

S.N. Dhawan & CO LLP

Chartered Accountants

Independent Auditor's Report

To the Members of Cosmo Speciality Polymers Private Limited

Plot No. 51-52, 2nd Floor
Udyog Vihar, Phase IV, Sector - 18
Gurugram, Haryana 122016,
India

Tel: +91 124 481 4444

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Cosmo Speciality Polymers Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, 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 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 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 opinion.

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

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

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



and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the 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. 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 with reference to financial statements 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(h)(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 Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, there was no remuneration paid or payable by the Company to its directors for the year ended 31 March 2024.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company 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. (a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.



- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
- vi. The Company uses accounting software(s) for maintaining its books of account which has a feature of recording audit trail (edit log) facility and based on our examination which included test checks, the same has operated throughout the year for all relevant transactions recorded in such accounting software(s). However, with respect to the primary accounting software, the audit trail feature is not enabled for direct changes to data when using certain privileged/administrative access rights to the underlying database. As informed to us by the management of the Company, such privileged/administrative access rights to the database are with service provider only and changes, if any, are mandatorily recorded to sufficiently demonstrate its audit trail (edit log).

Further, to the extent audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software(s), we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only with effect from 01 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, on preservation of audit trail as per the statutory requirements for record retention is not applicable for financial year ended 31 March 2024.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

B. Sen.

Bhaskar Sen
Partner
Membership No.: 096985
UDIN No.: 24096985BKBWFJ1412



Place: New Delhi
Date: 13 May 2024

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **Cosmo Speciality Polymers Private Limited** on the financial statements as of and for the year ended 31 March 2024)

- (i) a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
- B. The Company does not have any intangible assets. Accordingly, the provisions of clause 3(i)(a)(B) of the Order are not applicable.
- b) The Company has a regular program of physical verification of its property, plant and equipment under which property, plant and equipment are verified in a phased manner 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. In accordance with this program, certain property, plant and equipment were verified during the previous year and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- d) The Company has not revalued its property, plant and equipment (including right of use assets) during the year, being under cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
- e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and Rules made thereunder.
- (ii) a) The management has conducted physical verification of inventory at reasonable intervals during the year. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification as compared to the book records.
- b) According to the information and explanations given to us, during the year, the Company has not been sanctioned any working capital limits in excess of ₹ 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.
- (iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clauses 3(iii)(a) to (f) of the Order are not applicable.
- (iv) According to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of Company's products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained by the Company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



- (vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, there are no such transactions which were not recorded in the books of account earlier and have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961).
- (ix) a) According to the information and explanations given to us, the Company has no loans or other borrowings or interest payable to any lender during the year. Accordingly, the provisions of clause 3(ix)(a) of the Order are not applicable.
- b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us, the Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable.
- d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company did not raise any funds on short-term basis. Accordingly, the provisions of clause 3(ix)(d) of the Order are not applicable.
- e) According to the information and explanations given to us, the Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.
- f) The Company does not have subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.
- (x) a) According to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3(x)(b) of the Order are not applicable.
- (xi) a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto 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 year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a) to (c) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) a) In our opinion and according to the information and explanations given to us, the Company does not have an internal audit system as it is not required to have an internal audit system as per Section 138 of the Act. Accordingly, the provisions of clause 3(xiv) (a) to (b) of the Order are not applicable.



- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3(xvi)(a) of the Order are not applicable.
- b) The Company has not conducted non-banking financial or housing finance activities during the year.
- c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
- d) The Group has no CICs, which are part of the Group.
- (xvii) The Company has incurred cash losses of ₹ 3.14 lakhs in the current financial year. However, it has not incurred any cash losses during the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) According to the information and explanations given to us and 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 date, will get discharged by the Company as and when they fall due.
- (xx) Since the provisions of Section 135 of the Act are not applicable to the Company, accordingly, provisions of clause 3(xx) (a) and (b) of the Order are not applicable.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

B. Sen.

Bhaskar Sen
Partner
Membership No.: 096985
UDIN No.: 24096985BKBWFJ1412



Place: New Delhi
Date: 13 May 2024

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **Cosmo Speciality Polymers Private Limited** on the financial statements as of and for the year ended 31 March 2024)

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Cosmo Speciality Polymers Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ("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 were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, 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 2024, based on the internal financial control with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

B. Sen.

Bhaskar Sen
Partner
Membership No.: 096985
UDIN No.: 24096985BKBWFJ1412



Place: New Delhi
Date: 13 May 2024

Cosmo Speciality Polymers Private Limited
Balance Sheet as at 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Note no.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	2	87.28	14.93
b) Capital work-in-progress	3	5,838.75	4,068.91
c) Right of use assets	4	99.83	115.57
d) Financial assets			
(i) Other financial assets	5	5.38	5.02
e) Deferred tax assets (net)	6	13.34	13.38
f) Other non-current assets	7	9.65	18.33
g) Income tax assets (net)		0.09	0.09
		6,054.32	4,236.23
Current assets			
a) Inventories	8	27.59	-
b) Financial assets			
(i) Cash and cash equivalents	9	20.92	14.48
c) Other current assets	10	493.96	319.09
		542.47	333.57
TOTAL ASSETS		6,596.79	4,569.80
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	11	1.00	1.00
b) Other equity	12	2,278.78	2,282.51
		2,279.78	2,283.51
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Lease liabilities	27	66.15	90.24
b) Other non-current liabilities	13	816.79	-
		882.94	90.24
Current liabilities			
a) Financial liabilities			
(i) Lease liabilities	27	42.34	32.46
(ii) Trade payables			
(a) Total outstanding dues to creditors other than micro and small enterprises	14	60.20	-
(iii) Other financial liabilities	15	3,331.32	2,125.00
b) Other current liabilities	16	0.21	38.59
		3,434.07	2,196.05
TOTAL EQUITY AND LIABILITIES		6,596.79	4,569.80

Summary of material accounting policies

1

The accompanying summary of material accounting policies and other explanatory information are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Bhaskar Sen

Bhaskar Sen
Partner
Membership No.: 096985



For and on behalf of Board of Directors of
Cosmo Speciality Polymers Private Limited

Pankaj Poddar
Pankaj Poddar
Director
DIN: 02815660

Neeraj Jain
Neeraj Jain
Director
DIN: 00060249

Jyoti Dixit
Jyoti Dixit
Company Secretary
Membership No.: F6229

Place : New Delhi
Date : 13 May 2024

Cosmo Speciality Polymers Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Note no.	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	17	14.03	-
Other income	18	-	3.04
Total income		14.03	3.04
Expenses			
Cost of materials consumed		19.02	-
Change in inventory of finished goods	19	(4.99)	-
Employee benefits expense	20	1.07	-
Depreciation and amortisation expense	21	0.55	-
Finance costs	22	0.06	-
Other expenses	23	2.01	1.05
Total expenses		17.72	1.05
Profit/(loss) before tax		(3.69)	1.99
Tax expense			
- Current tax		-	-
- Deferred tax	24	0.04	(2.59)
Total tax expense		0.04	(2.59)
Net profit/(loss) for the year		(3.73)	4.58
Other comprehensive income			
1) Items that will not be reclassified to profit or loss		-	-
2) Items that will be reclassified to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year		(3.73)	4.58
Earnings per equity share (face value ₹ 10.00 per share)	25		
- Basic		(37.30)	45.80
- Diluted		(37.30)	0.07

Summary of material accounting policies

1

The accompanying summary of material accounting policies and other explanatory information are an integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

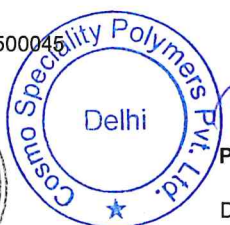
Firm Registration No.: 000050N/N500045

For and on behalf of Board of Directors of
Cosmo Speciality Polymers Private Limited

Bhaskar Sen

Bhaskar Sen
Partner

Membership No.: 096985



Pankaj Poddar

Pankaj Poddar
Director
DIN: 02815660

Neeraj Jain

Neeraj Jain
Director
DIN: 00060249

Jyoti Dixit

Jyoti Dixit
Company Secretary
Membership No.: F6229

Place : New Delhi
Date : 13 May 2024

Cosmo Speciality Polymers Private Limited
Statement of Cash Flows for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
A. Cash flow from operating activities		
Profit/(loss) before tax	(3.69)	1.99
Adjustment for		
Depreciation and amortisation expense	0.55	-
Finance costs	0.06	-
Operating profit before working capital changes	(3.08)	1.99
Adjustment for		
Inventories	(27.59)	-
Other financial assets	(0.36)	(5.02)
Other assets	(178.83)	(314.63)
Trade payables	60.20	(0.80)
Other liabilities and provisions	1,312.54	2,128.02
Cash flow from operating activities post working capital changes	1,162.88	1,809.56
Income tax paid (net)	-	(0.09)
Net cash flow from / (used) in operating activities (A)	1,162.88	1,809.47
B. Cash flow from investing activities		
Purchase of property, plant and equipment including capital work in progress and capital advances	(1,142.17)	(3,774.89)
Net cash flow used in investing activities (B)	(1,142.17)	(3,774.89)
C. Cash flow from financing activities		
Proceeds from issue of optionally convertible preference shares	-	2,000.00
Finance costs	(0.06)	-
Payment of lease liabilities	(14.21)	(29.96)
Net cash flow from financing activities (C)	(14.27)	1,970.04
Increase in net cash and cash equivalents (A+B+C)	6.44	4.62
Cash and cash equivalents at the beginning of the year	14.48	9.86
Cash and cash equivalents at the end of the year (refer note 9)	20.92	14.48

Summary of material accounting policies

1

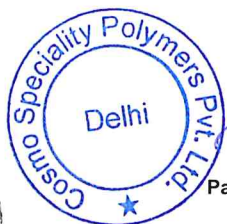
The accompanying summary of material accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Statement of Cash Flows referred to in our report of even date.

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Bhaskar Sen
Partner
Membership No.: 096985

Place : New Delhi
Date : 13 May 2024



For and on behalf of Board of Directors of
Cosmo Speciality Polymers Private Limited

Pankaj Poddar
Director
DIN: 02815660

Neeraj Jain
Director
DIN: 00060249

Jyoti Dikshit
Company Secretary
Membership No.: F6229

Cosmo Speciality Polymers Private Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Opening balance as at 31 March 2022	1.00
Changes during the year	-
Closing balance as at 31 March 2023	1.00
Changes during the year	-
Closing balance as at 31 March 2024	1.00

B. Other equity

Particulars	Retained earnings	0.01% Non cumulative optionally convertible preference shares (OCPS)	Total
Balance as at 31 March 2022	(52.07)	330.00	277.93
Profit/(loss) for the year	4.58	-	4.58
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	4.58	-	4.58
Transaction with owners			
Shares issued during the year	-	2,000.00	2,000.00
Balance as at 31 March 2023	(47.49)	2,330.00	2,282.51
Profit/(loss) for the year	(3.73)	-	(3.73)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	(3.73)	-	(3.73)
Transaction with owners			
	-	-	-
Balance as at 31 March 2024	(51.22)	2,330.00	2,278.78

Summary of material accounting policies

1

The accompanying summary of material accounting policies and other explanatory information are an integral part of the financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

B. Sen

Bhaskar Sen

Partner

Membership No.: 096985



For and on behalf of Board of Directors of
Cosmo Speciality Polymers Private Limited

Pankaj Poddar

Pankaj Poddar

Director

DIN: 02815660

Neeraj Jain

Neeraj Jain

Director

DIN: 00060249

Jyoti Dixit

Jyoti Dixit

Company Secretary

Membership No.: F6229

Place : New Delhi

Date : 13 May 2024

1. Corporate information, basis of preparation and summary of significant accounting policies

i) Corporate information

Cosmo Speciality Polymers Private Limited (the 'Company'), manufacturers of plastic products and materials was incorporated in India on 29 June 2021, under the Companies Act, 2013. The Company is currently having manufacturing facility at Aurangabad in Maharashtra.

ii) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements were approved by the Board of Directors on 13 May 2024.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. The financial statements have been prepared on a historical cost basis, except for the assets and liabilities which are required to be measured at fair value under applicable accounting framework as defined above.

iii) Material accounting policies

a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

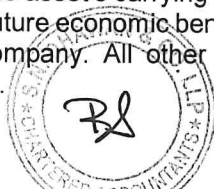
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

b) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises the purchase price, borrowing cost (if capitalisation criteria are met) and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.



Cosmo Speciality Polymers Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

In case an item of property, plant and equipment is acquired on deferred payment basis, interest expenses included in deferred payment is recognised as interest expense and not included in cost of asset.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013.

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

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

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

c) Leases

The Company as a lessee

The Company's leased asset classes primarily consist of leases for land and buildings. 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 recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised 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.

Right-of-use 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.

The lease liability is initially measured at amortised 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 payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.



d) 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 capitalised 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 calculated using the effective interest method 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.

e) Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction costs, except for those carried at fair value through profit or loss which are measured initially at fair value.

If the Company determines that the fair value at initial recognition differs from the transaction price, the Company accounts for that instrument at that date as follows:

- At the measurement basis mentioned above if that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets. The Company recognises the difference between the fair value at initial recognition and the transaction price as a gain or loss.
- In all other cases, at the measurement basis mentioned above, adjusted to defer the difference between the fair value at initial recognition and the transaction price. After initial recognition, the Company recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets

Classification and subsequent measurement

Financial assets at amortised cost – a financial instrument is measured at amortised cost if both the following conditions are met:

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

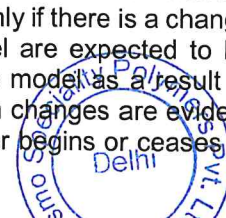
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to



perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Financial liabilities

Subsequent measurement

After initial recognition, the financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

All derivative liabilities are measured at fair value through profit and loss (FVTPL).

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

f) Impairment of financial assets

All financial assets except for those at FVTPL are subject to review for impairment at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the weighted average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider -

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12 month expected credit losses, else at an amount equal to the lifetime expected credit losses.



g) Provisions

Provisions are recognised only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

h) Inventory

Inventories are stated at lower of cost or net realisable value. The cost in respect of the various items of inventory is computed as under:

- Raw material cost includes direct expenses and is determined on the basis of weighted average method.
- Stores and spares cost includes direct expenses and is determined on the basis of weighted average method.
- In case of finished goods, cost includes raw material cost plus conversion costs and other overheads incurred to bring the goods to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision for obsolescence and slow moving inventory is made based on management's best estimates of net realisable value of such inventories.

i) Foreign currency translation

Functional and presentation currency

The financial statements are presented in Indian Rupees (INR or ₹) and are rounded to two decimal places of lakhs, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in profit or loss.

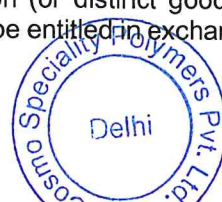
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

j) Revenue recognition - Sale of products and services

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Sales, as disclosed, are exclusive of goods and services tax.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year.

The transaction price is allocated by the Company to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.



For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the Company does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. A receivable is recognised when the goods are delivered as this is the case of point in time recognition where consideration is unconditional because only the passage of time is required.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the Balance Sheet. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its Balance Sheet, depending on whether something other than the passage of time is required before the consideration is due.

k) Taxes

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 in the countries where the Company operates and generates taxable income.

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets are reviewed at each balance sheet date and derecognized to the extent it is no longer probable that sufficient future taxable profits will be available against which such deferred tax assets can be realised.

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

(iv) Other accounting policies

a) 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.

b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the



Cosmo Speciality Polymers Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless stated otherwise)

Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the management team which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial results of the Company as a whole.

c) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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.

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

(v) Significant management judgement in applying accounting policies and estimation uncertainty

The following are the critical judgments and the key estimates concerning the future that management has made in the process of applying the Company's accounting policies and that may have the most significant effect on the amounts recognised in the financial Statements or that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.



(All amounts in ₹ lakhs, unless otherwise stated)

2 Property, plant and equipment

Description	Owned assets		Total
	Freehold land	Plant & equipment	
Gross carrying value			
As at 31 March 2022	-	-	-
Additions	14.93	-	14.93
Disposals/adjustments	-	-	-
As at 31 March 2023	14.93	-	14.93
Additions	-	72.62	72.62
Disposals/adjustments	-	-	-
As at 31 March 2024	14.93	72.62	87.55
Accumulated depreciation			
As at 31 March 2022	-	-	-
Charge for the year	-	-	-
As at 31 March 2023	-	-	-
Charge for the year	-	0.27	0.27
As at 31 March 2024	-	0.27	0.27
Net carrying amount as at 31 March 2023	14.93	-	14.93
Net carrying amount as at 31 March 2024	14.93	72.35	87.28

3 Capital work-in-progress

Description	Amount
As at 31 March 2022	6.26
Add: Additions during the year	4,062.65
Less: Capitalisation during the year	-
As at 31 March 2023	4,068.91
Add: Additions during the year	1,842.46
Less: Capitalisation during the year	(72.62)
As at 31 March 2024	5,838.75

(a) Ageing schedule of capital-work-in progress

As at 31 March 2024	Amount in capital-work-in progress for a period of				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
i) Project in progress	1,842.46	3,996.29	-	-	5,838.75
ii) Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023	Amount in capital-work-in progress for a period of				
	<1 year	1-2 years	2-3 years	More than 3 years	Total
i) Project in progress	4,062.65	6.26	-	-	4,068.91
ii) Projects temporarily suspended	-	-	-	-	-

(b) Capital-work-in progress whose completion is overdue

As at 31 March 2024	To be completed in			
	<1 year	1-2 years	2-3 years	More than 3 years
i) Project in progress	-	5,838.75	-	-

4 Right of use assets- land and building

Description	Amount
Gross carrying value	
As at 31 March 2022	169.12
Addition during the year	-
As at 31 March 2023	169.12
Addition during the year	19.96
As at 31 March 2024	189.08
Accumulated depreciation	
As at 31 March 2022	19.73
Charge for the year	33.82
As at 31 March 2023	53.55
Charge for the year	35.70
As at 31 March 2024	89.25
Net carrying amount as at 31 March 2023	115.57
Net carrying amount as at 31 March 2024	99.83



Cosmo Speciality Polymers Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
5 Other non-current financial assets		
Deposit with bank (with remaining maturity more than 12 months)	5.38	5.02
(Deposit with bank held as margin money for issuance of bank guarantee)	5.38	5.02
Note:		
a) The carrying amounts of these financial instruments are reasonable approximation of their fair values.		
6 Deferred tax assets (net)#		
Deferred tax asset arising on account of:		
Expenses deductible in future years under Income-tax Act, 1961	2.62	2.93
Unabsorbed business losses	11.61	10.45
	14.23	13.38
Deferred tax liability arising on account of:		
Property, plant and equipment and Right of use- depreciation and amortisation	0.89	-
	13.34	13.38
# Refer note 24 for movement in deferred tax balances.		
7 Other non-current assets		
Capital advances	5.69	18.33
Prepaid expenses	3.96	-
	9.65	18.33
8 Inventories		
(Stated at lower of cost and net realisable value)		
Raw materials	22.60	-
Finished goods	4.99	-
	27.59	-
9 Cash and cash equivalents		
Balances with banks		
- in current accounts	20.92	14.48
	20.92	14.48
10 Other current assets		
Balances with statutory authorities	488.99	304.35
Prepaid expenses	4.97	14.74
	493.96	319.09



Cosmo Speciality Polymers Private Limited
Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

11 Share capital

	As at 31 March 2024	As at 31 March 2023
Authorised		
5,000,000 equity shares of ₹ 10 each	500.00	500.00
(31 March 2023: 5,000,000 equity shares of ₹ 10 each)		
30,000,000 preference shares of ₹ 10 each	3,000.00	3,000.00
(31 March 2023: 30,000,000 preference shares of ₹ 10 each)		
Issued, subscribed and fully paid up		
10,000 equity shares of ₹ 10 each fully paid up	1.00	1.00
(31 March 2023: 10,000 equity shares of ₹ 10 each fully paid up)		
	1.00	1.00

	As at 31 March 2024		As at 31 March 2023	
Reconciliation of number of shares	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	10,000	1.00	10,000	1.00
Issued during the year	-	-	-	-
Equity shares at the end of the year	10,000	1.00	10,000	1.00

Notes:

(i) Terms and rights attached to equity shares

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

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

(ii) Details of shareholders holding more than 5% shares in the company

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding	No. of shares	% holding
Cosmo First Limited (formerly Cosmo Films Limited)*	10,000	100.00%	10,000	100.00%

* Includes share held by nominee of the holding company.

(iii) Details of shareholding of promoters

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding	No. of shares	% holding
Cosmo First Limited (formerly Cosmo Films Limited)*	10,000	100.00%	10,000	100.00%

* Includes share held by nominee of the holding company.

12 Other equity

	As at 31 March 2024	As at 31 March 2023
Retained earnings	(51.22)	(47.49)
0.01% Non cumulative optionally convertible preference shares (OCPS)	2,330.00	2,330.00
Total other equity	2,278.78	2,282.51

Note

0.01% Non cumulative optionally convertible preference shares of ₹ 10 each, fully paid up

Terms/ rights attached to preference shares:

23,300,000 0.01% Non-cumulative optionally convertible preference shares of ₹ 10 each aggregating ₹ 2,330 lakhs (31 March 2023: 23,300,000 0.01% Non-cumulative optionally convertible preference shares of ₹ 10 each) have a tenure of 10 (ten) years from the date of allotment. 1 optionally convertible preference share can be converted into 1 equity share of ₹ 10 each at any time at the option of the Company during the tenure of 10 years. If not converted within ten years, the optionally convertible preference shares will be redeemed at ₹ 20 per optionally convertible preference share. The optionally convertible preference shares may also be redeemed at any time by payment of proportionate premium at the option of the Company.

	As at 31 March 2024		As at 31 March 2023	
Reconciliation of number of shares	No. of shares	Amount	No. of shares	Amount
Shares at the beginning of the year	2,33,00,000	2,330.00	33,00,000	330.00
Issued during the year	-	-	2,00,00,000	2,000.00
Shares at the end of the year	2,33,00,000	2,330.00	2,33,00,000	2,330.00

All the preference shares are held by Cosmo First Limited (formerly Cosmo Films Limited), the holding company.



Cosmo Speciality Polymers Private Limited
Summary of material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
13 Other non-current liabilities		
Deferred income on export promotion capital goods scheme	816.79	-
	816.79	-

14 Trade payables

- total outstanding dues to micro and small enterprises	-	-
- total outstanding dues to creditors other than micro and small enterprises	60.20	-
	60.20	-

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at 31 March 2024	As at 31 March 2023
i the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period;	-	-
ii the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period;	-	-
iii the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act;	-	-
iv the amount of interest accrued and remaining unpaid at the end of each accounting period; and	-	-
v the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	-	-

The carrying amounts of these financial instruments are reasonable approximation of their fair values.

Ageing schedule of trade payables

As at 31 March 2024	Outstanding for following periods from				
	Not Due	<1 year	1-2 years	2-3 years	Total
i) MSME	-	-	-	-	-
ii) Others	51.41	8.79	-	-	60.20
iii) Disputed dues- MSME	-	-	-	-	-
iv) Disputed dues- Others	-	-	-	-	-

As at 31 March 2023	Outstanding for following periods from				
	Not Due	<1 year	1-2 years	2-3 years	Total
i) MSME	-	-	-	-	-
ii) Others	-	-	-	-	-
iii) Disputed dues- MSME	-	-	-	-	-
iv) Disputed dues- Others	-	-	-	-	-

15 Other current financial liabilities

Payable to Cosmo First Limited (formerly Cosmo Films Limited) - Holding Company	3,245.02	1,780.31
Creditors for capital goods	82.63	227.23
Other accrued liabilities	3.67	117.46
	3,331.32	2,125.00

The carrying amounts of these financial instruments are reasonable approximation of their fair values.

16 Other current liabilities

Statutory dues payable	0.21	38.59
	0.21	38.59



Cosmo Speciality Polymers Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
17 Revenue from operations		
Operating revenue (refer note a below)		
Sale of products-domestic	14.03	-
Sale of products-export	-	-
Revenue from operations	14.03	-

Note:

- a) The Company applies Indian Accounting Standard 115, 'Revenue from Contracts with Customers' ('Ind AS 115'), . Under Ind AS 115, revenue is recognised through a 5-step approach:
- (i) Identify the contracts with customer;
 - (ii) Identify separate performance obligations in the contract;
 - (iii) Determine the transaction price;
 - (iv) Allocate the transaction price to the performance obligations; and
 - (v) Recognise revenue when a performance obligation is satisfied.

(i) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

Period ended 31 March 2024

	Goods	Total
Revenue from operations		
Revenue by geography		
Domestic	14.03	14.03
Export	-	-
Total	14.03	14.03
Revenue by time		
Revenue recognised at point in time		14.03
Revenue recognised over time		-
Total		14.03

(ii) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

Description	Year ended 31 March 2024
Contract price	14.03
Less: Discount, rebates, credits etc.	-
Revenue from operations as per Statement of Profit and Loss	14.03

b) Details of products sold

Manufactured goods		
-Bubble Film	14.03	-
Total	14.03	-

18 Other income

Interest income from:		
- Fixed deposit with banks	-	3.04
	-	3.04



Cosmo Speciality Polymers Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
19 Change in inventory of finished goods		
Opening stock		
Finished goods	-	-
Closing stock		
Finished goods	4.99	-
	4.99	-
Change in inventory	(4.99)	-
Note:		
Details of finished goods		
Finished goods		
-Bubble Film	4.99	-
Total	4.99	-
20 Employee benefits expense		
Salaries, wages, allowances and bonus	1.07	-
	1.07	-
21 Depreciation and amortisation expense		
Depreciation and amortisation expense	0.27	-
Depreciation on right-of-use assets	35.70	33.82
Less: Transferred to capital work in progress	(35.42)	(33.82)
	0.55	-
22 Finance costs		
Interest on lease liabilities(refer note given below)	0.06	-
	0.06	-
The finance costs shown above is net of 'interest on lease liabilities' capitalised during the year amounting to Rs. 9.11 lacs (31 March 2023 Rs.11.29 lacs)		
23 Other expenses		
Stores, spare parts and packing materials consumed	0.80	-
Legal and professional charges (refer note a below)	1.11	1.05
Miscellaneous expenses	0.10	-
	2.01	1.05
a) Includes payment to auditors (exclusive of goods and service tax)		
As auditor		
- Audit fee	1.06	1.00
- Reimbursement of out of pocket expenses	0.05	0.05
	1.11	1.05



Cosmo Speciality Polymers Private Limited
Summary of material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

24 Income tax

The income tax expense consists of the following :

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax expense	-	-
Deferred tax		
-Current year	0.04	(0.32)
-Earlier year	-	(2.27)
Total income tax	0.04	(2.59)

The reconciliation of the estimated tax expense at statutory income tax rate to income tax expense reported in the Statement of Profit and Loss is as follows:

Profit / (Loss) before tax	(3.69)	1.99
At India's statutory income tax rate of 17.16% (31 March 2023: 17.16%)	(0.63)	0.34
Tax related to earlier years	-	(2.27)
Other adjustments	0.67	(0.66)
Total income tax expense	0.04	(2.59)

Movement of net deferred tax assets and liabilities for the year ended 31 March 2024 is as follows:

	Opening balance	Deferred tax credit/(charge) in profit and loss	Deferred tax credit/charge in Other comprehensive income	Closing balance
Deferred tax assets (net)				
Deferred tax asset arising on account of:				
Expenses deductible in future years under Income-tax Act, 1961	2.93	(0.31)	-	2.62
Unabsorbed business losses	10.45	1.16	-	11.61
	13.38	0.85	-	14.23
Deferred tax liability arising on account of:				
Property, plant and equipment and Right of use- depreciation and amortisation	-	0.89	-	0.89
	-	(0.04)	-	0.89

Movement of net deferred tax assets and liabilities for the year ended 31 March 2023 is as follows:

	Opening balance	Deferred tax credit/(charge) in profit and loss	Deferred tax credit/charge in Other comprehensive income	Closing balance
Deferred tax assets (net)				
Deferred tax asset arising on account of:				
Expenses deductible in future years under Income-tax Act, 1961	2.83	0.10	-	2.93
Unabsorbed business losses	7.96	2.49	-	10.45
	10.79	2.59	-	13.38

25 Earnings per equity share

	Year ended 31 March 2024	Year ended 31 March 2023
Profit/ (Loss) for the year (₹ in lakhs)	(3.73)	4.58
Weighted average number of equity shares outstanding for the purpose of basic earnings per share	10,000	10,000
Effect of potential ordinary shares on optionally convertible preference shares	2,33,00,000	62,58,904
Weighted average number of equity shares outstanding for the purpose of diluted earnings per share	2,33,10,000	62,68,904
Earnings per equity share (face value ₹ 10.00 per share)		
Basic	(37.30)	45.80
Diluted	(37.30)	0.07

26 Contingencies and commitments

	As at 31 March 2024	As at 31 March 2023
(A) Contingent liabilities		
i Bank Guarantee issued in favour of third parties	5.00	5.00
(B) Capital commitments		
Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	344.41	675.78



27 Lease related disclosures

Lease liabilities are presented in the statement of financial position as follows:

	As at 31 March 2024	As at 31 March 2023
Current liabilities (amount due within one year)	42.34	32.46
Non current liabilities (amount due over one year)	66.15	90.24
	108.49	122.70

The Company's leased asset primarily consist of lease for land and building

Right of use asset as at 31 March 2024 amounting to ₹ 99.83 lakhs (31 March 2023: ₹ 115.57 lakhs) are entirely for the leases of land and building.

A Lease payments not recognised as a liability

The Company does not have any lease other than lease for land and building for which right-of-use asset is created, therefore disclosure regarding lease payments not recorded as liability is not applicable.

B Total cash outflow for leases for the year ended 31 March 2024 was ₹ 43.34 lakhs (31 March 2023: ₹ 41.25 lakhs).

C Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

Particulars	Minimum lease payments due as on 31 March 2024						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Lease payments	49.59	49.59	20.66	-	-	-	119.84
Interest expense	(7.25)	(3.69)	(0.41)	-	-	-	(11.35)
Net present values	42.34	45.90	20.25	-	-	-	108.49

Particulars	Minimum lease payments due as on 31 March 2023						Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	
Lease payments	41.25	41.25	41.25	17.18	-	-	140.93
Interest expense	(8.79)	(6.03)	(3.07)	(0.34)	-	-	(18.23)
Net present values	32.46	35.22	38.18	16.84	-	-	122.70

D Information about extension and termination options as on 31 March 2024

Leases entered into	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Land and building	2	2-3 years	2.42 Years	-	-	-

D Information about extension and termination options as on 31 March 2023

Leases entered into	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Land and building	1	3-4 years	3.42 years	-	-	-

E The total future cash outflows as at 31 March 2024 for leases that had not yet commenced is of ₹ Nil (31 March 2023: ₹ Nil).

F Expected future cash outflows on account of variable lease payments as at 31 March 2024 is of ₹ Nil (31 March 2023: ₹ Nil).



Cosmo Speciality Polymers Private Limited**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024****(All amounts in ₹ lakhs, unless otherwise stated)****28 Related party disclosures**

In accordance with the required Indian Accounting Standard (IndAS-24) on related party disclosures where control exist and where transactions have taken place and description of the relationship as identified and certified by management are as follows:

List of related parties and relationships:**A. Holding company**

- a) Cosmo First Limited (formerly Cosmo Films Limited)

B. Fellow Subsidiary Company

- a) Cosmo Speciality Chemical Private Limited

C. Key management personnel

- a) Mr. Anil Kumar Jain, Director
b) Mr. Pankaj Poddar, Director
c) Mr. Neeraj Jain, Director
d) Mrs. Jyoti Dixit, Company Secretary

S. No.	Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	Transactions during the period		
1	Preference shares issued Cosmo First Limited (formerly Cosmo Films Limited)	-	2,000.00
2	Sales Cosmo First Limited (formerly Cosmo Films Limited)	14.03	-
3	Purchase of goods Cosmo Speciality Chemical Private Limited	38.35	-
4	Lease rent Cosmo First Limited (formerly Cosmo Films Limited)	41.25	41.25
5	Advance received Cosmo First Limited (formerly Cosmo Films Limited)	1,464.71	-

S. No.	Particulars	As at 31 March 2024	As at 31 March 2023
	Outstanding balances		
1	Other financial liabilities Cosmo First Limited (formerly Cosmo Films Limited)	3,245.02	1,780.31
2	Trade payables Cosmo Speciality Chemical Private Limited	45.26	-



Cosmo Speciality Polymers Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

29 Fair value measurements

A) Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

(₹ in lakhs)			
As at 31 March 2024	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost
(i) Cash and cash equivalents	-	-	20.92
(ii) Others financial assets	-	-	5.38
Total	-	-	26.30
Financial liabilities			
(i) Lease liabilities	-	-	108.49
(ii) Trade payables	-	-	60.20
(ii) Other financial liabilities	-	-	3,331.32
Total	-	-	3,500.01

(₹ in lakhs)			
As at 31 March 2023	Fair value through profit and loss	Fair value through other comprehensive income	Amortised cost
Financial assets			
(i) Cash and cash equivalents	-	-	14.48
(ii) Others financial assets	-	-	5.02
Total	-	-	19.50
Financial liabilities			
(i) Lease liabilities	-	-	122.70
(ii) Other financial liabilities	-	-	2,125.00
Total	-	-	2,247.70

B) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that fair values of current financial assets, trade payables and other current financial liabilities approximate their respective carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



30 Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The management has the overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, other bank balances	Ageing analysis Credit ratings	Diversification of bank deposits, collateral credit limits and letter of credit
Liquidity risk	Other liabilities	Rolling cash flow forecasts	By availment of borrowing facilities

A. Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Basis of categorisation	Asset class exposed to credit risk	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances	12 month expected credit loss
Moderate credit risk	Other financial assets	12 month expected credit loss unless credit risk has increased significantly since initial recognition, in which case allowance is measured at lifetime expected credit loss.
High credit risk	Other financial assets	Life time expected credit loss or fully provided for

As the Company's trade receivables do not contain a significant financing component, it measures the loss allowance in respect thereof at an amount equal to lifetime expected credit losses

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company or debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in Statement of Profit and Loss.

Credit risk exposure

Credit rating	Particulars	As at 31 March 2024	As at 31 March 2023
A: Low credit risk	Cash and cash equivalents	20.92	14.48
	Others financial assets	5.38	5.02
B: Medium credit risk	-	-	-
C: High credit risk	-	-	-

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.



B. Liquidity risk

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

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Contractual maturities of financial liabilities

The table below analyses the financial liabilities into relevant maturity grouping based on their undiscounted contractual maturities (including interest).

31 March 2024	Less than and equal to 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
(i) Lease liabilities	42.34	45.90	20.25	-	108.49
(ii) Trade payables	60.20	-	-	-	60.20
(ii) Other financial liabilities	3,331.32	-	-	-	3,331.32
Total	3,433.86	45.90	20.25	-	3,500.01

31 March 2023	Less than and equal to 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
(i) Lease liabilities	32.46	35.22	55.02	-	122.70
(ii) Other financial liabilities	2,125.00	-	-	-	2,125.00
Total	2,157.46	35.22	55.02	-	2,247.70

31 Capital management

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.



Cosmo Speciality Polymers Private Limited
Summary of material accounting policies and other explanatory information for the year ended 31 March 2024
(All amounts in ₹ lakhs, unless otherwise stated)

32 Key Financial Ratios:

Ratio	Measurement unit	Numerator	Denominator	31 March 2024	31 March 2023	Changes	Remarks
a) Current Ratio	Times	Current Assets	Current Liabilities	0.16	0.15	4.00%	Refer note 1 below
b) Total debt to equity ratio	Percentage	Total Debt	Shareholder's Equity	NA	NA	NA	Refer note 2 below
c) Debt service coverage ratio	Times	Earnings available for debt service	Debt Service	NA	NA	NA	Refer note 2 below
d) Return on equity ratio	Percentage	Net profit/(loss) after tax	Shareholder's Equity	-0.16%	0.20%	-181.57%	Due to net loss during current year
e) Inventory turnover ratio	Times	Purchase of goods	Average Inventory	3.02	NA	NA	Refer note 3 below
f) Trade receivable turnover ratio	Times	Revenue from operations	Average trade receivable	NA	NA	NA	Refer note 2 below
g) Trade payable turnover ratio	Times	Purchase of goods	Average trade payables	1.38	NA	NA	Refer note 3 below
h) Net working capital turnover ratio	Times	Revenue from operations	Working Capital	(0.00)	NA	NA	Refer note 3 below
i) Net profit ratio	Percentage	Net profit after tax	Revenue from operations	-26.59%	NA	NA	Refer note 3 below
j) Return on capital employed	Percentage	Earning before interest and tax (EBIT)	Average capital employed	-0.16%	0.16%	-202.43%	Due to negative EBIT during current year
k) Return on investment	Percentage	Income from investments	Weighted average cost of investments during the year	NA	NA	NA	Refer note 2 below

Notes:

1. Since the change in ratio is less than 25%, no explanation is required to be furnished.
2. This ratio is considered as not applicable in view of absence of applicable numerator or denominator or both.
3. Since no comparative available of previous year, hence no explanation has been provided.



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33 Additional regulatory information required by Schedule III of Companies Act, 2013

(i) Details of benami properties held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Valuation of Property, Plant and Equipment

The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year.

(iii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(iv) Wilful defaulter

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

(v) Relationship with struck off companies

The company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.

(vi) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vii) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) Registration of charges or satisfaction with registrar of companies

There are no changes or satisfaction which are yet to be registered with the registrar of companies beyond the statutory period.

(ix) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(x) Fund received / loaned

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 or entity, 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.

(xi) No funds have been received by the Company from any person or entity, 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.

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Cosmo Speciality Polymers Private Limited

Summary of material accounting policies and other explanatory information for the year ended 31 March 2024

(All amounts in ₹ lakhs, unless otherwise stated)

34 Segment reporting

In accordance with Ind AS 108, the Board of Directors being the Chief Operating Decision maker of the Company, have determined its only one business segment of 'plastic products and materials'.

Below is the customer who has contributed 10% or more in the revenue from operations:

(₹ in lakhs)	
Name of the customer	Revenue for the year ended 31 March 2024
Cosmo First Limited (formerly Cosmo Films Limited)	14.03

35 There has been no subsequent events which required any adjustment for the financial year ending 31 March 2024.

36 Previous year numbers have been regrouped wherever considered necessary to confirm to current year classifications.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

B. Sen

Bhaskar Sen
Partner
Membership No.: 096985



Place : New Delhi
Date : 13 May 2024



For and on behalf of Board of Directors of
Cosmo Speciality Polymers Private Limited

Pankaj Poddar
Pankaj Poddar
Director
DIN: 02815660

Neeraj Jain
Neeraj Jain
Director
DIN: 00060249

Jyoti Dixit
Jyoti Dixit
Company Secretary
Membership No.: F6229