B D Bansal & Co

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. HFL Technologies Pvt Ltd.

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s. HFL Technologies Pvt Ltd ("*the Company*")** which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the statement of Cash Flow for the financial year then ended, and notes to the financial statements including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the ACT") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 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, 2025 and its loss, changes in equity and its Cash Flows for the financial year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, 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 opinion on the financial statements.

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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and

B. D. BANSAL & CO. CA INDIA CHARTERED ACCOUNTANTS FRN-000621N B.O.:LUDHIANA maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. The reporting requirements under section 143(3)(i) of the Companies Act, 2013 are not applicable to the company. Hence, we are not responsible for expressing our opinion on whether the company has an adequate internal financial controlsi system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness 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 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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

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

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

   b. In our opinion proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter in a paragraph (vi) below on reporting under rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014;

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

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

   e. On the basis of written representations received from the directors as on March 31st, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2025, from being appointed as a director in terms of Section 164(2) of the Act;

   f. The modifications relating to the maintenance of accounts and other matters connected therewith are stated in paragraph (b) above on reporting under section

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143 (3)(b) of the Act and paragraph (vi) below on reporting under rule 11 (g) of the companies (Audit and Auditors) Rules, 2014.

g. The reporting on internal financial controls over financial reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 is not applicable to the Company vide notification dated June 13, 2017.

h. With respect to the other matters to be included in the Auditors' Report under section 197(16) of the Act. The company has not paid any remuneration to its Directors during the financial year. The ministry of corporate affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

i. 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 explanation given to us:-

   i. The company does not have any pending litigation which would impact its financial position, and

   ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and

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

   iv. (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

V. No dividend has been declared or paid during the financial year by the company.

VI. Based on our examination which includes test checks and according to the information and explanations given to us, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025, wherein the accounting software did not have the audit trail feature enabled throughout the financial year (Refer Note No 35 to the notes to accounts of the financial statements.)

Accordingly, the audit trail has not been preserved by the Company as per the statutory requirements for record retention.

For B D Bansal & Co
Chartered Accountants
Firm Regn.No.000621N

B. D. BANSAL & CO. CA INDIA CHARTERED ACCOUNTANTS FRN-000621N B.O. LUDHIANA

(Anil Gupta)
Partner
M. No.: 089988
UDIN: 25089988BMINIY7934

Place: Ludhiana
Date: 16.05.2025

Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report to the members of M/S. HFL Technologies Private Limited ("Company") of even date to the financial statements of the Company for the financial year ended March 31, 2025:

To the best of our information and according to the explanations provided to us by the company and the books of accounts examined by us under the normal course of audit, we state that: -

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

(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any intangible assets. Accordingly, the reporting under clause 3(i)(a)(B) of the Order is not applicable.

(b) The company has a program of physical verification of its Property, Plant and Equipment so to cover all the assets once every three years, which in our opinion is reasonable having regard to the size of the company and nature of its assets; Since this was first year of the entity therefore physical verification was not required as assets was capitalised after due verification itself. According to the information and explanations given to us, no material discrepancies were noticed on such verification and capitalisation.

(c) According to the information and explanations given to us, the title deeds of immovable as disclosed in the standalone financial statements are held in the name of the company as at the balance sheet date.

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

e) No proceedings have been initiated during the financial year or are pending against the company as at 31st March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) Based on the information and explanations provided to us and according to the records of the Company, the Company did not hold any inventory during the financial year. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The company has not availed any working capital facility from any bank during the financial year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to

B.D. BANSAL & CO. CA INDIA CHARTERED ACCOUNTANTS FRN-000621N LUDHIANA companies, firms, Limited Liability partnerships or any other parties during the financial year. Accordingly, reporting under clause 3 (iii) (a) to (f) of the Order is not applicable.

(iv) The company has not made any investments, given any loans or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013.Accordingly, reporting under clause 3 (iv) of the Order is not applicable.

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

(vi) The company is not required to maintain the cost records pursuant to the companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues: -

(a) The Company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax and any other material statutory dues applicable to it to the appropriate authorities.

No undisputed amounts payable in respect of the above were in arrears as at March 31, 2025 for a period of more than six months from the date on when they become payable.

(b) There are no dues of the Statutory Dues as referred to in clause (a) 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 financial 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 other borrowings or in the payment of interest thereon to any lender.

(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 obtained any term loans from any bank or financial institutions. Hence reporting under clause 3(ix) (c) of the order is not applicable.

(d) On an overall examination of the financial statements of the company, the company has not raised any fund on short-term basis. Hence clause 3(ix)(d) is not applicable to the company.

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B.O.: LUDHIANA

(e)&(f)The Company does not have any subsidiary, associate, or joint venture and accordingly the reporting under clause 3 (ix) (e) and (f) of the Order is not applicable.

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

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

(xi) (a) Considering the principle of materiality outlined in the standards on auditing, no fraud by the Company or on the company has been noticed or reported during the financial year.

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

(c) As represented to us by the management, there are no whistle-blower complaints received by the company during the financial year.

(xii) The Company is not a Nidhi Company and hence the reporting under the clause 3 (xii) (a) to (c) of the Order is not applicable.

(xiii) In our opinion, the company is in compliance with sections 177 and 188 of Companies Act, 2013 with respect to the applicable transaction with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.

(xiv) The company is not required to have an internal audit system as per Section 138(1) of the Companies Act, 2013 read with Rule 13(1) of the Companies (Accounts) Rules, 2014, hence the reporting under clause 3(xiv) (a) & (b) of the Order is not applicable.

(xv) The company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence the provisions of the section 192 of the Companies Act, 2013 are not applicable to the company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the company. Accordingly, the requirement to report on clause 3(xvi) (a) of the Order is not applicable to the Company.

(b) The company has not engaged in any Non-Banking Financial or Housing Finance activities during the financial year and accordingly, the reporting under clause 3(xvi) (b) of the Order is not applicable.

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CHARTERED ACCOUNTANTS
FRN-000621N
B.O.: LUDHIANA

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi) (c) of the Order is not applicable.

(d)The Group does not have any CIC. Accordingly, reporting under clause 3(xvi) (d) of the Order is not applicable.

(xvii) The Company has incurred cash losses of Rs. 105.48 thousands in the current financial year and this is the first financial year of the company.

(xviii) There has been no resignation of the statutory auditors of the company during the financial year. Hence, this clause is not commented upon.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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, will get discharged by the company as and when they fall due.

(xx) The provisions of section 135 of the Companies Act are not applicable to the company for the financial year under consideration. Hence, the reporting under clause 3 (xx) (a)-(b) of the Order is not commented upon.

For B D Bansal & Co
Chartered Accountants
Firm Regn.No.000621N

B.D. BANSAL & CO. CA INDIA CHARTERED ACCOUNTANTS FRN-000621N B.O.: LUDHIANA

(Anil Kumar Gupta)
Partner
M. No.: 089988
UDIN: 25089988BMINIY7934

Place: Ludhiana
Date: 16.05.2025

HFL Technologies Private Limited
CIN: U28220PB2024PTC061063
Balance Sheet as at March 31, 2025

All amount in ₹ '000 unless otherwise stated

Particulars	Note No.	As at March 31, 2025
Assets		
1. Non-current assets		
(a) Property, Plant and Equipment	3	5,254.48
(b)Capital work in progress	3	2,012.35
c)Other Intangible Assets		-
d) Other Non Current Assets	4	320.00
(e) Financial Assets		
(i) Investments		
(ii) Trade Receivables		-
(iii) Loans		-
(iv) others		-
Total Non-Current assets		7,586.83
2. Current assets		
a) Inventories		-
b) Financial assets		
(i) Investments		-
(ii) Trade receivables		-
(iii) Cash and cash equivalents	5	191.98
(iv) Bank balances other than(iii) above		-
(v) Loans		-
(vi) others		-
c) Current Tax Assets (Net)		-
(d) Other Current assets	6	143.73
Total Current assets		335.71
Total Assets		7,922.54
Equity and Liabilities		
Equity		
(a) Equity Share capital	7	1,000.00
(b) Other Equity	8	-105.48
Total Equity		894.52
Liabilities		
1. Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings		-
(ii) Lease Liabilities		-
b) Deferred tax liabilities (Net)		-
c) Other Non Current Liabilities		-
Total Non Current liabilities		-
2. Current liabilities		
(a) Financial Liabilities		
i) Borrowings	9	7,000.00
ii) Trade Payables:-	10	
(A) total outstanding dues of micro enterprises and small enterprises; and		-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		13.02
(b) Other Current Liabilities	11	15.00
Total Current liabilities		7,028.02
Total Equity and Liabilities		7,922.54

Company's overview and Summary of Material accounting policies, accounting judgements, estimates and assumptions(Note 1-2)
The accompanying notes referred to above form an integral part of the Standalone financial statements.

As per our report of even date
For BD Bansal & Co.
Chartered Accountants
FRN: 000621N

B.D. BANSAL & CO. CA INDIA CHARTERED ACCOUNTANTS FRN-000621N LUDHIANA

ANIL KUMAR GUPTA
Partner
Membership No. : 089988
UDIN: 25089988BMINDY7934
Place: Ludhiana
Date: 16.05.2025

For and on behalf of Board of Directors
HFL Technologies Private Limited

Paritosh Kumar
Director
DIN: 00393387

Ashish Garg
Director
DIN: 01829082

HFL Technologies Private Limited

Statement of standalone Profit and Loss for the period 16.03.2024 to 31.03.2025

All amount in ₹ 'ooo unless otherwise stated

Particulars	Note No.	For the Period 16.03.2024 to 31.03.2025
I) Revenue		
a) Revenue From operations		-
b) Other Income		-
Total Income (a+b)		**-**
II) Expenses		
a) Cost of materials consumed		-
b) Purchases of Stock-in-Trade		-
c) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		-
d) Employee benefits expense		-
e) Finance costs		-
f) Depreciation and amortization expenses		-
g) Other expenses	12	105.48
Total expenses (II)		**105.48**
Profit/(loss) before exceptional items and tax (I-II)		**-105.48**
Exceptional Items (III)		-
Profit/ (loss) after exceptions items and tax(II-III)		**-105.48**
Tax expense: (IV)		
(1) Current tax		-
(2) Deferred tax		-
Profit (Loss) for the period from continuing operations (III-IV)		**-105.48**
Profit/(loss) from discontinued operations		-
Tax expenses of discontinued operations		-
Profit/(loss) for the period (V)		**-105.48**
Other Comprehensive Income (VI)		
A. (i) Items that will not be reclassified to profit or loss		-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
B. (i) Items that will be reclassified to profit or loss		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-
Total Comprehensive Income for the period		**-105.48**
Earnings per equity share	13	
(1)Basic		-1.05
(2) Diluted		-1.05

Company's overview and Summary of Material accounting policies, accounting judgements, estimates and assumptions(Note 1-2)

The accompanying notes referred to above form an integral part of the Standalone financial statements.

As per our report of even date
For BD Bansal & Co.
Chartered Accountants
FRN: 0000621N

B.D. BANSAL & CO. CA INDIA CHARTERED ACCOUNTANTS FRN-000621N B.O. LUDHIANA

ANIL KUMAR GUPTA
Partner
Membership No. : 089988
UDIN: 25089988BMINIY7934
Place: Ludhiana
Date: 16.05.2025

For and on behalf of Board of Directors
HFL Technologies Private Limited

Paritosh Kumar
Paritosh Kumar
Director
DIN: 00393387

Ashish Garg
Director
DIN: 01829082

HFL Technologies Private Limited

CIN: U28220PB2024PTC061063

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED MARCH 31,2025

All amount in ₹ 'ooo unless otherwise stated

A. Equity Share Capital

Particulars	As at March 31, 2025
Share Capital	**1,000.00**
Share capital fees	**-**
Total	**1,000.00**

B. Other Equity

Particulars	Reserve & Surplus		Other Comprehensive Income (OCI)	Total
			Items that will not be Reclassified to Profit or Loss	
	Retained Earnings	General Reserve	Re-measurement of the net defined benefit plans	
Profit/(Loss) for the Year	**(105.48)**	-		**(105.48)**
Other additions/disposals	-	-	-	-
Other Comprehensive Income for the Year	-	-	-	-
As at March 31, 2025	**(105.48)**	**-**	**-**	**(105.48)**

Company's overview and Summary of Material accounting policies, accounting judgements, estimates and assumptions (Note 1-2)

The accompanying notes referred to above form an integral part of the Standalone financial statements.

As per our report of even date

As per our report of even date

As per our report of even date

For BD Bansal & Co.

Chartered Accountants

FRN: 000621N

B.D. BANSAL & CO. INDIA CHARTERED ACCOUNTANTS FRN-000621N B.O.:LUDHIANA

ANIL KUMAR GUPTA

Partner

Membership No. : 089988

UDIN:25089988BMINIX7934

Place: Ludhiana

Date: 16.05-2025

For and on behalf of Board of Directors

HFL Technologies Private Limited

Paritosh Kumar

Director

DIN: 00393387

Ashsih Garg

Director

DIN: 01829082

HFL Technologies Private Limited
CIN: U28220PB2024PTC061063
STANDALONE STATEMENT OF CASH FLOWS AS AT MARCH 31, 2025

All amount in ₹ 'ooo unless otherwise stated

	Particulars	For the Period 16.03.2024 to 31.03.2025
(I)	**Operating Activities**	
	Profit Before Tax	(105.48)
	Profit Before Tax	**(105.48)**
	Adjustments for -	
	Interest Expense	-
	Operating profit before working capital adjustments	**(105.48)**
	Adjustments for changes in Working Capital -	
	(Increase)/Decrease in Other Current Assets	(143.73)
	Increase/(Decrease) in Trade Payables	13.02
	Increase/(Decrease) in Other Current Liabilities	15.00
	Cash generated from operations	**(221.19)**
	Income Taxes Paid (Net)	-
	Net cash flow from/(used in) Operating Activities (I)	**(221.19)**
(II)	**Investing Activities**	
	Purchase of Fixed Assets	(7,266.83)
	Capital Advance given	(320.00)
	Net cash flow from/(used in) Investing Activities (II)	**(7,586.83)**
(III)	**Financing Activities**	
	Issue of Share Capital	1,000.00
	Proceeds/ (Repayments) from Borrowings	7,000.00
	Interest Paid	-
	Net cash flow from Financing Activities (III)	**8,000.00**
	Net Increase/(Decrease) in Cash and Cash Equivalents (I+II+III)	**191.98**
	Cash and Cash Equivalents as at Beginning of the Year (A)	-
	Cash and Cash Equivalents as at the End of the Year (B)	191.98
	Net Increase/(Decrease) in Cash and Cash Equivalents (B-A)	**191.98**

Company's overview and Summary of Material accounting policies, accounting judgements, estimates and assumptions (Note 1-2)

The accompanying notes referred to above form an integral part of the Standalone financial statements.

As per our report of even date
For BD Bansal & Co.
Chartered Accountants

FRN: 000621N

B. D. BANSAL & CO. CA INDIA CHARTERED ACCOUNTANTS FRN-000621N LUDHIANA

ANIL KUMAR GUPTA
Partner
Membership No. : 089988
UDIN: 25089988BMINIY7934
Place: Ludhiana
Date: 16.05.2025

For and on behalf of Board of Directors
HFL Technologies Private Limited

Paritosh Kumar

Paritosh Kumar
Director
DIN: 00393387

Ashish Garg
Director
DIN: 01829082

Material Accounting Policies and explanatory notes to Stanalone Financial Statements

CORPORATE INFORMATION

HFL Technologies Private Limited ('HFL Tech'), a wholly owned subsidiary of Happy Forgings Limited (HFL), was registered under the Companies Act, 1956 on 16 March 2024.

The company will be engaged in specialized machining of automotive and engineering components, offering a diverse range of products such as crankshafts, front axle beams, and other customized forging solutions tailored to meet the specific requirements of both the industry and their clientele.

1 MATERIAL ACCOUNTING POLICIES

1.1 Basis of Preparation of Standalone Financial Statements

(a) Statement of Compliance

The Financial Statements have been prepared in accordance with Indian Accounting Standards (IND AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time and relevant provisions of the Companies Act, 2013 and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III). The Financial Statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation for all periods presented.

(b) Basis of Preparation and Presentation

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs under sections 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Company maintains its accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair values in accordance with Ind AS. Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

1.2 Property, Plant and Equipment (PPE) and Intanglible Assets and Depreciation

i) Property, Plant & Equipment

Property, Plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses, direct and indirect, specifically attributable to bringing the asset to its current location and working condition for its intended use. Incidental expenditure pending allocation and attributable to the acquisition of property, plant and equipment is allocated/capitalised with the related property, plant and equipment.

All other repairs and maintenance costs are expensed when incurred.

Capital Work In Progress

Cost of assets not ready for intended use, as on balance sheet date is shown as capital-work-in-progress. Advance given towards acquisition of property, plant & machinery outstanding at each balance sheet date are disclosed as other non-current asset.

- Recognition & Derecognition

Subsequent costs of property, plant and equipment shall be included in asset's carrying amount only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

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.

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1.3 Income Taxes

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and changes in deferred tax assets and liabilities attributable to temporary differences. The current income tax charge is calculated in accordance with the provisions of the Income Tax Act 1961.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and brought forward losses only if it is probable that future taxable profit will be available to realise the temporary differences.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.4 Leases

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for shortterm leases and leases of low-value assets. Lease term which is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company uses judgement in assessing the lease term (including anticipated renewals/ termination options). The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use of Assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date (i.e., the date the underlying asset is available for use). The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease or, if that rate cannot be readily determined. After the commencement date, lease liability is increased to reflect the accretion of interest and reduced for the lease payment made. Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option. The lease liability is measured at amortised cost using the effective interest method. Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit & Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right of use assets and lease liabilities for short term leases of all the assets that have a lease term of twelve months or less with no purchase option and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee.

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1.5 Earnings Per Share

i) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

ii) Diluted earnings per share

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

1.6 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Financial Statement comprise of cash at bank and cash in hand including fixed deposits.
Fixed deposits other short term investment with an original maturity of 12 months or less has been shown as other Bank balances under current financial assets in the financial statements.
Fixed deposit with an original maturity of more than 12 months has been shown as non current financial assets.
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2 Other Accounting Policies

2.1 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.

2.2 Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow or resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. There are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.3 Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event and it is more likely than not that there will be an outflow of resources embodying economic benefits to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are not discounted to its present value, and are determined based on the management's best estimate of the amount of obligation required at the year end. These are reviewed at each balance sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company.

When there is a possible obligation or a present obligation where the likelihood of an outflow of resources is remote, no disclosure or provision is made.

2.4 Operating cycle for Current and Non Current classification:

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

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

All other assets are classified as non-current.
A liability is current when:

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

The Company classifies all other liabilities as non-current.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

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2.5 Significant accounting judgements, estimates and assumptions

The preparation of Financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Therefore, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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All amount in ₹ '000 unless otherwise stated

Note 3 - Property, Plant and Equipment (PPE)

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value
	Opening	Additions / Adjustments	Sales / Adjustments	As at March 31st, 2025	Opening	During the year	On Sales / Adjustments	As at March 31st, 2025	As at March 31st, 2025
Land	-	5,254.48	-	5,254.48	-	-	-	-	5,254.48

Note 3 A- CWIP

Particulars	Gross Carrying Value				Depreciation				Net Carrying Value
	Opening	Additions / Adjustments	Sales / Adjustments	As at March 31st, 2025	Opening	During the year	On Sales / Adjustments	As at March 31st, 2025	As at March 31st, 2025
CWIP	-	2,012.35	-	2,012.35	-	-	-	-	2,012.35

Ageing schedule of CWIP as at March 31, 2025:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,012.35	-	-	-	2,012.35
Projects temporarily suspended	-	-	-	-	

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Note - 4 Other Non current Assets

Particulars	As at March 31st, 2025
(A) Capital Advances	320.00
-	
Total	**320.00**

Note - 5 Current Financial Assets : Cash and Cash Equivalents

Particulars	As at March 31st, 2025
(A) Balance with Banks	
- In C/c Accounts	191.98
(B) Cash on Hand	-
Total	**191.98**

Note - 6 Other Current Assets :

Particulars	As at March 31st, 2025
- Balance with Government Authorities	
GST	143.73
Total	**143.73**

Note - 7 Equity Share Capital

Particulars	As at March 31st, 2025
Authorized Share Capital	
1,00,000 equity shares of Rs. 10 each	1,000.00
Total	**1,000.00**
Issued, subscribed and paid-up	
Equity Share Capital (1,00,000 equity shares of Rs 10/- each)	1,000.00
Total	**1,000.00**

Additional Information

(A) **Reconciliation of Equity Share Capital (In Numbers)**

Particulars	As at March 31st, 2025
Shares outstanding at the beginning of the year	-
Add : Shares issued during the year	1,00,000.00
Shares outstanding at the end of the year	**1,00,000.00**

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(B) **List of Shareholders holding more than 5% of the Equity Share Capital of the company(in numbers)**

	Particulars	As at March 31st, 2025	%age Sharesholding
(A)	Happy Forgings Limited	99,999	99.999%

(C) **Shareholding of Promoters:-**

Shares held by promoters at the end of the year

	Promoter Name	No of shares	%age Sharesholding
(A)	Happy Forgings Limited	99,999	99.999%
(B)	Ashish Garg	1	0.001%

(D) **The rights attached to equity shares of the company**

The Company has only one class of shares having a par value of Rs. 10/- each. The holders of equity shares are entitled to one vote per share.

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

Note - 8 Other Equity

	Particulars	As at March 31st, 2025
(I)	**Retained Earnings**	
a)	Balance as at the beginning of the year	-
	Additions/(Losses) during the year	-105.48
	Balance as at the end of the year	**-105.48**
(II)	**Securities Premium**	
	Balance as at the beginning of the year	-
	Additions/(Losses) during the year	-
	Balance as at the end of the year	-
(III)	**Other Comprehensive Income**	
	Balance as at the beginning of the year	-
	Additions/(Losses) during the year	-
	Balance as at the end of the year	-
	Total (I+II+III)	**-105.48**

Description of nature and purpose of each reserve

Retained Earnings :-

Retained earnings are the profits that the company has earned till date less any transfers to General Reserves, Dividends or other distribution paid to shareholders

Securities Premium :-

Securities Premium is used to record the premium received on issue of securities. The reserve is utilised in accordance with the provisions of the Companies Act,2013.

Other Comprehensive Income :-

Other comprehensive income represents the cumulative actuarial gains & lossses on employee benefits net of taxes.

The above Annexure should be read with the basis of preparation and Material Accounting Policies appearing in Note No. 1 and 2 ,Notes to the Financial Statements.

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Note - 9 Non Current Financial Liabilities-Borrowings

	Particulars	As at March 31st, 2025
(I)	Unsecured loan	
	- From Director*	7,000.00
	Total	**7,000.00**

**** Loan is Repayable on Demand***

Note - 10 Current Financial Liabilities - Trade Payable

	Particulars	As at March 31st, 2025
	Trade Payables	
(A)	Total outstandings due to Micro, Small enterprises	-
(B)	Total outstandings due to Creditors other than Micro, Small enterprises	13.02
		-
	Total	**13.02**

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All amount in ₹ 'ooo unless otherwise stated

a) Trade Payables ageing schedule as at March 31, 2025:

Particulars	Outstanding for following periods from due date of payment					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Unbilled dues	Total
(i) Total outstandings due to Micro enterprises and Small enterprises	-	-	-	-	-	-
(ii) Total outstandings due to Creditors other than Micro enterprises and Small enterprises	13.02	-	-	-	-	**13.02**
(iii) Disputed dues of Micro enterprises and Small enterprises	-	-	-	-	-	-
(iv) Disputed dues of Creditors other than Micro enterprises and Small enterprises	-	-	-	-	-	-
(v) Payable to Related Parties	-	-	-	-	-	-
TOTAL	**13.02**	**-**	**-**	**-**	**-**	**13.02**

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All amount in ₹ '000 unless otherwise stated

Note - 11 Current Financial Liabilities - Other Current Liabilities

	Particulars	2024-25
A)	Other Current Liabilities	
	-Expenses Payable	15.00
	Total	**15.00**

Note - 12 Other Expenses

	Particulars	2024-25
(A)	Rates & taxes	2.40
(B)	Payment to Auditors	
	- Audit Fee	15.00
(C)	Professional charges	10.62
(D)	Rent Expenses	42.48
(E)	Other Misceallneous expenditures	0.11
(F)	Preliminary Expenses	34.87
	Total	**105.48**

Note - 13 Earnings Per Share (EPS)

The Company's earnings per share is determined based on the net profit attributable to the shareholder's of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the year.

Particulars	2024-25
Profit for the year attributable to Equity Shareholders	-105.48
Calculation of Weighted Average Number of Equity Shares	
- Number of share at the beginning of the year	-
- Total equity shares outstanding at the end of the year	1,00,000.00
- Weighted average number of equity shares outstanding during the year	1,00,000.00
Basic Earnings Per Share (In ₹)	-1.05
Diluted Earnings Per Share (In ₹)	-1.05
Nominal Value of Equity Shares (In ₹)	10.00

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Note - 14	Disclosure in accordance with IND AS 24 - Related Party Disclosures
I	**Holding Company :**
	Happy Forgings Limited
II	**Key Management Personnel (KMP)**
	Sh. Paritosh Kumar- Promoter/ Director
	Sh. Ashish Garg Promoter/ Director
III	**Subsidiary Company**
	Nil
IV	**Relatives of Key Management Personnel (KMP)**
	Nil
V	**Non- Executive & Independent Director**
	Nil
VI	**Enterprise over which Key Management Personnel or his relatives exercise significant influence**
	Happy Forgings Limited

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(14A) Transactions with related parties during the year

All amount in ₹ 'ooo unless otherwise stated

Details of transactions	Holding Company	Key Management Personnel
	31-Mar-25	31-Mar-25
Rent Paid		
Happy Forgings Limited*	42.48	-
Loan Received		
Ashish Garg		7,000.00
Balance Payable/receivable		
Ashish Garg Loan Balance	-	7,000.00

* Figures reported are inclusive of GST

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15 The Company was incorporated on **16th March 2024**. Pursuant to the provisions of **Section 2(41) of the Companies Act, 2013**, the financial year is required to end on 31st March. Accordingly, the first financial year of the Company covers the period from **16th March 2024 to 31st March 2025**, and these financial statements have been prepared for that period.

16 Contingent Liabilities and Commitments

a) There are no Commitments standing as on 31.03.2025

b) There are no Contingent liabilities standing as on 31.03.2025

17 Earning in foreign currency

Nil

18 CIF Value of Imports

Nil

19 Expenditure in Foreign Currency

Nil

20 Consumption of imported and indigenous materials consumed

Nil

21 Borrowing cost were capitalised during the year amounting to Rs 1137.32 thousands.

22 **In the opinion of the Board, all assets other than Property, Plant and Equipment have a value on realisation in the ordinary course of business at least equal to the value at which they are stated in the foregoining Balance Sheet.**

23 Since, this is the first year of company preparing financial statement therefore no comparative figures have been provided for the previous year 2023-2024

24 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	31-Mar-25
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	-
The amount of interest paid by the buyer in terms of section 16 of Micro Small and Medium Enterprises Development 2006,along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-
The amount of interest due and payable for the period of delay in making payment (Which have been but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development 2006.	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-
The amount of further interest remaining due and payable even in the succeeding years,untill such date, when the interest dues as above re actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development 2006.	-

25 Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, security deposits, employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also enters into derivative transactions.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk. Financial instruments affected by market risk include loans and borrowings.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The company uses Forward Contracts to hedge its risks associated with fluctuations in foreign currencies and interest rate relating to foreign currency liabilities, certain firm commitments and some forecasted transactions related to foreign currency trade. The use of Forward Contracts is governed by Company's overall strategy. The Company does not use forward Contracts for speculative purposes.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

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26 Fair value measurements

I Financial instruments

a) Financial instruments by category

All financial assets and liabilities viz. trade receivables, security deposits, cash and cash equivalents, other bank balances, interest receivable, other receivables, trade payables, employee related liabilities and borrowings, are measured at amortised cost.

b) Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Fair value of the Company's financial assets that are measured at fair value on a recurring basis:

There are certain Company's financial assets which are measured at fair value at the end of each reporting period. Following table gives information about how the fair values of these financial assets are determined:

Particulars	Fair Value as at March 31, 2025			
	Level I	Level II	Level III	
Financial assets at fair value through profit & loss				
Non-Current	-	-	-	
Investments in mutual funds	-	-	-	
Investments in equity instruments	-	-	-	
Investments in other instruments				
Current				
Investment in mutual funds	-	-	-	
Investment in equity instruments	-	-	-	
Investment in other instruments	-	-	-	

27 Capital Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholder's and benefits for other stakeholder's, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

- Total Debt (total borrowings)
- divided by Total 'Equity' (as shown in the balance sheet)

The Company's strategy is to maintain a gearing ratio within the range of

Particulars	At March 31, 2025	At March 31, 2024
Total Debts	7000.00	0.00
Total Equity	894.52	0.00
Net Debt to Equity Ratio	**7.83**	-

28 The company is not required to spend any amount on CSR activities as the company is outside the preview of section 135 of the Companies Act, 2013 during the year under consideration.

29 The company has not taken any borrowings from banks and accordingly, no return/statement are submitted to the banks.

30 Additional Disclosure requirements as notified by MCA pursuant to amended Schedule III:

There are no transactions which are to be reported against the following disclosure requirements as notified by MCA pursunat to amended Schedule III:

(a) Crypto Currency or Virtual Currency

(b) There are no Proceedings initited or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(c) There are no charges or Satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.

(d) The company is not declared a willful defaulter by any bank or FI's or any other lender.

(e) There are no transactions with any company struck off under section 248 of the Company's Act, 2013 or Section 560 of the Companies Act, 1956.

(f) No Revaluation of property,Plant and equipment as no such revaluation has taken place during the year.

(g) Ther are no Loans or advances in the nature of loans grated to Promoters, directors, KMP's and other related partties either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

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31 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or

32 The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

33 Figures have been rounded off to the nearest INR thousands upto two decimal points.

34 As required by provisions of Rule 3 of the Companies (Accounts) Rule, 2014, as amended, the Company has not taken all back up of the books and papers of the Company maintained in electronic mode in server physically located in India on daily basis during the financial year ended March 31, 2025.

Accordingly, the audit trail has not been preserved by the company as per statutory requirements for record retention.

35 The Ministry of Corporate Affairs (MCA) vide its notification No. GSR 206(E) dated March 24, 2021 has issued the "Companies (Audit and Auditors) Amendment Rules, 2021" read with sub-section 3 of Section 143 of the Companies Act, 2013 (hereinafter referred as "the Act") introducing Rule 11(g). As per this rule, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

During the year, the Company maintained it's books of account in 'TALLY' accounting software where audit trail feature (edit log facility) was not enabled during the year ended March 31, 2025. The Company is evaluating implementation of audit trail feature in accounting software used for maintaining its books of account to comply with the requirements of Proviso to Rule 3(1) of the Companies (Account) Rules, 2014.

36 **These financial statements are prepared for the period from 16th March 2024 to 31st March 2025. However, for the purpose of consolidation with the holding company, the financials for the period from 1st April 2024 to 31st March 2025 and its comparatives figures for the financial year 2023–24 are presented below:**

Balance Sheet as at March 31, 2025

Particulars	As at March 31, 2025	As at March 31, 2024
Assets		
Non-current assets		
(a) Property, Plant and Equipment	5,254.48	-
(b) Capital work in progress	2,012.35	-
c) Other Non Current Assets	320.00	5,000.00
Sub total (Non Current assets)	**7,586.83**	**5,000.00**
Current assets		
(i) Cash and cash equivalents	191.98	1,049.99
(ii) Other Current Assets	143.73	-
Sub total (Current assets)	**335.71**	**1,049.99**
Total Assets	**7,922.54**	**6,049.99**
Equity and Liabilities		
Equity		
(a) Equity Share capital	1,000.00	1,000.00
(b) Other Equity	-105.48	-34.88
Total Equity	**894.52**	**965.12**
Liabilities		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	-	-
Subtotal (Non Current liabilities)	**-**	**-**
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	7,000.00	5,000.00
ii) Trade Payables:-	-	-
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.]	13.02	34.87
(b) Other Current Liabilities	15.00	50.00
Subtotal (Current liabilities)	**7,028.02**	**5,084.87**
Total Equity and Liabilities	**7,922.54**	**6,049.99**

Statement of standalone Profit and Loss for the period 01.04.2024 to 31.03.2025

Particulars	For the Period 01.04.2024 to 31.03.2025	For the Period 01.04.2023 to 31.03.2024
I) Revenue		
a) Revenue From operations	-	-
b) Other Income	-	-

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Total Income (a+b)	-	-
II) Expenses		
a) Cost of materials consumed	-	-
b) Purchases of Stock-in-Trade	-	-
c) Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	-	-
d) Employee benefits expense	-	-
e) Finance costs	-	-
f) Depreciation and amortization expenses		
g) Other expenses	70.60	34.88
Total expenses (II)	**70.60**	**34.88**
Profit/(loss) before exceptional items and tax (I-II)	**-70.60**	**-34.88**
Exceptional Items (III)		
Profit/ (loss) before exceptions items and tax(II-III)	**-70.60**	**-34.88**
Tax expense: (IV)		
(1) Current tax		
(2) Deferred tax		
Profit (Loss) for the period from continuing operations (III-IV)	**-70.60**	**-34.88**
Profit/(loss) from discontinued operations		
Tax expenses of discontinued operations		
Profit/(loss) for the period (V)	-70.60	-34.88
Other Comprehensive Income (VI)		
A. (i) Items that will not be reclassified to profit or loss		
(ii) Income tax relating to items that will not be reclassified to profit or loss		
B. (i) Items that will be reclassified to profit or loss		
(ii) Income tax relating to items that will be reclassified to profit or loss		
Total Comprehensive Income for the period (V+VI)Comprising Profit (Loss) and Other comprehensive Income for the period)	-70.60	-34.88
Earning per equity share		
(1)Basic	-0.71	-0.35
(2) Diluted	-0.71	-0.35

As per our report of even date
For BD Bansal & Co.
Chartered Accountants

FRN: 000621N

ANIL KUMAR GUPTA
Partner
Membership No. : 089988
UDIN : 25089988BMINI47934
Place: Ludhiana
Date: 16.05.2025

For and on behalf of Board of Directors
HFL Technologies Private Limited

Paritosh Kumar
Director
DIN: 00393387

Ashish Garg
Director
DIN: 01829082

B. D. BANSAL & CO.
CA INDIA
CHARTERED ACCOUNTANTS
FRN-000621N
LUDHIANA

Note 37: Financial Ratios

Description	Numerator	Denominator	As at Mar 31, 2025
Current ratio	Current Assets	Current Liabilities	0.05
Debt- Equity Ratio	Total Debt	Shareholder's Equity	7.83
Debt Service Coverage ratio	Earnings available for debt service= Net Profit after Tax + Non Cash Operating Expenses(Depreciation and amortization)+Finance cost	Debt Service= Interest, and Principal Repayments	NA
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	(0.12)
Inventory Turnover ratio	Revenue	Average Inventory	NA
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	NA
Trade Payable Turnover Ratio	Purchases of goods and services	Average Trade Payables	NA
Net Capital Turnover Ratio	Revenue	Working capital= Current assets - Current liabilities	NA
Net Profit ratio	Net Profit after tax.	Revenue	-
Return on Capital Employed	Earnings before interest and taxes	Capital Employed=Tangible Net Worth + Total Debt + Deferred Tax Liability	(0.01)

There is no variance in ratios being shown here as this is the first year of the incorporation of the company.

As per our report of even date
For BD Bansal & Co.
Chartered Accountants
FRN: 000621N

B. D. BANSAL & CO.
CA INDIA
CHARTERED ACCOUNTANTS
FRN-000621N
B.O.: LUDHIANA

[illegible] KUMAR GUPTA
Partner
Membership No. : 089988
UDIN: 25089988BMINI7934
Place: Ludhiana
Date: 16.05.2025

For and on behalf of Board of Directors
HFL Technologies Private Limited

Paritosh Kumar
Director
DIN: 00393387

Ashsih Garg
Director
DIN: 01829082