7.65**

16 FINANCIAL LIABILITIES-CURRENT :BORROWINGS

Bank of Baroda Overdraft	1003.66	804.13
		0.00
	1003.66	**804.13**

17 FINANCIAL LIABILITIES -CURRENT : TRADE PAYABLE

a) total outstanidng dues of micro and small enterprises

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

The amount of Principal and interest outstanding during the year given below		
a. Amounts outstanding but not due as at March 31	0.00	0.00
b. Amounts due but unpaid as at March 31	3883.59	0.00
c. Amounts paid after appointed date during the year	0.00	0.00
d. Amount of interest accrued and unpaid as at March 31	0.00	0.00
e. Amount of estimated interest due and payable for the period from April 1, 2022 to actual date of payment or June 15, 2022 (Whichever is earlier)	0.00	0.00
	3883.59	**0.00**

b) total outstanidng dues of creditors other than micro enterprises and small enterprises

Trade Creditors	4649.74	3640.26
Audit Fee Payable	134.82	97.20
Imprest Account	136.99	161.41
Professioanl Fee Payable	0.00	135.16
Commission Payable	2008.82	1053.82
Salary and Bonus Payable	3907.75	1577.15
Electricity and Water Exp. Payable	94.71	54.18
	10932.82	**6719.17**

Trade Payable ageing schedule for the year ended as on 31.03.2023 and 31.03.2022:

(i) MSME		
Outstanding less then 1 year	3883.59	**0.00**
Total	**3883.59**	**0.00**
(ii) Others		
Outstanding less then 1 year	4502.54	6269.36
Outstanding less then 1 - 2 years	61.90	449.81
Outstanding less then 2 -3 years	85.30	0.00
Outstanding more then 3 years	0.00	0.00
Total	**4649.74**	**6719.17**
(iii) Disputed dues – MSME	**0.00**	**0.00**
(iv) Disputed dues – Others	**0.00**	**0.00**
Total	**8533.33**	**6719.17**

18 FINANCIAL LIABILITIES -CURRENT : OTHER FINANCIAL LIABILITIES

	Kotak Mahindra Bank loan maturing during one year	0.00	0.00
	Bank of Baroda loan maturing during one year	4.34	139.16
		4.34	**139.16**
19	**OTHER CURRENT LIABILITIES**		
	Advance From Customers	490.00	688.45
	Vat/GST Payable	737.33	325.92
	TDS Payable	217.73	96.60
	EPF Payable	51.50	40.34
	ESIC Payable	6.05	2.02
		1502.62	**1153.32**
20	**REVENUE FROM OPERATIONS**		
	Sale of Products	72417.06	45342.11
	Sale of Services	10254.96	8312.69
		82672.01	**53654.80**
21	**OTHER INCOME**		
	Interest	325.48	206.70
	Discount Received	49.91	21.28
	Foreign Exchange Fluctuation Gain	24.14	57.54
		399.53	**285.52**
22	**EMPLOYEE BENEFIT EXPENSE**		
	Director Remuneration	2522.80	2522.80
	Salary & Wages	7517.56	3515.67
	Defined Contribution Plan Expenses	673.48	274.00
	Staff Welfare	778.43	420.40
	Bonus	2834.57	275.30
		14326.83	**7008.16**
23	**OTHER EXPENSES**		
	Advertisement Expenses	54.73	23.14
	Audit Fee	104.00	90.00
	Bad/ Doubtful Debt Allowance	1662.46	595.65
	Bank Charges	94.21	77.24
	Business Promotion	743.27	0.00
	Commission	2625.00	1068.82
	Conveyance	1700.67	1121.07
	Discount Allowed	71.15	692.81
	Electricity and Water Expenses	391.44	292.90
	Festival Expenses	477.39	47.22
	Interest on TDS	5.01	5.82
	Job Work/ Project Fee	7375.31	3466.66
	Misc Expenses	130.81	132.58
	Office Expenses	273.14	407.83
	Postage,Courier and Freight	4906.08	3252.34
	Printing & Stationary	69.50	86.33
	Professional Fee	933.90	1293.15
	Rent	3261.02	2970.89
	Repair and Maintenance	273.13	608.66
	Research and Development Exp.	2139.59	1580.33
	Telephone	95.53	82.55
	Tour and Travel Expenses	1976.96	1341.29
	Web Site/Software Expenses	573.17	310.14
		29937.48	**19547.41**

24 INCOME TAX EXPENSES

a. Income Tax Expense

Current Tax		
Current Tax on Profit for the year	1161.64	587.95
Adjustment on current tax of Prior Period	0.35	55.09
Total Current Tax Expenses	1161.99	643.04
Deferred Tax	-21.10	65.84
Income tax Expenses	1140.89	708.88

b. Reconciliation of Tax expense and the accounting profit multiplied by India's Tax Rate

Profit Before Income Tax Expense	4282.23	2512.35
Tax at the Indian Tax rate of 26%	1113.38	653.21
Tax effect of items which are not deductible in calculating taxable income:		
Interest on Income Tax	25.85	26.88
Other Item	1.30	-31.89
Adjustment for Current tax of prior period	0.35	55.09
	1140.89	708.88

25 EARNING PER SHARE:

Profit After Tax	3141.34	1803.48
Weighted average number of Ordinary Shares for Basic EPS (Nos.)	16,740.00	16,740.00
Earning Per Share (Basic)	187.65	107.73
Weighted average number of Ordinary Shares for Diluted EPS (Nos.)	16,740.00	16,740.00
Earning Per Share (Diluted)	187.65	107.73

26 RELATED PARTY DISCLOSURES

A. Related party and their relationship

a. Key Management Personnel
Vivek Kumar
Bhargav Rami Reddy

b. Associates
Informed Technologies India Limited
Books Mountain Private Limited

B. Transactions with Related Parties

Director Remuneration	2522.80	2522.80

27 OPERATING LEASES

The Company has taken operating leases for factory and office premise. The Company has given refundable interest free security deposit under the lease agreements. These lease arrangements are cancellable. Description of significant operating lease arrangements in respect of premises are as follows:

Both agreements contain provision for renewal at the option of either party and also include escalation clause.
Both agreements provide for restriction on sub lease.
Lease payments recognised in Statement of Profit and Loss are shown as “Rent” under Other Expenses

28. Financial Risk Management

Inherent to the nature of the Company's business are a variety of financial risks, namely liquidity risk, market risk and credit risk. Developing policies and processes to assess, monitor, manage and address these risks is the responsibility of the Company's Management. The Management oversees this risk management framework in the Company and intervenes as necessary to ensure there exists an appropriate level of safeguards against the key risks. Updates on compliance, exceptions and mitigating action are placed before the Board of Directors periodically. Risk management policies and systems are reviewed regularly to reflect changes like major changes in ERP systems or go to market model, changes in organization structure, events denoting material change in the risk environment, etc. The Company's Management works closely with its other department to ensure there are appropriate policies and procedures governing the operations of the Company with a view to providing assurance that there is visibility into financial risks and that the business is being run in conformity with the stated risk objectives. Periodic reviews with concerned stakeholders provides an insight into risks to the business associated with currency movements, credit risks, commodity price fluctuations, etc. and necessary deliberations are undertaken to ensure there is an appropriate response to the developments.

A. **MANAGEMENT OF LIQUIDITY RISK** The Company follows a conservative policy of ensuring sufficient liquidity at all times through a strategy of profitable growth, efficient working capital management as well as prudent capital expenditure and dividend policies. The Company is approaching for overdraft facility with banks to support any temporary funding requirements. The Company is cognizant of reputational risks that are associated with the liquidity risk and the risk is factored into the overall business strategy.

The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities. Trade payable ageing is also provided in Note No.15

B. MANAGEMENT OF MARKET RISK

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

• currency risk;

• commodity price risk;

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The objective of the Company's Management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below.

POTENTIAL IMPACT OF RISK	**MANAGEMENT POLICY**	**SENSITIVITY TO RISK**
1. CURRENCY RISK		
The Company is subject to the risk of changes in foreign currency values that impact	The Company is exposed to foreign exchange risk arising from various	A 1% strengthening of the INR against key currencies to which the Company is

revenue from exports. Balance sheets foreign currency denominated Receivables will also be impacted. As at March 31, 2023, the unhedged exposure to the Company on holding financial assets other than in its functional currency amounted to 71,41,862/-(March 31,2022 70,18,729 /-)	currency exposures, primarily with respect to USD, AED and SGD. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented.	exposed at year end would have led to approximately an additional 0.71 lacs gain in the Statement of Profit and Loss (2021-22) : 0.70 lacs gain). A 1% weakening would have led to an equal but opposite effect.
2. COMMODITY PRICE RISK		
The Company is exposed to the risk of changes in commodity prices in relation to its purchase of its raw materials	The Company develops periodic financial forecasts based on commodity price forecasts by its Procurement group and appropriate actions including selling price changes and cost saving measures to reduce the impact of commodity price changes is considered as part of the financial model.	A 1% increase in commodity prices would have led to approximately an additional 404 thousand loss in the Statement of Profit and Loss (2021-2022: 240 thousands loss). A 1% weakening in commodity prices would have led to an equal but opposite effect.

C. MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or other counter-party fails to meet its contractual obligations.

Trade Receivables:

Trade receivables are subject to credit limits, controls and approval processes. Due to a large customer base, the Company is not exposed to material concentration of credit risk. Basis the historical experience supported by the level of default, the credit risk in case of trade receivable is low and so trade receivables are considered to be a single class of financial assets. Basis of provision for doubtful receivables is dependent on the customer ageing, customer category and historical experience of the Company. The gross carrying amount of trade receivables is 2,06,40,750.46 as at March 31, 2023 and 1,88,81,740.97 as at March 31, 2022 , ageing analysis is attached in Note No. 7.

Other financial assets

The Company maintains exposure in cash and cash equivalents. Other Financial assets are not significant.

29. Ratios

Particulars	Numerator	Denominator	31.03. 2023	31.03. 2022	Variance in %	Remarks
Current Ratio	Current assets	Current liabilities	2.38	3.32	(28.32)	Stock increase due purchase are made against order to be full filled in April 2023
Debt – Equity Ratio	Total Debt	Shareholder's Equity	3.09	2.77	11.66	
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	32.45	13.71	136.61	Debt reduction substantially
Return on Equity (ROE)	Net Profits after taxes	Shareholder's Equity	9.68	6.16	57.31	Sale increase and also profit increase
Inventory Turnover Ratio	Sale	Average inventory	15.20	38.64	(60.68)	Purchase are made due to purchase order to be full filled in April 2023
Trade receivables turnover ratio	Revenue from operation	Average Trade Receivable	4.18	2.28	83.51	Due to efficient recovery of receivables and increase in sales during current year
Trade payables turnover ratio	Purchases of Goods services and other expenses	Average Trade Payables	3.75	2.63	42.76	Purchase are made due to purchase order to be full filled in April 2023
Net capital turnover ratio	Revenue	Working Capital	3.43	2.56	33.84	Stock increase due purchase are made against order to be full filled in April 2023
Net profit ratio	Net Profit	Revenue	3.78	3.34	13.10	Due to increase in revenue
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed	13.40	8.65	54.99	Due to increase in revenue
Return on Investment (ROI)	Income Generated from Investment	Time Weighted Average Investment	9.68	6.16	57.31	Due to increase in revenue

30. Capital Management

The Company’s objective in managing its capital is to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The Company considers the following components of its Balance Sheet to be managed capital:

1) Share Capital, 2) Share Premium and 3) Retained Earnings.

The Company’s capital structure is based on the Managements assessment of the balances of key elements to ensure strategic decisions and day to day activities. The capital structure of the Company is managed with a view of the overall macro-economic conditions and the risk characteristics of the underlying assets.

The Company’s policy is to maintain a strong capital structure with a focus to mitigate all existing and potential risks to the Company, maintain shareholder, vendor and market confidence and sustain continuous growth and development of the Company.

The Company’s focus is on keeping a strong total equity base to ensure independence, security, as well as high financial flexibility without impacting the risk profile of the Company. In order, to maintain or adjust the capital structure, the Company will take appropriate steps as may be necessary.

Signature to Notes 1-30

For Bhatt Anil & Associates
Chartered Accountants

ANIL KUMAR BHATT
Digitally signed by ANIL KUMAR BHATT
Date: 2023.05.22 17:26:21 +05'30'

BHATT ANIL & ASSOCIATES
FRN : 022514N
Chartered Accountants

Anil Kumar Bhatt
(Prop.)
M.No.502117
UDIN : 23502117BGPZDZ4259
Place : New Delhi
Date: 22/05/2023

For and on behalf of Board

Vivek Kumar
Digitally signed by Vivek Kumar
Date: 2023.05.22 17:27:10 +05'30'

Vivek Kumar
(Director)
DIN: 03480312

Bheemireddy Bhargav Rami Reddy
Digitally signed by Bheemireddy Bhargav Rami Reddy
Date: 2023.05.22 17:27:51 +05'30'

Bhargav Rami Reddy
(Director)
DIN: 03604266