

NILKAMAL FOUNDATION

BALANCE SHEET

F. Y. 2023 - 2024

A.Y. 2024 - 2025



SHETH DOCTOR & ASSOCIATES

CHARTERED ACCOUNTANTS

B 401, Shree Ramdev Apartments
Dr. Dalvi Road, Near Bank Of India,

Kandivali (W) Mumbai 400067

Telephone : (022) 28058438

Mob: 9819748438

E-mail: doctor_paresh@yahoo.co.in

INDEPENDENT AUDITORS' REPORT

The Members of
NILKAMAL FOUNDATION

Report on the Financial Statements

We have audited the accompanying financial statements of NILKAMAL FOUNDATION (a Company not for Profit and Limited by Shares registered under Section 8 of the Companies Act 2013), which comprises Balance Sheet as at 31st March, 2024, the Statement of Income and Expenditure Account and Cash Flow statement for the year ended 31st March 2024, and a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2024
- (b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.
- (c) In the case of Cash Flow Statement, of its Cash flow during 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 SAs are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' Section of our Report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and Auditors report thereon ('Other information')

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our Opinion on the financial statements does not cover the information and we do not express any form of assurance or conclusions 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Managements' Responsibility for the Financial Statements



The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies ; making judgments and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the audit of the financial statements

Our objective are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditors report that include our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement 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 decision of users taken on the basis of the 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.
- 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 auditors report to the related disclosures 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 an audit.

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




From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public communication in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. The Companies (Auditor's Report) Order,2020 ("the CARO 2020 Order") issued by the Central Government in terms of the Section 143(11) of the Act, is not applicable to the Company.
2. As required by Section 143(3) of the Act, we report that :
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit .
 - b. In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books .
 - c. The Balance Sheet, Statement of Income and Expenditure Account, Cash Flow Statement and other notes thereon dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the aforesaid financial statements comply with the accounting standards referred to in the Section 133 of the Companies Act,2013 and read with Rule No 7 of the Companies Accounting Rules 2014.
 - e. On the basis of representations received from the directors as on Mar 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on Mar 31,2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As per the information and explanations given to us there are no pending litigations other than those disclosed in the financial statements.
 - ii In the opinion of the company no provision is required under any law or accounting standards, for material foreseeable losses, if any , on long term contracts including derivative contracts.
 - iii There are no amounts to be transferred to Investor Education & Protection Fund during the year.

For M/s Sheth Doctor and Associates
Chartered Accountants
(Firm Regn No. 124822W)
UDIN NO 24036056BKGDKO2933


Paresht S Doctor
Proprietor
Membership No. 036056

Mumbai.
Date : 8th May 2024





SHETH DOCTOR & ASSOCIATES

CHARTERED ACCOUNTANTS

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
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 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit .
 - b. In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books .
 - c. The Balance Sheet, Statement of Income and Expenditure Account, Cash Flow Statement and other notes thereon dealt with by this Report are in agreement with the books of accounts.
 - d. In our opinion, the aforesaid financial statements comply with the accounting standards referred to in the Section 133 of the Companies Act,2013 and read with Rule No 7 of the Companies Accounting Rules 2014.
 - e. On the basis of representations received from the directors as on Mar 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on Mar 31,2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As per the information and explanations given to us there are no pending litigations other than those disclosed in the financial statements.
 - ii In the opinion of the company no provision is required under any law or accounting standards, for material foreseeable losses, if any , on long term contracts including derivative contracts.
 - iii There are no amounts to be transferred to Investor Education & Protection Fund during the year.

For M/s Sheth Doctor and Associates
Chartered Accountants
(Firm Regn No. 124822W)
UDIN NO 24036056BKGDKO2933


Paresh S Doctor
Proprietor
Membership No. 036056



Mumbai.
Date : 8th May 2024

NILKAMAL FOUNDATION

BALANCE SHEET As AT 31st MARCH, 2024

(Rupees in Lakhs)

	Note	As at	As at
		31st March, 2024	31st March, 2023
ASSETS			
Current Assets			
Cash & Cash Equivalents	1	10.88	7.03
Other Current Assets	2	0.18	3.97
TOTAL ASSETS		11.05	11.00
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	3	0.01	0.01
Other Equity	4	10.87	10.81
LIABILITIES			
CURRENT LIABILITIES			
Other Payables	5	0.18	0.18
TOTAL EQUITY AND LIABILITIES		11.05	11.00

Basis of Preparation, measurement and significant accounting policies

10

The accompanying notes are an integral part of these financial statements

As per our report of even date

FOR SHETH DOCTOR & ASSOCIATES
Firm Registration No. 0124822W
Chartered Accountants

Paresh S. Doctor
Proprietor
Membership No. 36056

For and on behalf of Board of Directors of
Nilkamal Foundation
CIN : U74999MH2016NPL284394

Vamanrai V. Parekh
Director
DIN : 00037519

Sharad V. Parekh
Director
DIN : 00035747

Place : Mumbai
Date: 08th May, 2024
UDIN : 24036056BKGDKO2933



NILKAMAL FOUNDATION

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2024


(Rupees in Lakhs)

Note		Year Ended	Year Ended
		31st March, 2024	31st March, 2023
INCOME			
Donation Received	6	-	25.00
Other Income	7	0.39	2.49
TOTAL INCOME		0.39	27.49
EXPENDITURE			
Program Expense	8	-	247.00
Other Expense	9	0.33	0.33
TOTAL EXPENSES		0.33	247.33
Excess / (Shortfall) of income over expenditure [A]			
		0.06	-219.84
OTHER COMPREHENSIVE INCOME FOR THE YEAR [B]			-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR [A-B]		0.06	-219.84
Earnings/ (Loss) per equity share			
Basic & Diluted(In Rupees)		0.0005758	-2.19842858
(Face Value of Rs. 10 each)			
Basis of preparation, measurement and significant accounting policies	10		

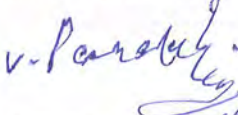
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As per our report of even date

FOR SHETH DOCTOR & ASSOCIATES
Firm Registration No. 0124822W
Chartered Accountants


Paresh S. Doctor
Proprietor
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For and on behalf of Board of Directors of
Nilkamal Foundation
CIN : U74999MH2016NPL284394


Vamanrai V. Parekh
Director
DIN : 00037519


Sharad V. Parekh
Director
DIN : 00035747

Place : Mumbai
Date: 08th May, 2024
UDIN : 24036056BKGDKO2933



NILKAMAL FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH, 2024

(Rupees in Lakhs)

	Year Ended 31st March, 2024	Year Ended 31st March, 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess/ (Shortfall) of income over expenditure	0.06	-219.84
Adjustments for:		
Interest Income	-0.39	-2.49
Changes in Working Capital		
Increase/ (Decrease) in current assets	-	-
Increase/ (Decrease) in current liabilities	-	-
Increase/ (Decrease) in other bank balances	-	60.00
Direct Taxes Paid	3.79	1.04
Net cash generated from/ (used in) operating activities - [A]	3.46	-161.29
B. CASH FLOWS FROM INVESTING ACTIVITIES - [B]		
Interest Received	0.39	2.56
	0.39	2.56
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid		
Net cash (used in)/ generated from financing activities - [C]	-	-
Net Increase/ (Decrease) in Cash And Cash equivalents - [A + B + C]	3.85	-158.72
ADD: Cash and Cash equivalents at the beginning of the year	7.03	165.75
Cash And Cash equivalents at the end of the year	10.88	7.03

Note: The above Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7. 'Statement of Cash Flows'

The accompanying notes are an integral part of these financial statements

As per our report of even date

FOR SHETH DOCTOR & ASSOCIATES
Firm Registration No. 0124822W
Chartered Accountants

(Signature)
Paresh S. Doctor
Proprietor
Membership No. 36056

For and on behalf of Board of Directors of
Nilkamal Foundation
CIN : U74999MH2016NPL284394

(Signature)
Director
Vamanrai V. Parekh
DIN : 00037519

(Signature)
Director
Sharad V. Parekh
DIN : 00035747

Place : Mumbai
Date: 08th May, 2024
UDIN : 24036056BKGDKO2933



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

1] CASH AND CASH EQUIVALENTS

	As at 31st March, 2024	As at 31st March, 2023
Balances with banks	10.71	6.86
Cash On hand	0.16	0.16
	10.88	7.03

2] OTHER CURRENT ASSETS

	As at 31st March, 2024	As at 31st March, 2023
Income Tax Paid	0.18	3.97
	0.18	3.97

3] EQUITY SHARE CAPITAL

	As at 31st March, 2024	As at 31st March, 2023
Authorised 100 equity shares of Rs. 10 each	0.01	0.01
Issued, subscribed and fully paid up 100 equity shares of Rs. 10 each	0.01	0.01
	0.01	0.01

a) Reconciliation of the number of shares

	As at 31st March, 2024		As at 31st March, 2023	
Equity shares	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	100	0.01	100	0.01
Add / (Less):				
Balance at the end of the year	100	0.01	100	0.01

b) Rights, preference and restrictions attached to the shares

The company has only one class of equity shares having a par value Rs. 10 per share. Each shareholder is eligible for one vote per share held. As the Company is a private company limited by shares of formed under section 8 of the Companies Act, 2013, no dividend is to be proposed and paid to the shareholders. In the event of winding up or dissolution of the company, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to some other institution(s) having object similar to the objects of the Company, to be determined by the members of the company at or before the time of dissolution or in default thereof by the High Court.

c) Shares held by holding company and subsidiary of holding company in aggregate

	As at 31st March, 2024	As at 31st March, 2023
Equity shares of Rs.10 each held by:		
99 shares are held by Nilkmal Limited, the holding company	990.00	990.00
1 share is held by Cambro Nilkamal Private Limited	10.00	10.00



d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the company

	As at 31st March, 2024	As at 31st March, 2023
Number of shares of Rs. 10 each held by:		
Nilkamal Limited, the holding company	990.00	990.00
% of holding	99%	99%

4) OTHER EQUITY

	Retained Earnings	Retained Earnings
As at 1st April, 2023	10.81	230.65
Excess of Income over expenditure for the year	0.06	-219.84
As at 31st March, 2024	10.87	10.81

5) OTHER PAYABLES

	As at 31st March, 2024	As at 31st March, 2023
Trade Payables	0.18	0.18
	0.18	0.18

2023-24	Outstanding for following periods from due date of payment						Total
Particulars	Unbilled	Not due	< 1 Year	1-2 years	2-3 years	> 3 years	
Undisputed MSME							
Undisputed Others	0.18						0.18
Disputed dues - MSME							
Disputed dues - Others							

2022-23	Outstanding for following periods from due date of payment						Total
Particulars	Unbilled	Not due	< 1 Year	1-2 years	2-3 years	> 3 years	
Undisputed MSME							
Undisputed Others	0.18		-				0.18
Disputed dues - MSME							
Disputed dues - Others							

	As at 31st March, 2024	As at 31st March, 2023
Principal outstanding of amount payable as on 31st March 2016 relating to suppliers registered as Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest due thereon	-	-
Amount of interest paid alongwith the amount of payments made beyond the amount day	-	-
Amount of interest due and payable (where the principal is already paid but interest has not been paid)	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
	-	-

6) DONATIONS RECEIVED

	For the period ended 31st March, 2024	For the period ended 31st March, 2023
Voluntary Contributions (From holding Company & Associates - Note No. 4(b))	-	25.00
	-	25.00



7] OTHER INCOME

	For the period ended 31st March, 2024	For the period ended 31st March, 2023
Interest Received - FD	-	1.79
Interest Received - SB	0.18	0.59
Interest received on Income Tax refund	0.22	0.10
	0.39	2.49

8] PROGRAM EXPENSES

	For the period ended 31st March, 2024	For the period ended 31st March, 2023
Donations Paid	-	247.00
	-	247.00

9] OTHER EXPENSES

	For the period ended 31st March, 2024	For the period ended 31st March, 2023
Bank Charges	-	0.00
ROC Fees	0.14	0.14
Audit Fees	0.18	0.18
Other expense	-	0.00
Professional Fees	0.02	0.02
	0.33	0.33



NILKAMAL FOUNDATION

10. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

1. COMPANY OVERVIEW

Nilkamal Foundation ("The Company"), a not for profit company, within the meaning of section 8 of the Companies Act, 2013 was incorporated in India on August 3, 2016. Pursuant to the enactment of Companies Act, 2013 and section 135 of The Companies Act, 2013, the Company as an implementing agency, would carry out Corporate Social Responsibility ('CSR') activities as per CSR policy adopted by Nilkamal Limited and its group companies in line with schedule VII of The Companies Act, 2013. The Company would primarily focus on CSR activities in undertaking programs/projects majority in the field of education, health, and environmental sustainability, Relief and Rehabilitation. However, the company shall also undertake any the activities as suggested under section 135 of the Companies Act, 2013, and which are also mentioned in the main object clause of the Memorandum of Association of the company, as and when the Company feels it necessary to expand.

2. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION AND MEASUREMENT

a) BASIS OF PREPARATION

These financial statements have been in accordance with the Indian Accounting Standard [hereinafter referred to as the 'Ind AS'] as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of the Companies [Indian Accounting Standards] Rules, 2015 that are notified and other relevant provisions of the Act.

The financial statements have been prepared on the accrual and going concern basis. All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in the division II-Ind AS Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current or non current classification of assets and liabilities.



b) BASIS OF MEASUREMENT

These financial statements are prepared under the historical cost convention unless otherwise indicated.

2.2 SIGNIFICANT ACCOUNTING POLICIES

a. Revenue Recognition

I) Voluntary Contribution:

Contributions received other than for corpus donations are recognized as income in the year of receipt.

Contributions received as corpus donations with future commitment for CSR expenses, are credited to 'Fund held in corpus donation' in the Balance sheet under the head of other current liabilities. and will be disbursed as per the direction of the donar for carrying out the CSR activities of the Company.

II) Interest Income on Fixed Deposits are accounted on accrual basis.

b. Expenses

All expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

c. Program Expenses

The said expenses represents various expenditure incurred by the company on activities and projects covered by "Corporate Social Responsibility " (CSR) as specified under Section 135 of the Companies Act 2013. Expenditure on projects are written off in the respective year of it's spending irrespective of it's stage of completion. The same is accounted for as & when paid.

d. Earnings Per Share

Basic earnings per share is computed by dividing the net excess/ (shortfall) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding,



without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

e. Cash And Cash Equivalents

Cash and cash equivalents comprises cash on hand, cash in bank and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) highly liquid investments that are readily convertibles into known amounts of cash and which are subject to insignificant risk of changes in value.

f. Income Tax

The company has been granted exemption from Income tax under section 12A read with section 12AA of the Income Tax Act, 1961.

3. CONTINGENT LIABILITY AT YEAR END : NIL

4. RELATED PARTY DISCLOSURES

Enterprises exercising control

a. Holding Company: Nilkamal Limited

b. Other related parties with whom transactions have taken place : NIL

Disclosure of transactions between the company and related parties and the status of outstanding balance as in 31st March, 2024

Name of The Party	Year ended 31 st March, 2024	Year ended 31 st March, 2023
a. Holding Company Nilkamal Limited		
Donations received	-	Rs. 25.00



5. EARNINGS PER SHARE HAS BEEN COMPUTED AS UNDER

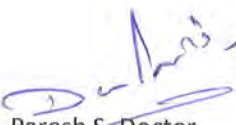
	(In Lakhs)	
	Year Ended 31 st March, 2024 (Rs.)	Year Ended 31 st March, 2023 (Rs.)
Excess/ (Shortfall) of income over expenditure for the year	0.06	(-)219.84
Weighted average number of equity share outstanding	100	100
Earnings per share (Rs.) – basic and diluted (face value of Rs 10 per share)	57.58	(-)219842.86

As per our report of even date

FOR SHETH DOCTOR & ASSOCIATES

Firm Registration No. 0124822W

Chartered Accountants



Paresh S. Doctor

Proprietor

Membership No. 36056

For and on behalf of Board of Directors of

Nilkamal Foundation

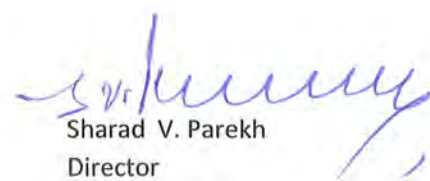
CIN - U74999MH2016NPL284394



Vamanrai V. Parekh

Director

DIN- 00037519



Sharad V. Parekh

Director

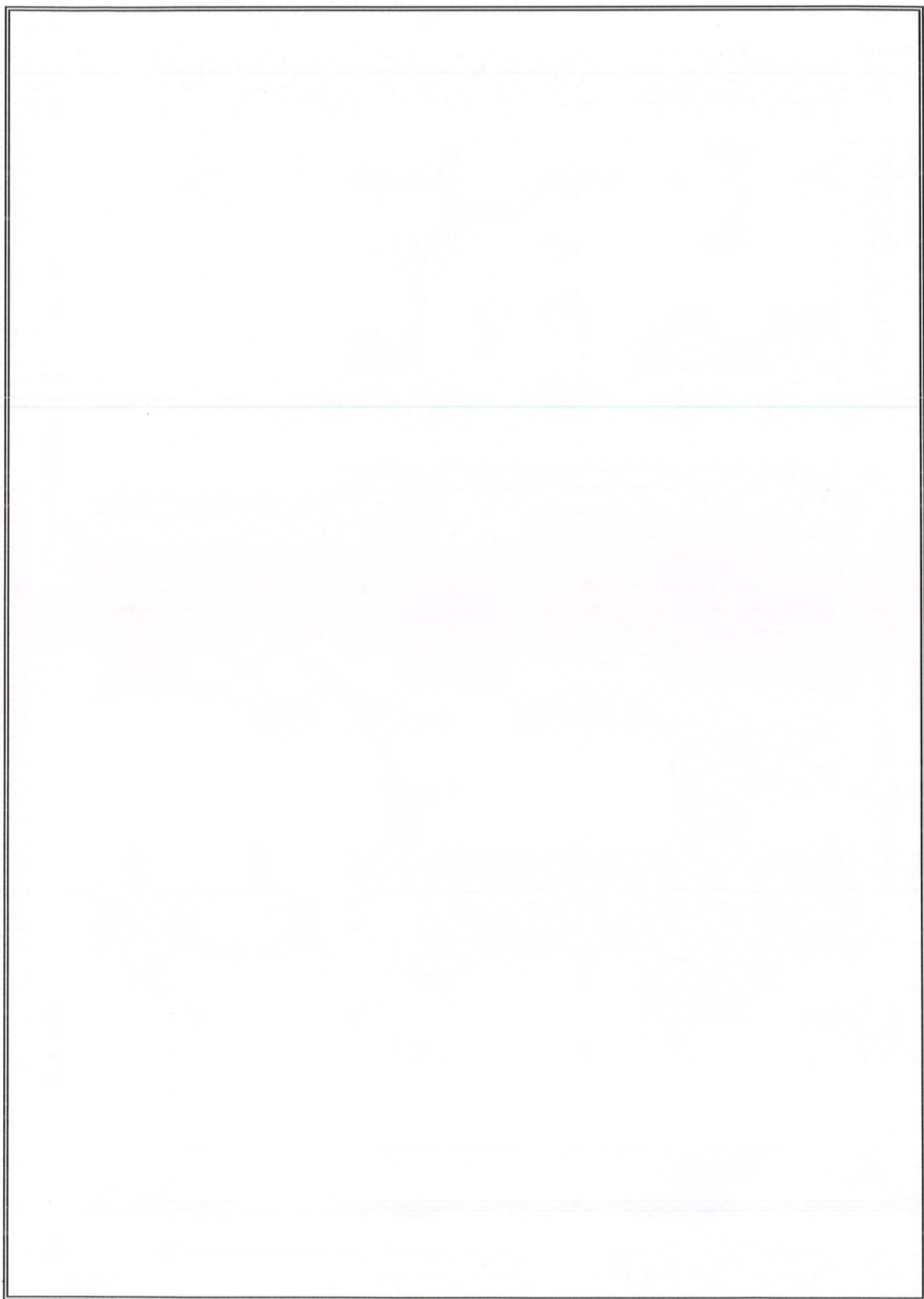
DIN-00035747

Place : Mumbai

Date : 08th May, 2024

UDIN : 24036056BKGDKO2933





**NILKAMAL CRATES
& BINS FZE**

Financial Statements

31 March 2024

Registered office:

Warehouses C-15 to 17,
Ajman Free Zone,
P. O. Box 21008,
Ajman, U.A.E.

NILKAMAL CRATES & BINS FZE

Financial Statements

31 March 2024

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NILKAMAL CRATES & BINS FZE

Manager's Report

The manager submits his report and accounts for the year ended 31 March 2024.

Results and dividend

The profit for the year amounted to AED 2,433,331/-. The directors have approved payment of interim dividend amounting to AED 1,500,000/- for the year ended 31 March 2024.

Review of the business

The establishment is registered to carry out activity of general trading / import and export. During the year, the establishment has mainly traded in various plastic crates, pallets, material handling equipment, racking systems, bins, hospitality products and related products.

Events since the end of the year

There were no significant events, which have occurred since the year-end that materially affect the establishment.

Shareholder and its interest

The sole shareholder, at 31 March 2024 and its interest, as of that date, in the share capital of the establishment, was as follows:

<u>Name of the shareholder</u>	<u>Country of incorporation</u>	<u>No. of share</u>	<u>AED</u>
Nilkamal Limited (Represented by Mr. Saumil Mukund Mehta)	India	1	185,000

Auditors

A resolution to re-appoint **KSI Shah & Associates** as auditors and fix their remuneration will be put to the board of directors at the annual general meeting.



Mr. Saumil Mukund Mehta
Manager



Independent Auditors' Report to the Shareholder of NILKAMAL CRATES & BINS FZE

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **NILKAMAL CRATES & BINS FZE** (the "establishment"), which comprises of the statement of financial position as at 31 March 2024, and the statement of 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 significant accounting policies and explanatory notes.

In our opinion, the financial statements present fairly, in all material respects the financial position of the establishment as of 31 March 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Establishment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the UAE, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. Other information comprises the manager's report, which we obtained prior to the date of this auditor's report. The other information 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 in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we concluded that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report to the Shareholder of NILKAMAL CRATES & BINS FZE

Report on the Audit of the Financial Statements (continued)

Responsibilities of Management and Those Charged With Governance for the Financial Statements (continued)

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

Those charged with governance are responsible for overseeing the establishment's financial reporting process.

Auditors' 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 ISAs 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 ISAs, 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, but not for the purpose of expressing an opinion on the effectiveness of the establishment's internal control.
- 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 establishment'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 establishment 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.

For KSI Shah & Associates
Dubai, U.A.E.
Signed by:



NILKAMAL CRATES & BINS FZE

Statement of Financial Position

At 31 March 2024

	<i>Notes</i>	<i>2024</i> <i>AED</i>	<i>2023</i> <i>AED</i>
ASSETS			
Non-current assets			
Fixed assets	6	<u>203,197</u>	<u>124,831</u>
Current assets			
Inventories	7	2,992,794	3,949,181
Trade and other receivables	8	3,635,411	3,383,134
Prepayments		92,096	68,957
Cash and bank balances	9	<u>4,798,652</u>	<u>4,228,534</u>
		<u>11,518,953</u>	<u>11,629,806</u>
TOTAL ASSETS		<u>11,722,150</u>	<u>11,754,637</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	10	185,000	185,000
Statutory reserve	11	92,500	92,500
Accumulated profits		<u>9,234,309</u>	<u>8,300,978</u>
Total equity		<u>9,511,809</u>	<u>8,578,478</u>
Non-current liability			
Staff end of service gratuity		<u>174,078</u>	<u>138,144</u>
Current liabilities			
Trade and other payables	12	<u>2,036,263</u>	<u>3,038,015</u>
		<u>2,036,263</u>	<u>3,038,015</u>
TOTAL EQUITY AND LIABILITIES		<u>11,722,150</u>	<u>11,754,637</u>

The accompanying notes 1 to 21 form an integral part of these financial statements.

The Independent Auditors' Report is set forth on pages 2 to 3.

Approved by the board of directors on 6th May 2024 and signed on its behalf by:

For NILKAMAL CRATES & BINS FZE

S. M. Mehta

Mr. Saumil Mukund Mehta
Manager



NILKAMAL CRATES & BINS FZE

Statement of Comprehensive Income
for the year ended 31 March 2024

	<i>Notes</i>	<i>2024 AED</i>	<i>2023 AED</i>
Sales	16	17,683,999	19,987,729
Cost of sales	13	(12,730,593)	(14,683,362)
Gross profit		4,953,406	5,304,367
Expenses	14	(2,691,133)	(2,612,110)
Profit from operating activities for the year		2,262,273	2,692,257
Other income	15	171,058	98,068
Profit for the year		2,433,331	2,790,325
Other comprehensive income		-	-
Total comprehensive income		<u>2,433,331</u>	<u>2,790,325</u>

The accompanying notes 1 to 21 form an integral part of these financial statements.

NILKAMAL CRATES & BINS FZE

Statement of Changes in Equity
for the year ended 31 March 2024

	<i>Share capital <u>AED</u></i>	<i>Statutory reserve <u>AED</u></i>	<i>Accumulated profits <u>AED</u></i>	<i>Total <u>AED</u></i>
As at 31 March 2022	185,000	92,500	5,510,653	5,788,153
Profit for the year	<u>-</u>	<u>-</u>	<u>2,790,325</u>	<u>2,790,325</u>
As at 31 March 2023	185,000	92,500	8,300,978	8,578,478
Interim dividend paid during the year	-	-	(1,500,000)	(1,500,000)
Profit for the year	<u>-</u>	<u>-</u>	<u>2,433,331</u>	<u>2,433,331</u>
As at 31 March 2024	<u>185,000</u>	<u>92,500</u>	<u>9,234,309</u>	<u>9,511,809</u>

The accompanying notes 1 to 21 form an integral part of these financial statements.

NILKAMAL CRATES & BINS FZE

Statement of Cash Flows
for the year ended 31 March 2024

	<i>Notes</i>	<i>2024</i> <i>AED</i>	<i>2023</i> <i>AED</i>
<u>Cash flows from operating activities</u>			
Profit for the year		2,433,331	2,790,325
Adjustment for:			
Profit on sale of fixed assets		(11,370)	(6,973)
Provision for staff end of service gratuity		35,934	(187,941)
Depreciation		29,751	27,777
Operating profit before working capital changes		2,487,646	2,623,188
Changes in inventories		956,387	(1,816,771)
Changes in trade and other receivables		(252,277)	(24,005)
Changes in prepayments		(23,139)	2,291
Changes in trade and other payables		(1,001,752)	962,251
Net cash from operating activities		<u>2,166,865</u>	<u>1,746,954</u>
<u>Cash flow from investing activities</u>			
Purchase of fixed assets		(111,747)	(44,477)
Proceeds on sale of fixed assets		15,000	10,000
Changes in margin account		-	1,396,005
Net cash (used in)/ from investing activities		<u>(96,747)</u>	<u>1,361,528</u>
<u>Cash flow from financing activities</u>			
Interim dividend paid during the year		(1,500,000)	-
Net cash (used in) financing activities		<u>(1,500,000)</u>	<u>-</u>
Net changes in cash and cash equivalents		570,118	3,108,482
Cash and cash equivalents at beginning of the year		<u>4,228,534</u>	<u>1,120,052</u>
Cash and cash equivalents at end of the year	9	<u>4,798,652</u>	<u>4,228,534</u>

The accompanying notes 1 to 21 form an integral part of these financial statements.

NILKAMAL CRATES & BINS FZE

(Incorporated in the Ajman Free Zone, Emirate of Ajman, U.A.E.)

(Registration No. 26166)

Notes to the Financial Statements

for the year ended 31 March 2024

1. Legal status and business activity

- a) **NILKAMAL CRATES & BINS FZE** ("The Establishment") is a Free Zone Establishment registered with the Ajman Free Zone, Ajman, U.A.E. on 09 August 2003 under the general trading license No. 1252.
- b) The establishment is registered to carry out activity of general trading / import and export. During the year, the establishment has mainly traded in various plastic crates, pallets, material handling equipment, racking systems, bins and related products.

2. Basis of preparation

a) Statement of compliance

The financial statements are prepared in accordance with International Financial Reporting Standards issued or adopted by the International Accounting Standards Board (IASB) and which are effective for accounting periods beginning on or after 1 January 2023 and the implementing rules and regulations of Ajman Free Zone.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange of assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the establishment takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

c) Functional and presentation currency

These financial statements are presented in U.A.E. Dirhams, which is the establishment's functional and presentation currency.

3. Use of estimates and judgements

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments made in applying accounting policies

The significant judgments made in applying accounting policies that have the most

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2024

Revenue from contracts with customers

Sale of goods- local and export

■ Timing for transfer of control of goods:

In case of performance obligation satisfied at point in time, the control of goods is transferred, when physical delivery of the goods to the agreed location has occurred, as a result, the establishment has a present right to payment and retains none of the significant risks and rewards of the goods.

■ Financing components

The establishment does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the establishment does not adjust any of the transaction prices for the time value of money.

■ Determining the transaction price:

The establishment's revenue from sale of goods is derived from fixed price contracts with customers and therefore the amount of revenue to be earned from each contract is determined by reference to those fixed prices. Based on the historical performance of the establishment, it is highly probable that there will not be reversal of previously recognized revenue on account of the return of goods or volume rebates.

■ Allocating the transaction prices:

There is a fixed unit price for each item sold to the customer. Therefore, there is no judgment involved in allocating the contract price to each unit ordered in contracts with customers. Where a customer orders more than one item, the establishment is able to determine the split of the total contract price between each item by reference to each product's standalone selling prices (all product lines are capable of being, and are, sold separately).

■ Provision of rights to return goods, volume rebates and other similar obligations:

The establishment reviews its estimate of expected returns at each reporting date on basis of the historical data for the returns, rebates and other similar obligations and updates the amounts of the asset and liability accordingly.

Impairment of non-financial assets

At each reporting date, management conducts an assessment of fixed assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

Key sources of estimation uncertainty and assumptions

The key assumptions concerning the future, and other key sources of estimation uncertainty and assumptions at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2024

Residual values of fixed assets

Residual values are assumed to be zero unless a reliable estimate of the current value can be obtained for similar assets of ages and conditions that are reasonably expected to exist at the end of the assets' estimated useful lives.

Estimated useful life of fixed assets

Management determines the estimated useful lives and depreciation charge for its fixed assets at the time of addition of the assets and is reviewed on annual basis.

Inventory provision

Management regularly undertakes a review of the establishment's inventory, in order to assess the likely realization proceeds, taking in account purchase and replacement prices, age, likely obsolescence, the rate at which goods are being sold and the physical damage. Based on the assessment assumptions are made as to the level of provisioning required.

Staff end-of-service gratuity

The establishment computes the provision for the liability to staff end-of-service gratuity assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

Impairment of financial assets

The loss allowance for financial assets is based on assumptions about risk of default and expected loss rates. The establishment uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

4. Adoption of new International Financial Reporting Standards

a) New and revised International Financial Reporting Standards

The following International Financial Reporting Standards (IFRSs), amendments and interpretations issued by IASB that became effective for the current reporting period:

- IFRS17 - Insurance Contracts
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of accounting policies
- Amendments to IAS 8 - Definition of accounting estimates
- Amendments to IAS 12 - Deferred tax related to assets and liabilities arising from a single transaction
- Amendments to IAS 12-International Tax Reform-Pillar Two Model Rules

During the current year, the management has adopted the above standards and amendments to the extent applicable to them from their effective dates.

These amendments have no significant impact on the amounts reported in these

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2024

b) International Financial Reporting Standards issued but not effective

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current - The effective date of the amendments is set for annual periods beginning on or after 1 January 2024.

Amendments to IAS 7 -Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. Supplier Finance Arrangements- The effective date of the amendments is set for annual periods beginning on or after 1 January 2024.

Amendments to IAS 1 - Non-current liabilities with Covenants - The effective date of the amendments is set for annual periods beginning on or after 1 January 2024.

Amendments to IFRS 16 - Liability in a sale and leaseback - The effective date of the amendments is set for annual periods beginning on or after 1 January 2024.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates- Lack of Exchangeability.

The establishment has not early adopted any other standard, amendment or interpretation that has been issued but is not yet effective.

5. Significant accounting policies:

a) Depreciation of fixed assets

The cost of fixed assets is depreciated by equal annual instalments over their estimated useful lives as under:

Furniture and office equipment	3 - 10 years
Vehicles	8 years

The useful lives and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Depreciation on addition is calculated on a pro-rata basis from the month of addition and on disposal to and including the month of disposal of the asset.

b) Financial instruments

i. Recognition and Initial measurement

The establishment recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable in relation to financial assets and financial liabilities, other than those carried at fair value through profit or loss (FVTPL), are added to the fair value on initial recognition.

ii. Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified as follows:

Financial assets at amortized cost (debt instruments)

The establishment's financial assets at amortised cost include trade and other

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2024

iii. Classification and subsequent measurement of financial liabilities

The establishment's financial liabilities include trade and other payables. The carrying amounts of these financial liabilities are considered as to be the same as their fair values, due to their short term nature.

iv. Derecognition of financial assets and financial liabilities

A financial liability is derecognised 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

v. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

vi. Impairment of financial assets

The establishment recognizes an allowance for expected credit losses for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the establishment expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Expected credit losses are recognized in two stages.

- For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12-months.
- For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default.

For trade receivables, the establishment applies a simplified approach in calculating expected credit losses. The establishment does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime expected credit losses at each reporting date.

c) Inventories

Inventories are valued at lower of cost using the weighted average method or net realizable value. Cost comprises invoice value plus applicable direct costs such as freight and custom duty. Net realizable value is based on estimated selling price less further cost expected to be incurred for disposal.

d) Foreign currency transactions

Transactions in foreign currencies are converted into U.A.E. Dirhams at the rate of exchange ruling on the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into U.A.E. Dirhams at the rate of exchange ruling at

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2024

e) **Impairment of non-financial assets**

The establishment assesses at each reporting date whether there is an indication that a non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the establishment estimates the asset's recoverable amount.

Where the carrying amount of an asset or cash generating units exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognized in the Statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

f) **Value Added Tax (VAT)**

The revenue, expenses and assets are recognized net of value-added tax (VAT). In case Input VAT paid to the supplier of asset or expense is not recoverable from the Federal Tax Authority, it is disclosed as part of asset acquired or expense incurred.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from or VAT payable to FTA is disclosed as other payable or other receivable under current liabilities or current assets respectively in the statement of financial position.

g) **Provision**

Provisions are recognized when the establishment has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

h) **Staff end of service benefits**

Provision is made for end-of-service gratuity payable to the staff, subject to the completion of a minimum service period, at the reporting date in accordance with the local labour laws.

i) **Contingencies**

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

j) **Short term leases**

The establishment applies the short-term lease recognition exemption to its short-term leases of office premises and staff accommodations (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements
for the year ended 31 March 2024

k) Revenue recognition

Sales of goods

The establishment has mainly traded in plastic crates, pallets, material handling equipment, racking systems, bins, hospitality products and related products.

Revenue from sale of goods is recognized at a point in time when control of the goods has transferred to the customer. This is generally when the goods are delivered to the customers and have been accepted by the customers at their premises and there is no unfulfilled obligation that could affect customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer or the establishment has objective evidence that all criteria for acceptance have been satisfied.

The amount of revenue is shown as net of discounts, returns, other similar obligations and VAT as per the performance obligations determined as per the provisions of the contracts with customers.

l) Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement comprise of cash and cheques on hand, bank balance in current accounts, deposits free of encumbrance with a maturity date of three months or less from the date of deposit and highly liquid investments with a maturity date of three months or less from the date of investment.

m) Dividend

Dividend is paid out of accumulated profits, when declared. Dividend declared for the year but not paid is disclosed under current liabilities

6. Fixed assets	<i>Furniture and office equipment <u>AED</u></i>	<i>Vehicles <u>AED</u></i>	<i>Total <u>AED</u></i>
Cost			
As at 01.04.2023	330,437	200,542	530,979
Additions during the year	10,604	101,143	111,747
Disposal during the year	-	(72,600)	(72,600)
As at 31.03.2024	<u>341,041</u>	<u>229,085</u>	<u>570,126</u>
Depreciation			
As at 01.04.2023	215,633	190,515	406,148
Charge for the year	27,431	2,320	29,751
Related to disposal	-	(68,970)	(68,970)
As at 31.03.2024	<u>243,064</u>	<u>123,865</u>	<u>366,929</u>
Net book value			
As at 31.03.2024	<u>97,977</u>	<u>105,220</u>	<u>203,197</u>
As at 31.03.2023	<u>114,804</u>	<u>10,027</u>	<u>124,831</u>

In the opinion of the management, there was no impairment in respect of the above fixed assets. Hence

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements
for the year ended 31 March 2024

	<i>2024</i> <i>AED</i>	<i>2023</i> <i>AED</i>
7. Inventories		
Inventories	3,060,579	2,822,930
Provision for slow moving inventories	<u>(378,000)</u>	<u>(378,000)</u>
	2,682,579	2,444,930
Goods in transit	<u>310,215</u>	<u>1,504,251</u>
	<u>2,992,794</u>	<u>3,949,181</u>
8. Trade and other receivables		
Trade receivables	3,234,496	3,290,397
Advance to suppliers	307,286	8,213
Other receivable	6,979	-
Deposits	<u>86,650</u>	<u>84,524</u>
	<u>3,635,411</u>	<u>3,383,134</u>
9. Cash and cash equivalents		
Cash on hand	27,702	640
Bank balances in:		
Current accounts	<u>4,770,950</u>	<u>4,227,894</u>
	<u>4,798,652</u>	<u>4,228,534</u>
10. Share capital		
Authorized, issued and paid up:		
1 share of AED 185,000/-	<u>185,000</u>	<u>185,000</u>
11. Statutory reserve		
As required by Article 103 of the U.A.E. Commercial Companies Law No. 2 of 2015, statutory reserve is created by allocating 10% of the net profit of the establishment. The establishment has discontinued such annual transfers as this reserve totals 50% of the paid up share capital. The reserve is not available for distribution except as provided in the Federal Law.		
	<i>2024</i> <i>AED</i>	<i>2023</i> <i>AED</i>
12. Trade and other payables		
Trade payables (refer note 16)	1,784,394	2,349,914
Advance from customers	183,728	609,159
Accruals	28,901	23,644
Other payable	<u>39,240</u>	<u>55,298</u>
	<u>2,036,263</u>	<u>3,038,015</u>
13. Cost of sales		
Inventories at beginning of the year	2,822,930	2,436,446
Purchases (refer note 16)	11,540,608	13,269,444

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements
for the year ended 31 March 2024

	<u>2024</u> <u>AED</u>	<u>2023</u> <u>AED</u>
14. Expenses		
Manager's remuneration (refer note 16)	389,472	344,232
Staff salaries and benefits	1,078,138	1,042,192
Rent	318,608	308,895
Other administration expenses	875,164	884,439
Bad debts written off	-	4,575
Depreciation (refer note 6)	29,751	27,777
	<u>2,691,133</u>	<u>2,612,110</u>
15. Other income		
Exchange gain	53,860	73,095
Profit on sale of fixed assets	11,370	6,973
Miscellaneous income	105,828	18,000
	<u>171,058</u>	<u>98,068</u>
16. Related party transactions		

For the purpose of this financial statement, parties are considered to be related to the establishment, if the establishment has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making that party's financial and operating decisions, or vice versa, or where the establishment and the party are subject to common control or common significant influence. Related party may be individuals or other entities.

The nature and amount of significant transactions during the year are as under:

	<i>Key Managerial Personnel 2024 <u>AED</u></i>	<i>Parent company 2024 <u>AED</u></i>	<i>Common management control 2024 <u>AED</u></i>	<i>Total 2024 <u>AED</u></i>	<i>Total 2023 <u>AED</u></i>
Sales	-	-	-	-	19,688
Purchases (refer note 13)	-	1,765,278	1,449,922	3,215,200	4,944,036
Other direct costs (refer note 13)	-	88,632	-	88,632	-
Manager's remuneration (refer note 14)	389,472	-	-	389,472	344,232

At the reporting date, balances with related parties were as follows:

	<i>Common management control 2024 <u>AED</u></i>	<i>Parent company 2024 <u>AED</u></i>	<i>Total 2024 <u>AED</u></i>	<i>Total 2023 <u>AED</u></i>
Included in current liabilities:				
Trade payables (refer note 12)	257,948	260,225	518,173	482,052

NILKAMAL CRATES & BINS FZE

Notes to the Financial Statements for the year ended 31 March 2024

17. Financial instruments: Credit, interest rate, liquidity risk and exchange rate risk exposures

The establishment has exposure to the following risks from its use financial instruments:

- a) Credit risk
- b) Market risk
- c) Liquidity risk

a) Credit risk

Financial assets, which potentially expose the establishment to concentrations of credit risk, comprise principally of trade and other receivables and bank balances.

Trade receivables

As at 31 March 2024, the establishment's maximum exposure to credit risk from trade receivables situated within U.A.E. amounted to AED 500,000/- due from one customer (previous year AED 624,404/- due from one customer).

There are no significant concentrations of credit risk from trade receivables situated outside U.A.E. and outside the industry in which the establishment operates.

Bank balances

The establishment's bank balances in current accounts are placed with high credit quality financial institutions.

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as currency risk, interest rate risk and equity prices risk, which will affect the establishment's income or the value of its holding of financial instruments.

Interest rate risk

Since the establishment does not have any deposits or borrowings, interest rate risk is minimum.

Exchange rate risk

There are no significant exchange rate risks as substantially all financial assets and financial liabilities are denominated in U.A.E. Dirhams or US Dollars to which the U.A.E. Dirham is fixed.

c) Liquidity risk

The following are the contractual maturities of the establishment's financial liabilities as of 31 March 2024.

<i>Non-derivative financial liabilities</i>	<i>Carrying amounts</i>	<i>Payable within next 12 months</i>	<i>Payable after 12 months</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>
Staff end of service gratuity	174,078	-	174,078
Trade and other payables:			
Trade payables	1,784,394	1,784,394	-

NILKAMAL CRATES & BINS FZE**Notes to the Financial Statements**
*for the year ended 31 March 2024***18. Financial instruments: Fair values**

The fair values of the establishment's financial assets, comprising of trade and other receivables and bank balances and financial liabilities comprising of trade and other payables approximate to their carrying values.

19. Contingent liability

There was no contingent liability of a significant amount outstanding as at the reporting date.

20. Taxation

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses ("Corporate Tax Law" or "the Law") to enact a Federal Corporate Tax ("CT") regime in the UAE. The CT regime is effective from 1 June 2023 and accordingly, it has an income tax related impact on the financial statements for accounting periods beginning on or after 1 June 2023.

The Cabinet of Ministers Decision No. 116 of 2022 specifies the threshold of income over which the 9% CT rate would apply and accordingly, the Law is now considered to be substantively enacted from the perspective of IAS 12 - Income Taxes. A rate of 9% will apply to taxable income exceeding AED 375,000, a rate of 0% will apply to taxable income not exceeding AED 375,000, and a rate of 0% will apply on qualifying income of qualifying free zone entities.

The Establishment will be subject to the provisions of the UAE Corporate Tax Law with effect from 1 April 2024, and the possible impact for current and deferred tax shall be accounted for as appropriate in the statement of financial position for the financial year beginning 1 April 2024.

21. Comparative figures

Previous years figures have been regrouped/ reclassified wherever necessary to conform to the presentation adopted in the current year.

NILKAMAL ESWARAN MARKETING (PRIVATE) LIMITED
FINANCIAL STATEMENTS

31 MARCH 2024



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Chartered Accountants
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NYR/KRA/JJ

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF NILKAMAL ESWARAN MARKETING (PRIVATE) LIMITED**

Opinion

We have audited the financial statements of Nilkamal Eswaran Marketing (Private) Limited, which comprise the statement of financial position as at 31 March 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2024 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for small and medium - sized entities (SLFRS for SMEs).

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). 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 for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium - Sized Entities (SLFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SLAuSs 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.

(Contd...2/)

Partners: D K Hulangamirwa FCA FCMA LLB (London), A P A Gunatereka FCA FCMA, Ms. Y A De Silva FCA, Ms. G G S Manatunga FCA, W K B S P Fernando FCA FCMA, B E Wijesuriya FCA FCMA, R N de Seron ACA FCMA, Ms. N A De Silva FCA, N M Gufunoru ACA ACMA, Mr. L K H L Fonseka FCA, Ms. P V K H Dissanayake FCA, A A J R Perera FCA ACMA, N Y R L Fernando ACA, D N Gamage ACA ACMA, C A Yalagala ACA ACMA

Principals: T P M Ruberu FCA FCMA MBA (USJ-SL), G B Goudan ACMA, Ms. P S Paranavitane ACA ACMA LLB (Colombo), D L B Karunathilaka ACMA, W S J De Silva Bsc (Hons) - MIS Msc - IT, V Shukthivel B.Com (Sp)

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As part of an audit in accordance with SLAuSs, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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.

Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

09 May 2024
Colombo

Nilkamal Eswaran Marketing (Private) Limited
STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2024

	Note	2024 Rs.	2023 Rs.
Revenue	4	55,852,068	29,620,730
Cost of Sales		(37,091,585)	(13,528,838)
Gross Profit		18,760,483	16,091,892
Administrative Expenses		(1,170,084)	(647,685)
Distribution Expenses		(253,559)	(252,573)
Profit from Operations		17,336,840	15,191,634
Finance Income	12.1	3,282,485	5,177,702
Finance Cost	12.2	(124,908)	(2,748,883)
Profit Before Taxation		20,494,417	17,620,453
Income Tax Expense	13	(6,010,945)	(5,223,006)
Profit for the Year		14,483,473	12,397,447

The accounting policies and notes on pages 07 through 16 form an integral part of the Financial Statements.



Nilkamal Eswaran Marketing (Private) Limited

STATEMENT OF FINANCIAL POSITION

As at 31 March 2024

		2024	2023
	Note	Rs.	Rs.
ASSETS			
Current Assets			
Inventories	5	30,989,463	21,720,116
Trade and Other Receivables	6	23,187,740	8,953,261
Cash and Cash Equivalents	11.1	33,302,112	34,609,435
		<u>87,479,315</u>	<u>65,282,812</u>
Total Assets		<u>87,479,315</u>	<u>65,282,812</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	7	1,000	1,000
Retained Earnings		76,633,301	62,149,827
Total Equity		<u>76,634,301</u>	<u>62,150,827</u>
Current Liabilities			
Trade and Other Payables	8	1,443,007	814,166
Related Party Payable	9	2,934,871	-
Current Taxation	10	3,312,431	2,317,819
Bank Overdraft	11.2	3,154,706	-
		<u>10,845,015</u>	<u>3,131,985</u>
Total Equity and Liabilities		<u>87,479,315</u>	<u>65,282,812</u>

I certify that these Financial Statements are in compliance with the requirements of the Companies Act No 07 of 2007

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by

AH Director

The accounting policies and notes on pages 07 through 16 form an integral part of the Financial Statements.



Nilkamal Eswaran Marketing (Private) Limited
STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2024

	Note	Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
As at 31 March 2022		1,000	49,752,380	49,753,380
Profit for the Year		-	12,397,447	12,397,447
As at 31 March 2023		1,000	62,149,827	62,150,827
Profit for the Year		-	14,483,473	14,483,473
As at 31 March 2024		1,000	76,633,301	76,634,300

The accounting policies and notes on pages 07 through 16 form an integral part of the Financial Statements.



Nilkamal Eswaran Marketing (Private) Limited
STATEMENT OF CASH FLOWS
Year ended 31 March 2024

Cash Flows From / (Used in) Operating Activities	Note	2024 Rs.	2023 Rs.
Profit before Income Tax Expenses		20,494,417	17,620,453
Adjustments for			
Provision for slow moving inventories	5.1	(469,678)	1,599,766
Reversal for impairment of trade debtors		1,976	(48,873)
Interest expense	12.2	124,908	4,117
Operating Profit before Working Capital Changes		20,151,623	19,175,463
(Increase)/Decrease in Inventories		(8,799,668)	2,232,327
(Increase)/Decrease in Trade and Other Receivables		(14,236,455)	832,885
Increase/(Decrease) in Trade and Other Payables		628,841	(11,243,910)
Increase/(Decrease) in Related Party Payable		2,934,871	
Cash Generated from Operations		679,212	10,996,765
Tax Paid	10	(5,016,333)	(4,432,094)
Interest Paid	12.2	(124,908)	(4,117)
Net Cash Flows (used in)/ from Operating Activities		(4,462,029)	6,560,554
Cash Flows from / (used in) Investing Activities			
Net Cash Flows from / (used in) Investing Activities		-	-
Cash Flows from / (used in) Financing Activities			
Net Cash Flows from / (used in) Financing Activities		-	-
Net (Decrease) / Increase in Cash and Cash Equivalents		(4,462,029)	6,560,554
Cash and Cash Equivalents at the beginning of the year	11	34,609,435	28,048,881
Cash and Cash Equivalents at the end of the year		30,147,406	34,609,435

The accounting policies and notes on pages 07 through 16 form an integral part of the Financial Statements.



Nilkamal Eswaran Marketing (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

1. CORPORATE INFORMATION

1.1 General

Nilkamal Eswaran Marketing (Private) Limited ("the Company") is a private limited liability company incorporated and domiciled in Sri Lanka. The registered office and the principal place of business of the Company is located at 328, Madapatha Road, Batakertera, Piliyandala.

1.2 Principal Activities and Nature of Operations

The principal activity of the Company is buying and selling all kinds of furniture and crates.

1.3 Parent Entity and Ultimate Parent Entity

The Company's parent entity and ultimate parent entity are Nilkamal Eswaran Plastics (Private) Limited and Nilkamal Limited - India respectively.

1.4 Date of Authorization for Issue

The Financial Statements of Nilkamal Eswaran Marketing (Private) Limited for the year ended 31 March 2024 were authorized for issue in accordance with a resolution of the Board of Directors on 09 May 2024.



2. GENERAL POLICIES

2.1 Basis of preparation

These Financial Statements have been prepared in accordance with the Sri Lanka Financial Reporting Standards for Small and Medium-sized Entities issued by the Institute of Chartered Accountants of Sri Lanka.

The functional currency of the Company is Sri Lankan Rupees. The Financial Statements of the Company are presented in Sri Lankan Rupees. The Financial Statements have been prepared on a historical cost basis unless otherwise indicated.

2.2 Statement of Compliance

The Financial Statements of the Company, which comprise the Statement of Financial Position, Statement of Comprehensive Income, Changes in Equity and Cash Flows together with Accounting Policies and Notes to the Financial Statements have been prepared in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities.

The preparation and presentation of these Financial Statements are in compliance with the requirements of the Companies Act No.07 of 2007.

2.3 Going Concern

The Directors have made an assessment of the Company's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on the going concern basis.

2.4 Comparative Information

Where necessary, comparative figures have been rearranged to conform with the current year's presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements.

3.1 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Foreign currency differences arising on retranslation 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 rate at the date of the transaction.



Nilkamal Eswaran Marketing (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

3.2 Income Tax Expense

Income tax expenses comprise of current & deferred tax expenses recognized in the Statement of Profit or Loss and Other Comprehensive Income.

a) Current Taxation

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

The Company's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent gazette notifications.

b) Deferred Taxation

Deferred tax is provided on the liability method for all temporary differences as at the reporting date between the tax bases of assets and liabilities and their carrying amounts of assets and liabilities for financial reporting purposes. The balance in the deferred taxation account represents income tax applicable to the difference between the written down values for tax purposes of the assets on which tax depreciation has been claimed and the net book value of a such asset, offset by the provision for employee benefit which is deductible for tax purpose only on payment.

3.3 Events occurring after the reporting date

The materiality of the events occurring after the reporting date has been considered and appropriate adjustments or disclosures have been made in the Financial Statements where necessary.

ASSETS AND BASES OF THEIR VALUATION

3.4 Inventories

Inventories are valued at lower of cost or net realizable value, after making due allowance for obsolete and slow-moving items. Net realizable value is the price at which inventories can be sold in the normal course of business after allowing for cost of realization and/or cost of conversion from their existing state to saleable condition.

Finished Goods -	At purchase cost on first-in-first-out (FIFO) basis
Goods in Transit -	At purchase cost

3.5 Financial Assets

An entity shall recognise a financial asset or a financial liability only when the Company becomes a party to the contractual provisions of the instrument.



3.5.1 Initial measurement

When a financial asset or financial liability is recognised initially, the Company shall measure it at the transaction price (including transaction costs) unless the arrangement constitutes, in effect, a financing transaction. A financing transaction may take place in connection with the sale of goods or services, for example, if payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. If the arrangement constitutes a financing transaction, the Company shall measure the financial asset or financial liability at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

3.5.2 Subsequent measurement

At the end of each reporting period, the Company shall measure financial instruments as follows, without any deduction for transaction costs the entity may incur on sale or other disposals.

Debt instruments shall be measured at amortised cost using the effective interest method. Cash and debt instruments that are classified as current assets or current liabilities shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received (i.e., net of impairment) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the entity shall measure the debt instrument at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other receivables

Trade and other receivables and due from Related Parties are initially recognized at costs. Trade receivables and other receivables are stated at the amounts they are estimated to realize net of impairment for bad and doubtful receivables.

If receivables extend beyond the normal credit terms, those receivables are measured at amortized cost using the effective interest rate at the end of each reporting period.

Cash and Cash Equivalents

Cash and cash equivalents are cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

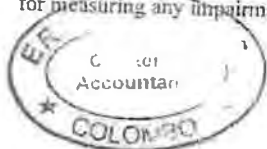
For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

3.5.3 Impairment of financial assets measured at cost or amortised cost

At the end of each reporting period, the Company shall assess whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost. If there is objective evidence of impairment, the entity shall recognize an impairment loss in profit or loss immediately. Objective evidence that a financial asset or group of assets is impaired includes observable data that come to the attention of the Company about the loss events.

3.5.3.1 Measurement

The Company shall measure an impairment loss on financial assets measured at cost or amortised cost as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.



3.5.4 Derecognition of a financial asset

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

3.6 Impairment of Non-financial assets

The carrying amounts of the Company's non-financial assets such as deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

Impairment losses are recognized in profit or loss.

LIABILITIES AND PROVISIONS

Liabilities classified as Current Liabilities on the Statement of Financial Position are those obligations payable on demand or within one year from the Statement of Financial Position. Items classified as non-current liabilities are those obligations, which expire beyond a period of one year from the reporting date.

All known liabilities have been accounted for in preparing the Financial Statements. Provisions and liabilities are recognized when the Company has a legal or constructive obligation as a result of past events and it is probable that an outflow of economic benefits will be required to settle the obligation.

3.7 Non-derivative financial liabilities

The Company initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The non - derivative financial liabilities comprise only with trade and other payables

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.



3.8 Provisions and liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount rate is recognised as a finance cost.

3.9 Contingencies and Capital Commitments

All material capital commitments and contingencies, which exist as at the reporting date, are disclosed in the respective notes to the Financial Statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

3.10 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and that revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and sales taxes.

The following specific criteria are used for the purpose of recognition of revenue.

a) Sale of Goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue is recognized when significant risks and rewards of ownership have been transferred to the customers, usually on dispatch of the goods.

b) Other Income

Other income is recognized on an accrual basis.

Net gains and losses of a revenue nature on the disposal of non-current assets are accounted for in the Statement of Profit or Loss and Other Comprehensive Income, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

Gains and losses arising from incidental activities to main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.

3.11 Expenditure Recognition

a) Operating Expenses

Expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income on the basis of a direct association between the cost incurred and the earning specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the Statement of Profit or Loss and Other Comprehensive Income.



b) Finance Income and Expense

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments throughout the expected life of the financial asset or liabilities (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liabilities. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

c) Borrowing cost

All borrowing costs are recognised as an expense in the period in which they are incurred.

3.12 Related Party Transactions

Disclosures has been made in respect of the transactions in which one party has the liability to control or exercise significant influence over the financial and operating decisions/policies of the other, irrespective of a price being charged.



Nilkamal Eswaran Marketing (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

4. REVENUE

	2024 Rs.	2023 Rs.
Sales of Goods	55,852,068	29,620,730
	<u>55,852,068</u>	<u>29,620,730</u>

5. INVENTORY

	2024 Rs.	2023 Rs.
Furniture	2,690,649	3,911,069
Crates	50,644,969	40,732,291
Local Outsourcing Products	156,600	49,190
	<u>53,492,218</u>	<u>44,692,550</u>
Less : Provision for slow moving inventories (Note 5.1)	<u>(22,502,756)</u>	<u>(22,972,434)</u>
	<u>30,989,463</u>	<u>21,720,116</u>

5.1 Movement in Provision for Slow Moving Inventories

Balance as at the beginning of the year	22,972,434	21,372,668
(Reversal) / Provision for the year	<u>(469,678)</u>	<u>1,599,766</u>
Balance as at the end of the year	<u>22,502,756</u>	<u>22,972,434</u>

6. TRADE AND OTHER RECEIVABLES

	2024 Rs.	2023 Rs.
Trade receivables (Note 6.1)	10,775,737	1,761,890
Refundable Deposit	39,304	49,077
Advance paid to Nilkamal Ltd	3,363,334	-
Advance paid to suppliers other	113,200	-
Prepayments	40,154	28,351
VAT receivables	8,856,010	7,113,943
	<u>23,187,740</u>	<u>8,953,261</u>

6.1 Trade receivables

	2024 Rs.	2023 Rs.
Trade Receivables - Other	10,766,602	1,769,918
Provision for impairment of trade receivables (Note 6.1.1)	<u>(15,817)</u>	<u>(8,028)</u>
	<u>10,750,786</u>	<u>1,761,890</u>

6.1.1 Provision for Impairment of Trade Receivables

	2024 Rs.	2023 Rs.
Balance as at the beginning of the year	8,028	22,554
Provision / (Reversal) during the period	1,976	(48,873)
Write off During the period	418	(1,587)
Bad debt Written Back	6,231	35,934
Balance as at end of the year	<u>15,817</u>	<u>8,028</u>



Nilkamal Eswaran Marketing (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

7. STATED CAPITAL

	2024		2023	
	Number	Rs.	Number	Rs.
Fully Paid Ordinary Shares	100	1,000	100	1,000
	<u>100</u>	<u>1,000</u>	<u>100</u>	<u>1,000</u>

8. TRADE AND OTHER PAYABLES

	2024	2023
	Rs.	Rs.
Trade Payable - Other	228,172	276,293
Accrued Expenses	910,319	479,888
Advances from Customers	304,515	57,985
	<u>1,443,007</u>	<u>814,166</u>

9. RELATED PARTY PAYABLE

	2024	2023
	Rs.	Rs.
Nilkamal Eswaran Plastics (Pvt) Ltd	2,934,871	-
	<u>2,934,871</u>	<u>-</u>

10. CURRENT TAX PAYABLE

	2024	2023
	Rs.	Rs.
Balance as at beginning of the year	2,317,819	2,408,187
<u>Payment Made during the year</u>		
For 2023/24 - Self Assessment Paid	(2,698,513)	-
For 2022/23 Payment	(2,317,820)	(4,432,094)
Over/(Under) Provision	-	(881,280)
Provision for Current year	6,010,945	5,223,006
Balance as at end of the period	<u>3,312,431</u>	<u>2,317,819</u>

11. CASH AND CASH EQUIVALENTS IN CASH FLOW STATEMENT
Components of Cash and Cash Equivalents

11.1 Favourable Cash and Cash Equivalents Balances

	2024	2023
	Rs.	Rs.
Cash in hand	10,000	10,000
Cash at bank	481,001	664,759
REPO investments in Sri Lankan Government Treasury Bills	32,000,000	33,500,000
Interest Receivable	811,111	434,676
	<u>33,302,112</u>	<u>34,609,435</u>

11.2 Unfavourable Cash and Cash Equivalent Balances

	2024	2023
	Rs.	Rs.
Bank Overdrafts	3,154,706	-
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	<u>30,147,406</u>	<u>34,609,435</u>



Nilkamal Eswaran Marketing (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

12. FINANCE INCOME AND FINANCE COST	2024	2023
	Rs.	Rs.
12.1 Finance Income		
Interest Income from REPO	3,282,485	5,177,702
	<u>3,282,485</u>	<u>5,177,702</u>
12.2 Finance Cost		
Interest expense	-	4,118
Bank charges	96,350	28,955
Overdraft Interest	28,558	2,715,810
	<u>124,908</u>	<u>2,748,883</u>
13. INCOME TAX EXPENSE	2024	2023
	Rs.	Rs.
Current Income Tax		
Income Liab at 24% (Note 13.1)	-	5,223,006
Income Liab at 30% (Note 13.1)	6,010,945	-
Income Tax Over provision FY 2021/22	-	(881,280)
Reversal of Deferred Tax	-	881,280
Current Tax Expense	<u>6,010,945</u>	<u>5,223,006</u>
13.1 Reconciliation of the accounting profit & the income tax expenses	2024	2023
	Rs.	Rs.
Profit before Tax	20,494,417	17,336,840
Other Sources of Income	(3,282,485)	(5,177,702)
Aggregate disallowable expenses	12,162	1,745,321
Aggregate allowable expenses	(470,097)	(36,584)
Interest Income - Non Business Income	3,282,485	5,177,702
Taxable Income from business	<u>20,036,482</u>	<u>19,045,577</u>
Tax Liability	<u>20,036,482</u>	<u>19,045,577</u>
Liab @ 24%	-	2,154,805
Liab @ 30%	<u>6,010,945</u>	<u>3,068,201</u>
	<u>6,010,945</u>	<u>5,223,006</u>

As instructed by the Ministry of Finance a change to the Income Tax Rate of the Company, from 24% to 30% was implemented with effect from 01 October 2022. As per the new tax rate legislated by the Inland Revenue Department (Amendment) Act no 45 of 2022. Accordingly, the Company has applied 24% for the six months ended 30 September 2022 and 30% to the profit for the six months ended 31 March 2023.

14. RELATED PARTY DISCLOSURES

14.1 Transactions with the Related Parties

Company Name	Relationship	Nature of Transaction	Transaction Amount	
			2024	2023
			Rs.	Rs.
Nilkamal Limited	Ultimate Parent	Purchase of Goods	29,342,266	5,955,255
Nilkamal Eswaran Plastic (Pvt) Ltd	Immediate Parent	Net fund transfer to/(from) Plastic	14,684,181	24,394,679
		Dues the company settled to NEPPL	(12,749,669)	(25,929,096)
		Dues the NEPPL settled to the Company	1,000,359	1,534,418
Good Value Eswaran (Pvt) Ltd	Affiliate Company	Settlements	-	(588,600)
Eswaran Brothers Eswaran (Pvt) Ltd	Affiliate Company	Settlements	-	(21,800)



NILKAMAL ESWARAN MARKETING (PRIVATE) LIMITED

**DETAILED EXPENDITURE STATEMENTS
YEAR ENDED 31 MARCH 2024**

Nilkamal Eswaran Marketing (Private) Limited
DETAILED INCOME STATEMENT
Year ended 31 March 2024

	Statement	2024 Rs.	2023 Rs.
Revenue		55,852,068	29,620,730
Less: Cost of Sales			
Cost Of Goods Sold	I	(37,091,585)	(13,528,838)
Gross Profit		<u>18,760,483</u>	<u>16,091,892</u>
Expenses :			
Administrative Expenses	II	(1,170,084)	(647,685)
Distribution Expenses	III	(253,559)	(252,573)
		<u>(1,423,643)</u>	<u>(900,258)</u>
Profit from Operations		<u><u>17,336,840</u></u>	<u><u>15,191,634</u></u>



Nilkamal Eswaran Marketing (Private) Limited
DETAILED INCOME STATEMENT
Year ended 31 March 2024

STATEMENT I

	2024 Rs.	2023 Rs.
Cost Of Goods Sold		
Opening stock	44,692,550	46,924,877
Provision for Slow Moving Stocks (Expense)	(469,678)	1,599,766
Purchases	46,360,931	9,696,745
Closing Stock	(53,492,218)	(44,692,550)
	<u>37,091,585</u>	<u>13,528,838</u>

STATEMENT II

	2024 Rs.	2023 Rs.
Administrative Expenses		
Legal & Consultancy Fees	332,510	(24,360)
Audit Fee	536,123	432,165
Container Washing Charges	11,054	-
Insurance Charges	60,009	70,104
License Charges	71,300	-
Postage/stamp/courier/Printing	1,350	-
Secretarial Fees	154,513	168,001
Stamp duty	3,225	1,775
	<u>1,170,084</u>	<u>647,685</u>

STATEMENT III

	2024 Rs.	2023 Rs.
Distribution Expenses		
Promotion & Events	1,483	-
Sales Incentive - CRATES	5,262	280,568
Sales Incentive Furniture	(94,888)	9,244
Sales Commission Daraz/On line sales	2,413	3,481
Provision for Bad Debts	1,976	(48,873)
VAT on Free Issues & Sample Issues	1,562	2,374
Written Off Unclaimed VAT 8%	3,955	5,668
Transport	323,735	112
Field sales expenses	8,060	-
	<u>253,559</u>	<u>252,574</u>



NILKAMAL ESWARAN PLASTICS (PVT) LTD
FINANCIAL STATEMENTS
31 MARCH 2024

NYR/DSM/HNP/JJ

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NILKAMAL ESWARAN PLASTICS (PRIVATE) LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nilkamal Eswaran Plastics (Private) Limited ("the Company") and the consolidated financial statements of the Company and its subsidiary ("the Group") which comprise the statement of financial position as at 31 March 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity, cash flow statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements of the Company and the Group give a true and fair view of the financial position of the Company and the Group as at 31 March 2024 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs).

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). 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 and the Group in accordance with the Code of Ethics for Professional Accountants (including Sri Lanka Independence Standards) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company and the Group for the year 31 March 2023 were audited by another auditor who expressed an unmodified opinion on those financial statements on 18 May 2023.

Responsibilities of management and those charged with governance for the financial statements

The Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium-sized Entities (SLFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of Financial Statements that 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

(Contd...2/)

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 SLAuSs 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 SLAuSs, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- 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 and the Group'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 and the Group 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.

Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.



09 May 2024
Colombo

Nilkamal Eswaran Plastics (Private) Limited

STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

Year ended 31 March 2024

	Notes	Group		Company	
		31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Revenue	3	1,102,802,823	849,015,581	1,046,950,755	819,394,852
Cost of Sales		(664,861,264)	(513,709,568)	(627,769,680)	(500,180,727)
Gross profit		437,941,560	335,306,013	419,181,075	319,214,125
Other Income	4	17,972,094	5,887,744	17,972,094	5,887,744
Administrative Expenses		(90,529,467)	(91,402,972)	(89,359,383)	(90,755,288)
Distribution Expenses		(154,767,914)	(118,642,160)	(154,514,355)	(118,389,584)
Profit from Operations		210,616,273	131,148,624	193,279,431	115,956,997
Finance income	5	63,809,133	108,065,854	60,526,648	102,888,151
Finance cost	6	(1,783,706)	(64,294,263)	(1,658,798)	(61,545,380)
Profit Before Taxation	20	272,641,700	174,920,214	252,147,282	157,299,768
Income tax expense	7	(79,068,559)	(68,844,427)	(73,057,614)	(55,856,718)
Profit for the Year		193,573,141	106,075,787	179,089,668	101,443,050
Other Comprehensive Income for the Year					
Total Comprehensive Income for the Year		193,573,141	106,075,787	179,089,668	101,443,050
 Basic Earnings per Share (Rs.)	8	 122.61	 67.19	 113.43	 64.25

The accounting policies and notes on pages 07 through 24 form an integral part of the financial statements.



As at 31 March 2024

These Financial Statements have been prepared in compliance with the requirements of the Companies Act No 07 of 2007.

Director

Digitally signed by Hiten VAMANRAI PAREKH
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Nilkamal Eswaran Plastics (Private) Limited
STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2024

GROUP	Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1 April 2022	20,000,000	722,404,930	742,404,930
Profit for the year	-	106,075,787	106,075,787
Balance as at 31 March 2023	20,000,000	828,480,717	848,480,717
Profit for the year	-	193,573,141	193,573,141
Final Divident 2022/2023	-	(20,000,000)	(20,000,000)
Interim Dividend 2023/24	-	(30,000,000)	(30,000,000)
Balance as at 31 March 2024	20,000,000	972,053,858	992,053,858

COMPANY	Stated Capital Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1 April 2022	20,000,000	664,887,840	684,887,840
Profit for the year	-	101,443,050	101,443,050
Balance as at 31 March 2023	20,000,000	766,330,890	786,330,890
Profit for the year	-	179,089,668	179,089,668
Final Divident 2022/2023	-	(20,000,000)	(20,000,000)
Interim Dividend 2023/24	-	(30,000,000)	(30,000,000)
Balance as at 31 March 2024	20,000,000	895,420,558	915,420,558

The accounting policies and notes on pages 07 through 24 form an integral part of the financial statements.



Nilkamal Eswaran Plastics (Private) Limited

CASH FLOW STATEMENT

Year ended 31 March 2024

	Notes	Group		Company	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023
		Rs.	Rs.	Rs.	Rs.
Cash Flows from Operating Activities					
Profit before Tax		272,641,700	174,920,214	252,147,282	157,299,768
Profit Before Taxation					
Adjustment for :					
Depreciation on property, plant & equipment	9	35,184,851	42,820,196	35,184,851	42,820,196
Amortisation of intangible assets	11	145,864	123,663	145,864	123,663
Provision for gratuity	17	13,192,742	11,597,861	13,192,742	11,597,861
Provision for inventories	13	3,592,647	12,476,657	4,062,325	10,876,891
Provision/(reversal) for impairment of trade receivables		803,429	(695,123)	801,451	(682,184)
(Profit)/Loss on disposal of property, plant & equipment		(2,912,035)	238,441	(2,912,035)	238,441
Interest income	5	(63,809,133)	(99,664,793)	(60,526,648)	(94,487,091)
Other Interest expense	6	354,648	454,464	326,090	450,347
		<u>259,194,713</u>	<u>142,271,580</u>	<u>242,421,922</u>	<u>128,237,892</u>
(Increase)/ Decrease in inventories		1,525,309	(39,957,756)	10,324,977	(42,190,084)
(Increase)/ Decrease in trade and other receivables		(79,140,521)	70,204,403	(67,838,932)	64,259,119
Increase (Decrease) in trade and other payables		28,645,754	(307,050,117)	28,016,910	(290,657,876)
Increase/ (Decrease) in related party payables		508,740	(5,071,870)	508,740	(5,071,870)
Cash Generated from Operations		<u>210,733,995</u>	<u>(139,603,760)</u>	<u>213,433,617</u>	<u>(145,422,819)</u>
Employee benefit paid	17	(4,612,361)	(19,974,193)	(4,612,361)	(19,974,193)
Interest paid	6	(354,648)	(454,460)	(326,090)	(450,347)
Current tax paid		(48,945,435)	(37,274,304)	(43,929,102)	(32,842,210)
Net Cash Flow Generated from Operating Activities		<u>156,821,551</u>	<u>(197,306,717)</u>	<u>164,566,064</u>	<u>(198,689,569)</u>
Cash Flows from Investing Activities					
Acquisition of property, plant and equipment	9	(10,337,188)	(10,067,486)	(10,337,188)	(10,067,486)
Acquisition of intangible assets	10	(951,049)	-	(951,049)	-
Proceeds from sale of property, plant and equipment		3,311,866	654,548	3,311,866	654,548
Interest received	5	63,809,133	99,664,793	60,526,648	94,487,091
Investment in equity instruments		(42,524,260)	(24,674,000)	(42,524,260)	(24,674,000)
Net Cash Flow used in Investing Activities		<u>13,308,503</u>	<u>65,577,855</u>	<u>10,026,018</u>	<u>60,400,153</u>
Cash Flows from Financing Activities					
Dividends paid		(50,000,000)	(60,000,000)	(50,000,000)	(60,000,000)
Net Cash Flow used in Financing Activities		<u>(50,000,000)</u>	<u>(60,000,000)</u>	<u>(50,000,000)</u>	<u>(60,000,000)</u>
Net Decrease in Cash & Cash Equivalents		<u>120,130,054</u>	<u>(191,728,862)</u>	<u>124,592,082</u>	<u>(198,289,416)</u>
Cash & cash equivalents at the beginning of the year	15	390,096,652	581,825,514	355,487,217	553,776,632
Cash & Cash Equivalents at the End of the Year	15	<u>510,226,706</u>	<u>390,096,652</u>	<u>480,079,299</u>	<u>355,487,217</u>

The accounting policies and notes on pages 07 through 24 form an integral part of the financial statements.



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

1. REPORTING ENTITY

1.1 Domicile and Legal Form

Nilkamal Eswaran Plastics (Private) Limited ('the Company') is a limited liability company incorporated in and domiciled in Sri Lanka. The registered office of the Company and the principal place of business is located at 328, Madapatha Road, Batakettera, Piliyandala.

The Consolidated Financial Statements of the Group as at and the year ended 31 March 2024 comprise the Company and its subsidiary (together referred to as the "Group" and individually as "Group entities"). The Company has a fully owned subsidiary, Nilkamal Eswaran Marketing (Private) Limited, which is incorporated in Sri Lanka.

1.2 Principal Activities and Nature of Operations

The principal activities of the Group were as follows;

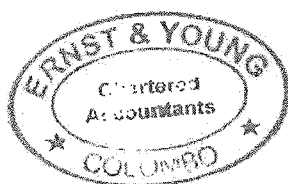
Nilkamal Eswaran Plastics (Pvt) Ltd	Manufacturing of injection molded plastic articles and sofa
Nilkamal Eswaran Marketing (Pvt) Ltd	Importing and selling of all kinds of plastics articles

1.3 Parent Entity and Ultimate Parent Entity

The Group's parent entity and ultimate parent entity is Nilkamal Limited, which is incorporated in India.

1.4 Date of Authorization for Issue

The Financial Statements of the Company and the Group for the year ended 31 March 2024 was authorized for issue in accordance with a resolution of the Board of Directors on 09 May 2024.



2. BASIS OF PREPARATION

2.1. Statement of Compliance

The Consolidated Financial Statements of the Group and the separate Financial Statements of the Company, which comprise the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Changes in Equity and Cash Flows together with accounting policies and notes to the Financial Statements of the Company and Group as at 31 March 2024 and for the year then ended have been prepared in accordance with Sri Lanka Accounting Standard for Small and Medium Sized – Entities (SLFRS for SMEs), issued by the Institute of Chartered Accountants of Sri Lanka (ICASL) and comply with the requirements of Companies Act, No. 7 of 2007 and amendments thereto.

2.2 Basis of Measurement

The Consolidated Financial Statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the Financial Statements, except for the retirement benefit liability for employee benefits recognized based on the Gratuity Act, in the Statement of Financial Position.

2.3 Going Concern

The Directors have made an amendment at the company's and Group's ability to continue a going concern and they do not intend either to liquidate or cease the operations.

2.4 Comparative Figures

Where necessary, comparative figures have been rearranged to conform with the current year's presentation.

2.5 Functional and Presentation Currency

All values presented in the Financial Statements are in Sri Lankan Rupees (Rs.) unless otherwise indicated.

2.6 Use of Estimate and Judgment

The preparation of the Consolidated Financial Statements in conformity with SLFRS for SMEs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements is included in the following notes:

- Impairment of financial assets (Note 2.13.6)
- Impairment of Non-financial assets (Note 2.13)
- Current taxation (Note 2.8.3 a)
- Deferred taxation and utilization of tax losses (Note 2.8.3 b)
- Measurement of Employee benefits (Note 2.15)
- Provisions and contingencies (Note 2.17)



2.7 Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

2.8 SIGNIFICANT ACCOUNTING POLICIES

2.8.1 Basis of Consolidation

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements, unless otherwise indicated. The accounting policies have been applied consistently by the Group.

Subsidiaries

Subsidiaries are those enterprises controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of that enterprise so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The Financial Statements of subsidiary is included in the Consolidated Financial Statements from the date that control effectively commences until the date that control effectively ceases. Accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Company.

All companies in the Group have a common financial year, which ends on 31 March.

Loss of Control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or in accordance with the Group's Accounting Policy for financial assets (see Accounting Policy 2.13 below) depending on the level of influence retained.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized gains and losses or income and expenses arising from the intra-group transactions are eliminated in preparing the Consolidated Financial Statements.

Accounting for investment in subsidiaries

When separate Financial Statements are prepared, investments in subsidiaries are accounted for using the cost method. Investments in subsidiaries are stated in the Company's Statement of Financial Position at cost less accumulated impairment losses.

2.8.2 Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.



Foreign currency differences arising on retranslation 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 rate at the date of the transaction.

2.8.3 Income Tax Expense

Income tax expenses comprise of current & deferred tax expenses recognized in the Statement of Profit or Loss and Other Comprehensive Income.

(a) Current Taxation

The Group's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No 10 of 2006 and amendments thereto before 1 April 2018. After 1 April 2018, the Group's liability to taxation has been computed in accordance with the provisions of the Inland Revenue Act No. 24 of 2017 and subsequent gazette notifications.

(b) Deferred Taxation

Deferred tax is recognised in respect of all temporary differences as at the reporting date between the tax bases of assets and liabilities and their respective carrying amounts for financial reporting purposes. The balance in the deferred taxation account represents income tax applicable to the difference between the written down values for tax purpose of the assets on which tax depreciation has been claimed and the net book value of such asset, offset by the provision for employee benefit which is deductible for tax purpose only on payment.

Deferred tax assets, including those related to temporary tax effect of income tax losses and credits available to be carried forward are recognized only to the extent that it is probable that future taxable profit will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.9 Property, Plant and Equipment

a) Cost and Valuation

Property, plant & equipment are carried at cost less accumulated depreciation, less accumulated impairment losses if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant and equipment.

Items of property, plant and equipment are derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or losses arising on de-recognition of the asset is included in profit or loss in the year the asset is derecognized.

b) Subsequent Cost

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspection and overhaul costs, is capitalised. Other subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is recognized in the Statement of Profit or Loss and Other Comprehensive Income as an expense as incurred.



c) Depreciation

The provision for depreciation is calculated by using straight line method on all property, plant and equipment in order to write off such amounts over the following estimated useful economic lives by equal installments.

Buildings on Freehold Land	20 years
Plant and Machinery	9.67 years
Moulds	6.17 years
Office Equipment	5 years
Computer Equipment and Software	5 years
Furniture and Fittings	10 years
Motor Vehicles	5 years

Freehold land is not depreciated.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognized.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

d) Impairment of Property Plant and Equipment

The carrying value of property plant and equipment is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying value exceed the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses are recognized in the Statement of Profit or Loss and Other Comprehensive Income unless it reverses a previous revaluation surplus for the same asset.

2.10 Intangible Assets

All computer software costs incurred, licensed for use by the Group, which are not integrally related to associate hardware, and can be clearly identified, reliably measured and it is probable that they will lead to future economic benefits are included in the Statement of Financial Position under the category Intangible Assets and carried at cost less accumulated amortization and accumulated impairment losses if any.

a) Subsequent Expenditure

Expenditure incurred on intangible assets are capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

b) Amortization

Intangible assets are amortized on a straight line basis over a period of 5 years except goodwill in the Statement of Profit or Loss and Other Comprehensive Income from the date when the asset is available for use, over the best estimate of its useful economic life.

2.11 Leased assets

Leased in terms of which the Group assumes substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to property, plant and equipment. Other leases are operating leases and are not recognized in the Group's Statement of Financial Position



2.12 Inventories

Inventories are valued at lower of cost or net realizable value, after making due allowance for obsolete and slow moving items. Net realizable value is the price at which inventories can be sold in the normal course of business after allowing for cost of realization and/or cost of conversion from their existing state to saleable condition.

Raw Materials	- At actual cost on first-in first-out (FIFO) basis
Finished Goods	- At the cost of direct materials, direct labor and an appropriate proportion of fixed production overheads based on normal operating capacity
Work in Progress	- based on the standard costing which included all direct expenditure and production overheads
Consumables and Spares	- At purchase cost on first-in first-out (FIFO) basis
Goods in Transit	- At purchase cost

2.13 Financial Assets

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

2.13.1 Initial recognition of financial assets and liabilities

An entity shall recognise a financial asset or a financial liability only when the entity becomes a party to the contractual provisions of the instrument.

2.13.2 Initial measurement

When a financial asset or financial liability is recognised initially, an entity shall measure it at the transaction price (including transaction costs) unless the arrangement constitutes, in effect, a financing transaction. A financing transaction may take place in connection with the sale of goods or services, for example, if payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. If the arrangement constitutes a financing transaction, the entity shall measure the financial asset or financial liability at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

2.13.3 Subsequent measurement

At the end of each reporting period, an entity shall measure financial instruments as follows, without any deduction for transaction costs the entity may incur on sale or other disposal.

- Debt instruments shall be measured at amortised cost using the effective interest method. Cash and debt instruments that are classified as current assets or current liabilities shall be measured at the undiscounted amount of the cash or other consideration expected to be paid or received (i.e., net of impairment) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the entity shall measure the debt instrument at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
- Investments in shares shall be measured at fair value with changes in fair value recognised in profit or loss. For shares traded in an active market the best evidence of fair value is the quoted price for those shares in that active market.



2.13.4 Trade and other receivables

Trade and other receivables and due from related parties are initially recognized at cost. Trade receivable and other receivables are stated at the amounts they are estimated to realize net of impairment for bad and doubtful receivables.

If receivables extend beyond the normal credit terms, those receivables are measured at amortized cost using the effective interest rate at the end of each reporting period.

2.13.5 Cash and Cash Equivalents

Cash and cash equivalents are cash in hand, demand deposits and short-term highly liquid investments, readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of Statement of Cash Flows, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts. Investments with short maturities i.e. three months or less from the date of acquisition are also treated as cash equivalents.

2.13.6 Impairment of financial assets measured at cost or amortised cost

At the end of each reporting period, an entity shall assess whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost. If there is objective evidence of impairment, the entity shall recognize an impairment loss in profit or loss immediately. Objective evidence that a financial asset or group of assets is impaired includes observable data that come to the attention of the entity about the loss events.

2.13.7 Measurement

The Group measure an impairment loss on financial assets measured at cost or amortised cost as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If such a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2.13.8 Derecognition of a financial asset

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

2.14 Impairment of Non-financial assets

The carrying amounts of the Company's non-financial assets such as deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.



The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

Impairment losses are recognized in profit or loss.

2.15 Employee benefits

(a) Defined Contribution Plan - Employees' Provident Fund & Employees' Trust Fund

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into an approved Employees' Provident Fund and to the Employees' Trust Fund, and will have no legal or constructive obligation to pay further amounts. The Group contributes 12% and 3% of gross emoluments of employees as Provident Fund and Trust Fund contribution respectively.

(b) Defined Benefit Plans- Retirement Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Provision has been made for retirement gratuities from the first year of service for all employees, in conformity with SLFRS for SMEs (Section 28- Employee Benefits). The liability recognised in the Financial Statements in respect of defined benefit plans is the present value of the defined benefit obligation as at the reporting date. The computation of the provision is based only on Gratuity Act requirement. The Group measures the present value of retirement benefits of gratuity using an internally generated model based on formula annually. However, under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of 5 years of continued service.

The liability is not externally funded nor actuarially valued.

2.16 Non-derivative financial liabilities

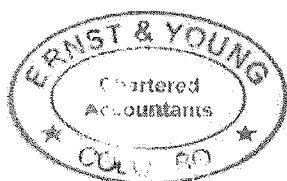
The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial liabilities: loans and borrowings, bank overdrafts, and trade and other payables.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.



Trade payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into Sri Lankan rupees using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income.

2.17 Provisions and liabilities

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for Warrantee Liability

The Company offers warranties on Sofa products on its own account and warranty is provided by giving a warranty period of 1 year from the date of sale for the fabric and 15 years from the date of sale for the frame. A provision for warranty is recognised when the underlying products are sold. The quantum of the provision is based on the historical experience. The said extended warranty provision will be reversed upon expiration of warranty period if unutilised as at that date.

The provision is included under other liabilities.

2.18 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and that revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, net of trade discounts and sales taxes and after eliminating sales within the Group.

The following specific criteria are used for the purpose of recognition of revenue.

(a) Sale of Goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates.

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer normally at the point of good dispatch; with the Group retaining neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

(b) Others

Other income is recognized on an accrual basis.

Net gains and losses of a revenue nature on the disposal of property, plant & equipment and other non-current assets including investments are accounted for in the Statement of Profit or Loss and Other Comprehensive Income, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

Gains and losses arising from incidental activities to main revenue generating activities and those arising from a group of similar transactions which are not material, are aggregated, reported and presented on a net basis.



2.19 Expenditure Recognition

(a) Operating Expenses

Expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income on the basis of a direct association between the cost incurred and the earning specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the Statement of Profit or Loss and Other Comprehensive Income.

(b) Finance income and expense

Interest income and expenses are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts or payments through the expected life of the financial asset or liabilities (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liabilities. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

(c) Borrowing cost

All borrowing costs are recognised as an expense in the period in which they are incurred.

2.20 Related Party Transactions

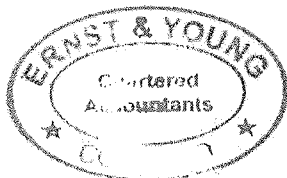
Disclosures has been made in respect of the transactions in which one party has the liability to control or exercise significant influence over the financial and operating decisions/policies of the other, irrespective of a price being charged.

2.21 Statement of Cash Flows

The Statement of Cash Flows has been prepared using the " Indirect Method" in accordance with LKAS 7 " statement of Cash Flows".

Cash and cash equivalents comprise short term , highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The cash and cash equivalents include cash in hand, balances with banks and short term deposits with banks.

Interest paid is classified as operating cash flows, interest received are classified as investing cash flows, while dividends paid are classified as financing cash flows for the purpose of presenting the statement of cash flows.



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
3. REVENUE				
Local Sales	1,106,494,198	858,367,601	1,050,642,130	828,730,176
Less: Trade Discounts	(3,691,374)	(9,352,020)	(3,691,374)	(9,335,324)
	<u>1,102,802,823</u>	<u>849,015,581</u>	<u>1,046,950,755</u>	<u>819,394,852</u>
4. OTHER INCOME				
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Gain / (Loss) on disposal of property, plant and equipment	2,912,035	(238,441)	2,912,035	(238,441)
Interest on staff loan	535,894	244,905	535,894	244,905
Scrap sales	1,493,366	5,647,001	1,493,366	5,647,001
Mould Lease Income	1,520,344	-	1,520,344	-
Dividend Income	1,367,000	56,750	1,367,000	56,750
Fair Value Gain on Shares	7,518,753	177,529	7,518,753	177,529
Profit on Disposal of shares	2,624,702	-	2,624,702	-
	<u>17,972,094</u>	<u>5,887,744</u>	<u>17,972,094</u>	<u>5,887,744</u>
5. FINANCE INCOME				
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Interest income from investment in securities Purchased under Resale	10,786,308	69,110,954	7,503,823	63,933,251
Interest Income from Fixed Deposit	40,156,915	28,074,317	40,156,915	28,074,317
Interest Income from Mutual Funds (CAL securities)	12,865,910	2,479,521	12,865,910	2,479,521
Gain on Translations of foreign currency	-	8,401,062	-	8,401,062
	<u>63,809,133</u>	<u>108,065,854</u>	<u>60,526,648</u>	<u>102,888,151</u>
6. FINANCE COST				
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Bank charges	1,493,841	827,607	1,397,491	798,652
Exchange gain/loss	(64,784)	63,012,192	(64,784)	60,296,382
Interest on short term borrowings	188,648	426,964	160,090	422,846
Interest on distributor cash deposit	166,000	27,500	166,000	27,500
	<u>1,783,706</u>	<u>64,294,263</u>	<u>1,658,798</u>	<u>61,545,380</u>
7. INCOME TAX EXPENSE				
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Current Income Tax				
Current Income tax charge (Note 7.1)	88,406,904	53,703,306	82,395,959	48,480,300
Over Provision in Respect of Prior Years	-	(6,700,353)	-	(13,583,776)
	<u>88,406,904</u>	<u>47,002,953</u>	<u>82,395,959</u>	<u>34,896,524</u>
Deferred Tax Expenses /(Income)				
Deferred Income Tax Charge / (Reversal) (Note 7.2)	(9,338,345)	21,841,474	(9,338,345)	20,960,194
Income Tax expense recorded in the Statement of Profit or Loss	<u>79,068,559</u>	<u>68,844,427</u>	<u>73,057,614</u>	<u>55,856,718</u>



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

7. INCOME TAX EXPENSE (Contd...)

7.1

Reconciliation between the accounting profit and the tax profit

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Profit Before Tax	272,641,700	174,920,214	252,147,283	157,299,375
Other Sources of Income	(65,712,027)	(99,664,793)	(62,429,542)	(94,487,091)
Aggregate disallowable expenses	46,098,925	68,405,681	46,093,113	66,854,788
Aggregate allowable expenses	(22,683,945)	(41,291,319)	(22,220,661)	(41,325,667)
Profit from business	230,344,653	102,369,783	213,590,193	88,341,405
Interest Income - Non Business Income	64,345,027	99,664,793	61,062,542	94,487,091
Taxable Income	294,689,680	202,034,576	274,652,735	182,828,496
Manufacturing Business- Tax @18%	-	30,355,317	-	30,354,924
Manufacturing Business- Tax @30%	69,103,396	57,986,481	64,077,058	57,986,481
Trading Business - Tax @ 24%	-	6,919,986	-	-
Trading Business - Tax @ 30%	-	7,108,007	-	-
Non Business Income - Interest Income @24%	-	47,486,009	-	45,427,633
Non Business Income - Interest Income @30%	19,303,508	52,178,776	18,318,902	49,059,458
Taxable Income	88,406,904	202,034,576	82,395,960	182,828,496
Current Tax @18%	-	5,463,957	-	5,463,886
Current Tax @30%	-	19,528,346	-	17,395,944
Current Tax @24%	-	13,057,439	-	10,902,632
Current Tax @30%	88,406,904	15,653,635	82,395,960	14,717,837
	88,406,904	53,703,377	82,395,960	48,480,299

7.2 Deferred Tax Liabilities	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
At the beginning of the year	25,836,653	3,995,179	25,836,653	4,876,459
Provision made during the year	(9,338,345)	21,841,474	(9,338,345)	20,960,194
At the end of the year	16,498,308	25,836,653	16,498,308	25,836,653

7.3 The closing deferred tax asset balance relates to the following

Accelerated depreciation for tax purpose	28,585,306	35,349,537	28,585,306	35,349,537
Employee benefit liability	(12,086,998)	(9,512,884)	(12,086,998)	(9,512,884)
	16,498,308	25,836,653	16,498,308	25,836,653

8. EARNINGS PER SHARE

8.1 Basic Earnings Per Share is calculated by dividing the Net Profit for the Year attributable to Ordinary Shareholders by the Weighted Average Number of Ordinary Shares outstanding during the year.

8.2 The following reflects the income and share data used in the Basic Earnings Per Share computations.

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Net Profit for the Year	193,573,141	106,075,787	179,089,669	101,443,050
Net Profit Attributable to Ordinary Shareholders for Basic Earnings Per Share	193,573,141	106,075,787	179,089,669	101,443,050
Number of Ordinary Shares used as the denominator: Weighted Average Number of Ordinary Shares in issue applicable to Basic Earnings Per Share	1,578,800	1,578,800	1,578,800	1,578,800

Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

9. PROPERTY, PLANT AND EQUIPMENT

Group / Company	Freehold Land	Buildings	Plant and Machinery	Moulds	Office Equipment	Computer Equipment	Furniture and Fittings	Motor Vehicles	Road Development	31.03.2024
9.1	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
As at 01st April	26,370,476	234,697,234	277,252,143	411,071,302	6,533,640	10,676,910	5,424,076	36,084,226	680,763	1,008,790,770
Additions	-	-	5,096,771	4,632,318	608,099	-	-	-	-	10,337,188
Disposals	-	-	8,876,751	-	47,981	-	-	629,800	-	9,554,532
As at 31 March	26,370,476	234,697,234	273,472,163	415,703,620	7,093,758	10,676,910	5,424,076	35,454,426	680,763	1,009,573,426
9.2	Accumulated Depreciation									
As at 01st April	-	175,833,746	219,638,879	382,484,298	5,441,067	8,641,224	4,118,261	35,760,056	680,763	832,598,294
Charge for the year	-	5,909,545	13,701,637	14,043,788	370,092	768,133	297,352	94,304	-	35,184,851
Disposals	-	-	8,714,281	-	40,485	-	-	399,934	-	9,154,700
As at 31 March	-	181,743,291	224,626,235	396,528,086	5,770,674	9,409,357	4,415,613	35,454,426	680,763	858,628,445
Carrying Value as at:										
31 March 2024	26,370,476	52,953,942	48,845,928	19,175,534	1,323,084	1,267,553	1,008,461	-	-	150,944,981
31 March 2023	26,370,476	58,863,487	57,613,264	28,587,004	1,092,573	2,035,686	1,305,815	324,170	-	176,192,477

9.3 During the financial year, the Company/Group acquired property, plant and equipment to aggregate value of Rs. 10,337,188/- (2023 - Rs. 10,067,486/-). Cash payments amounting to Rs. 10,337,188/- (2023 - Rs. 10,067,486/-) were made during the year for purchase of property plant & equipment.

9.4 Property, Plant and Equipment includes fully depreciated assets of the company having a gross carrying amount of Rs. 664,149,301/- (2023- Rs. 619,006,094/-)

9.5 Assets Pledged

The Group has mortgaged following property, plant and equipment as securities for obtaining banking facilities from Commercial Bank of Ceylon PLC and State Bank of India, Colombo Branch

Description of the asset	Name of the Bank	Facility	Security Value (Rs.)
Land and Building located at 328, Madapatha Road, Bataketam	Commercial Bank of Ceylon PLC	Fund based and non-fund based short term banking facilities - Rs 295,000,000/-	86,000,000
Piliyandala and immovable plant and equipment	State Bank of India, Colombo	Fund based and non-fund based short term banking facilities - Rs 190,000,000/-	226,000,000

10. INTANGIBLE ASSETS

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Computer Software				
Cost				
As at 01 April	13,541,978	13,541,978	13,541,978	13,541,978
Acquisitions during the year	951,049	-	951,049	-
As at 31 March	14,493,027	13,541,978	14,493,027	13,541,978
Accumulated Amortization				
As at 01 April	13,269,320	13,145,657	13,269,320	13,145,657
Amortization during the year	145,864	123,663	145,864	123,663
As at 31 March	13,415,184	13,269,320	13,415,184	13,269,320
Carrying Value				
As at 31 March	1,077,843	272,658	1,077,843	272,659

10.1 During the financial year, the Company/Group acquired intangible assets to aggregate value of Rs. 951,049/- (2023 - Rs. NIL/-). Cash payments amounting to Rs. 951,049/- (2023 - Rs. NIL/-) were made during the year for purchase of intangible assets.

11. INVESTMENT IN SUBSIDIARIES

	Company		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Holding %	Holding %	Rs.	Rs.
Nilkamal Eswaran Marketing (Pvt) Ltd	100	100	1,000	1,000
	100	100	1,000	1,000



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
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12. OTHER FINANCIAL ASSETS

				Group/Company				
12.1	Investment in Equity Securities	No of shares as at 31.03.2024	No of shares as at 31.03.2023	Total Market Value as at 31.03.2023 Rs.	Cost of Acquisition/ Carrying Value Rs.	Market price as at 31.03.2024 Rs.	Total Market Value as at 31.03.2024 Rs.	Revaluation Gain/(Loss) Rs.
	Dialog Axiata PLC	986,123	500,000	5,200,000	9,405,250	11.70	11,537,639	2,132,390
	Hemas Holding PLC	95,000	50,000	3,250,000	6,616,191	80.40	7,638,000	1,021,809
	John Keells Holding PLC	60,000	40,000	5,600,000	9,302,308	194.00	11,640,000	2,337,692
	Teejay Lanka PLC	280,000	120,000	3,840,000	9,515,963	37.60	10,528,000	1,012,037
	Hatton National Bank PLC	45,000	15,000	1,942,500	7,073,875	180.00	8,100,000	1,026,125
	Aitken Spence Hotel Holding PLC	60,000	35,000	2,096,500	3,713,629	66.20	3,972,000	258,371
	Commercial Bank of Ceylon PLC	30,000	-	-	2,366,117	97.70	2,931,000	564,883
	Peoples Leasing and Finance PLC	986,511	-	-	11,427,736	11.00	10,851,621	(576,115)
	Melstacorp PLC	-	50,000	2,745,000	-	-	-	-
		2,542,634	810,000	24,674,000	59,421,069		67,198,260	7,777,191

13. INVENTORIES

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Raw materials	126,745,620	153,451,758	126,745,620	153,451,758
Packing materials	1,920,615	5,584,751	1,920,615	5,584,751
Goods in Transit	26,356,401	9,988,605	26,356,400	9,988,605
Work in Progress	3,439,036	2,752,207	3,439,036	2,752,207
Semi finished Goods	9,419,992	12,350,064	9,419,992	12,350,064
Finished goods	115,200,272	100,479,858	61,708,054	55,787,309
	<u>283,081,935</u>	<u>284,607,243</u>	<u>229,589,716</u>	<u>239,914,694</u>
Less: Provision for slow moving Inventories (Note 13.1)	(46,946,974)	(43,354,326)	(24,444,218)	(20,381,893)
	<u>236,134,962</u>	<u>241,252,917</u>	<u>205,145,499</u>	<u>219,532,801</u>

13.1 Provision for slow moving Inventories

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Balance as at the beginning of the year	43,354,326	30,877,669	20,381,893	9,505,002
Provision for the year	3,592,648	12,476,657	4,062,325	10,876,891
Balance as at the end of the period	<u>46,946,974</u>	<u>43,354,326</u>	<u>24,444,218</u>	<u>20,381,893</u>

13.1.2 Provision Category wise

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Raw materials	18,658,281	9,462,519	18,658,281	9,462,519
Packing materials	376,788	1,327,385	376,788	1,327,385
Finished goods	24,576,671	25,746,988	2,073,915	2,774,554
Semi-finished goods	3,335,234	6,817,433	3,335,234	6,817,433
	<u>46,946,974</u>	<u>43,354,326</u>	<u>24,444,218</u>	<u>20,381,892</u>

13.2 The group has mortgaged its stocks with assignment over Trade Debtors, to obtain banking facilities as follows

Name of the Bank	Facility	Security Value	
		Group	Company
		Rs.	Rs.
Commercial Bank of Ceylon PLC	Fund based and non-fund based short term facilities	105,000,000	70,000,000
State Bank of India, Colombo Branch		20,000,000	20,000,000
		<u>125,000,000</u>	<u>90,000,000</u>



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

14. TRADE AND OTHER RECEIVABLE

	Group		Company	
	31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Trade Receivables - Related Parties (Note 14.1)	9,197,497	4,805,607	8,769,025	4,805,607
- Other	172,894,383	117,921,723	162,102,830	116,151,806
Less: Provision for impairment (Note 14.2)	(2,696,558)	(1,899,511)	(2,680,741)	(1,891,484)
	179,395,322	120,827,819	168,191,114	119,065,929
Staff Loans	4,766,786	4,057,610	4,766,786	4,057,610
Refundable Deposits	12,237,568	4,960,956	12,198,266	4,911,880
Prepayments and advances	4,325,298	4,214,220	4,285,145	4,185,869
Advances paid to suppliers	9,056,436	344,963	8,943,238	344,963
VAT Receivables	8,856,010	7,113,943	-	-
Other receivables	1,219,185	-	1,219,185	-
NBT recoverable	247,460	247,460	247,460	247,460
	220,104,064	141,766,972	199,851,193	132,813,712

14.1 Trade Receivables - Related Parties

	Relationship	Group		Company	
		31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Good Value Eswaran (Pvt) Ltd	Affiliate Company	5,315,988	4,667,607	5,315,988	4,667,607
Eswaran Brothers Exports (Pvt) Ltd	Affiliate Company	-	138,000	-	138,000
Nilkamal Eswaran Marketing (Pvt) Ltd	Subsidiary Company	-	-	2,934,871	-
Nilkamal Limited	Parent Company	3,881,509	-	518,166	-
		9,197,497	4,805,607	8,769,025	4,805,607

14.2 Provision for Impairment

	Group		Company	
	31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Balance as at 01 April	1,899,511	2,653,256	1,891,484	2,630,703
(Reversal)/Charge for the year	803,429	(695,123)	801,451	(682,184)
Written off during the year	(6,382)	(58,622)	(12,194)	(57,035)
Balance as at 31 March	2,696,558	1,899,511	2,680,741	1,891,484

15. CASH AND CASH EQUIVALENTS

Components of Cash and Cash Equivalents

15.1 Favorable Cash and Cash Equivalent Balance

	Group		Company	
	31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Cash at Bank	35,331,039	8,519,119	34,850,038	7,854,360
Cash In Hand	479,522	434,470	469,522	424,470
Investments on Units @ CAL Fixed income Fund	74,235,589	40,000,000	74,235,589	40,000,000
Ropo investments in Sri Lanka Government Treasury Bills	97,000,000	189,500,000	65,000,000	156,000,000
Investments in Fixed Deposits	287,611,961	145,652,690	287,611,961	145,652,690
Interest Receivable	18,723,300	5,990,373	17,912,189	5,555,697
	513,381,411	390,096,652	480,079,299	355,487,217

15.2 Favorable Cash and Cash Equivalent Balance

Bank Overdraft	(3,154,706)	-	-	-
	(3,154,706)	-	-	-
Total Cash and Cash Equivalents for the Purpose of Statement of Cash Flows	510,226,705	390,096,652	480,079,299	355,487,217



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

16. STATED CAPITAL

	Company/Group		Company/Group	
	31.03.2024 Number	31.03.2023 Number	31.03.2024 Rs.	31.03.2023 Rs.
Ordinary Shares	1,578,800	1,578,800	20,000,000	20,000,000
	<u>1,578,800</u>	<u>1,578,800</u>	<u>20,000,000</u>	<u>20,000,000</u>

17. RETIREMENT BENEFIT OBLIGATIONS

	Group		Company	
	31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Balance as at 01 April	31,709,612	40,085,943	31,709,612	40,085,943
Current Service Cost	3,096,815	6,440,843	3,096,815	6,440,843
Interest Cost	3,383,644	5,157,019	3,383,644	5,157,019
Actuarial Loss	6,712,282	-	6,712,282	-
Payments made during the year	(4,612,361)	(19,974,193)	(4,612,361)	(19,974,193)
Balance as at 31 March	<u>40,289,992</u>	<u>31,709,612</u>	<u>40,289,992</u>	<u>31,709,612</u>

17.1 The principal assumptions used are as follows:

	2024	2023
Principal assumptions used were as follows at the reporting date:		
Discount Rate	18%	18%
Future Salary Increment	15%	15%
Retirement Age	60 Years	60 Years
Staff Turnover	16%	16%

18. TRADE AND OTHER PAYABLE

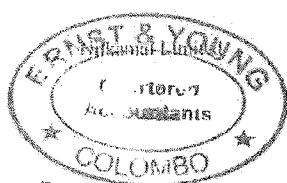
	Group		Company	
	31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Trade Payables - Related Parties (Note 18.1)	5,855,954	2,975	5,855,953	2,975
- Other	35,085,758	11,857,809	34,857,586	11,581,516
Security Deposits from Trade Debtors	1,100,000	1,100,000	1,100,000	1,100,000
Accrued Expenses	15,486,071	16,922,361	14,575,751	16,442,473
Value Added Tax Payable	10,282,524	4,872,415	10,282,524	4,872,415
Social Security Contribution Levy Payable	2,472,883	-	2,472,883	-
Advances from Employees to purchase Motor Bikes	-	408,963	-	408,963
Advances from Customers	804,362	1,071,667	499,846	1,013,682
Other Payables	3,615,814	9,821,422	3,615,814	9,821,422
	<u>74,703,366</u>	<u>46,057,612</u>	<u>73,260,357</u>	<u>45,243,446</u>

18.1 Trade Payables - Related Parties

Relationship	Group		Company	
	31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Good Values Eswaran (Pvt) Ltd	-	2,975	-	2,975
Eswaran Brothers Ceylon (Pvt) Ltd	2,975	-	2,975	-
Nilkamal Limited	5,852,979	-	5,852,978	-
	<u>5,855,954</u>	<u>2,975</u>	<u>5,855,953</u>	<u>2,975</u>

19. RELATED PARTY PAYABLES

Relationship	Group		Company	
	31.03.2024 Rs.	31.03.2023 Rs.	31.03.2024 Rs.	31.03.2023 Rs.
Parent Company	2,237,286	1,728,546	2,237,286	1,728,546
	<u>2,237,286</u>	<u>1,728,546</u>	<u>2,237,286</u>	<u>1,728,546</u>



Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

20. PROFIT FROM CONTINUING OPERATIONS	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Stated after Charging / (Crediting)	Rs.	Rs.	Rs.	Rs.
Depreciation	35,184,851	42,820,196	35,184,851	42,820,196
Audit Fees and Expenses	2,490,882	1,445,000	2,190,882	1,165,000
Non Audit Services	430,000	762,000	350,000	657,000
Amortisation of Intangible Assets	145,864	123,663	145,864	123,663
(Reversa)/Provision for impairment of trade receivables	803,429	(695,123)	801,451	(682,184)
Charge/(Reversal) of provision for Inventories	3,592,647	12,476,657	4,062,325	12,476,657
Staff Costs Includes				
- Defined Benefit Plan Costs - Gratuity	13,192,741	11,597,861	13,192,741	11,597,861
- Defined Contribution Plan Costs - EPF and ETF	12,837,563	12,866,743	12,837,563	12,866,743
- Salaries , wages and Other related Costs	102,664,949	117,784,046	102,664,949	117,784,046

21. COMMITMENTS AND CONTINGENCIES

21.1 Capital Expenditure Commitments

The Company does not have significant commitments or contingencies as at the date of reporting.

21.2 Contingencies

The Company does not have significant contingencies as at the reporting date.

21.3 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the Financial Statements.

22. RELATED PARTY TRANSACTIONS

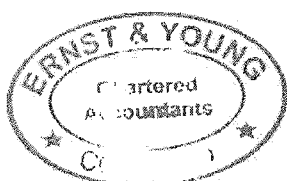
22.1 Key Management Personnel

Key Management Personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly.

The Company/Group has identified the Board of Directors of the Company, Board of Directors of the Parent and other members of the management team who hold significant authority and responsibility for planning, directing and controlling the entity's activities as KMP of the Company/Group.

22.2 Compensation of Key Management Personnel

	Group		Company	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	Rs.	Rs.	Rs.	Rs.
Short Term Benefits	17,524,648	17,761,887	17,524,648	17,761,887
	17,524,648	17,761,887	17,524,648	17,761,887



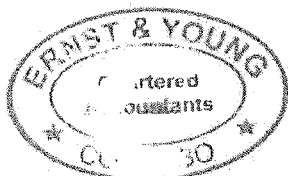
Nilkamal Eswaran Plastics (Private) Limited
NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2024

22. RELATED PARTY TRANSACTIONS (Contd.)

22.3 Transactions with Related Companies

Company Name	Relationship	Nature of Transaction	Company	
			31.03.2024 Rs.	31.03.2023 Rs.
Nilkamal Eswaran Marketing (Pvt) Ltd	Subsidiary Company	Net fund transfer to/(from) the Related Party Company	14,684,181	(24,394,679)
		Settlement of Dues from the Related Party Company	-	25,929,096
		Settlement of Dues to the Related Party Company	(14,684,181)	(1,534,418)
Nilkamal Limited	Parent Company	Purchases for the Related Party Company	14,942,149	48,526,184
		Dividends	43,805,421	-
		Mould lease income from the Related Party Company	1,520,344	-
		Mould lease rentals paid to the Related Party Company	1,320,000	1,197,000
		Purchase of Capital Goods from the Related Party Company	5,076,457	8,330,824
		Sale of Molds	(3,071,204)	-
		Royalty	7,852,130	6,145,463
Eswaran Brothers Ceylon (Pvt) Ltd	Affiliate Company	Purchases	-	74,050
		Settlements	(138,000)	(77,026)
Eswaran Brothers Ceylon (Pvt) Ltd - Crates	Affiliate Company	Purchases	-	1,038,513
		Settlements	-	(1,038,513)
Good Value Eswaran (Pvt) Ltd	Affiliate Company	Purchases	23,723,858	20,105,839
		Settlements	(23,196,036)	(20,294,721)
Good Value Eswaran Worldwide (Pvt) Ltd	Affiliate Company	Purchases	-	64,509
		Settlements	(138,000)	(477,930)
Good Value Eswaran Worldwide (Pvt) Ltd - Semi	Affiliate Company	Purchases	-	14,020
		Settlements	-	(14,020)
Nilkamal Creates and bns	Affiliate Company	Purchases	-	97,023,713

22.4 The Company has provided a Corporate Guarantee for Rs 16mn in 21 November 2012 for banking facility made available to the Subsidiary Nilkamal Eswaran Marketing (Pvt) Ltd by the Commercial Bank of Ceylon PLC.

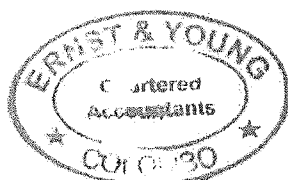


NILKAMAL ESWARAN PLASTICS (PVT) LTD

**DETAILED STATEMENT OF PROFIT OR LOSS
YEAR ENDED 31 MARCH 2024**

Nilkamal Eswaran Plastics (Private) Limited
DETAILED STATEMENT OF PROFIT OR LOSS
Year ended 31 March 2024

	STATEMENT	Company	
		31.03.2024 Rs.	31.03.2023 Rs.
Revenue		1,046,950,755	819,394,852
Cost of sales	I	(627,769,680)	(500,180,727)
Gross profit		419,181,075	319,214,125
Other income		17,972,094	5,887,744
Administrative expenses	III	(89,359,383)	(90,755,288)
Distribution expenses	IV	(154,514,355)	(118,389,584)
Profit from Operations		193,279,431	115,956,997
Finance income		60,526,648	102,888,151
Finance Cost		(1,658,798)	(61,545,380)
Profit Before Taxation		252,147,282	157,299,768



Nilkamal Eswaran Plastics (Private) Limited
DETAILED STATEMENT OF PROFIT OR LOSS
Year ended 31 March 2024

STATEMENT - I

COST OF SALES

	Company	
	31.03.2024	31.03.2023
	Rs.	Rs.
Opening Stock	239,914,694	197,724,610
Purchases	447,296,339	409,810,846
Provision for Discount for Slow-moving Stock	4,062,325	10,876,891
Manufacturing Cost (Statement II)	149,718,243	121,462,799
Goods in Transit	16,367,796	220,275
Closing Stock	(229,589,717)	(239,914,694)
	<u>627,769,680</u>	<u>500,180,727</u>

STATEMENT - II

MANUFACTURING COST

	Company	
	31.03.2024	31.03.2023
	Rs.	Rs.
Allowance for Extra Hours	56,000	336,000
Annual Leave Encashment	1,714,499	3,220,745
Attendance Allowance	664,400	942,075
Bonus	3,721,036	(1,400,000)
Budgetary Allowance	1,357,250	1,515,516
Contract Wages	14,177,350	11,024,071
Depreciation on OSS Mould	14,043,788	20,494,670
Depreciation on Plant, Machinery and Equipment	13,701,637	13,312,483
Electricity	43,406,419	19,140,710
EPF	3,582,616	3,618,628
ETF	895,654	897,040
Fabricated Outside Work	3,000	-
Factory Consumables	1,781,777	2,204,510
Food Allowance	102,800	649,466
Hard Shift Allowance	159,000	164,000
House Rent Allowance	40,000	240,000
Loading and Unloading Charges	136,100	16,495
Meal Allowance	15,525	24,705
Mould Lease Rent	1,320,000	1,354,588
Night Shift Allowance - Factory	129,917	100,039
OSS Products Expenses	317,258	377,556
Overtime	9,380,892	7,288,570
Plant & Machinery Maintenance	7,175,289	8,223,866
Powder Coating Chagres	2,430,907	1,871,201
Production Incentive	687,157	297,153
Related Expenses - Leased Moulds	455,549	-
Salaries & Wages	20,572,245	20,398,749
Screen Printing	403,733	82,392
Special Allowance	1,468,614	333,273
Travelling Allowance	4,154,614	3,175,023
Water Bill Expenses	873,343	619,002
Sofa Labour	789,875	940,275
	<u>149,718,243</u>	<u>121,462,799</u>



Nilkamal Eswaran Plastics (Private) Limited
DETAILED STATEMENT OF PROFIT OR LOSS
Year ended 31 March 2024

STATEMENT - III

ADMINISTRATION COSTS

	Company	
	31.03.2024	31.03.2023
	Rs.	Rs.
Accommodation	737,331	1,327,478
Annual Leave Encashment	1,321,949	723,275
EPF 12%	2,136,549	2,061,713
ETF 3%	530,079	515,428
Food Allowance	137,300	810,000
Bonus	1,013,599	(490,000)
Gratuity	13,192,742	11,597,865
House Rent	59,000	354,000
Salaries	10,653,300	10,830,173
Special Allowance	2,175,709	1,313,580
Budgetary Allowance	302,615	136,167
Vehicle Hiring	1,021,670	1,140,000
Overtime	76,148	53,827
Traveling Allowance	3,010,845	4,386,108
Travelling Expense	1,569,721	-
Fuel Expenses	2,523,058	2,211,992
Seminar & Training	132,554	161,038
Staff Recruitment	184,024	89,610
Vehicle Maintenance	2,700,640	2,001,626
Audit Fees	2,190,882	1,574,432
Audit Fees - Internal	830,333	861,500
Books & Periodicals	67,380	20,670
Building Maintenance	1,411,294	419,901
Charity & Donations	145,300	2,114,190
Computer Consumables	302,090	332,200
Container Washing & Cleaning Charges	86,739	393,125
Depreciation on Other Fixed Assets	7,584,779	9,136,708
Insurance Expenses	6,386,196	5,959,562
Legal & Consultancy Fees	-	3,572,368
Licence Fee	227,673	222,785
Medical Expenses	170,875	136,410
Office Maintenance	12,099,628	8,421,705
Payroll Outsourcing Fee	67,758	18,465
Postage, Stamp & Courier	408,258	916,922
Printing & Stationery	188,255	206,034
Rates & Taxes	2,435,454	2,435,454
Secretarial Fees	217,337	285,163
Security Expenses	5,990,124	5,723,183
Staff Welfare	3,212,097	1,889,962
Stamp Duty	56,750	58,300
Tab & Phone Repair	174,162	145,365
Telephone & Fax	1,627,182	1,747,718
Cost of Living Expense	-	4,584,586
Foreign Travelling	-	354,700
	89,359,383	90,755,288



Nilkamal Eswaran Plastics (Private) Limited
DETAILED STATEMENT OF PROFIT OR LOSS
Year ended 31 March 2024

STATEMENT - IV

DISTRIBUTION EXPENSES

	Company	
	31.03.2024	31.03.2023
	Rs.	Rs.
Advertising Expenses	54,700	37,260
Annual Leave Encashment	2,868,030	2,680,275
Bad Debts	801,451	(682,184)
Budgetary Allowance	1,328,813	971,101
Bonus	2,324,193	(1,610,000)
Daraz Sales Commission	90,516	148,442
Distributor Sales Incentives	2,921,836	4,872,128
EPF 12%	4,550,885	4,648,011
ETF 3%	1,141,780	1,126,922
Export Charges	134,742	-
Fields Sales Expenses	5,491,297	3,396,848
Food Allowance	215,135	1,321,419
Fuel Expenses	6,209,436	4,970,326
House Rent Allowance	13,000	78,000
House Rent- Sales	42,400	288,000
Online Courier Chagres	4,236	-
Online Sales Commission	(11,615)	(8,462)
Overtime	170,213	64,818
Promotions & Events - Furniture	4,296,587	1,642,689
Purchase of Samples	48,437	27,788
Review Meeting Expense	303,386	237,443
Royalty	7,852,130	6,145,463
Salaries	23,843,784	24,295,206
Sales Incentives	11,165,533	8,967,513
Settlement Discounts	12,115,078	10,698,779
Social Security Contribution Levy	22,272,052	9,492,990
Special Allowance	4,954,788	3,861,041
Tender Expences	590,781	433,238
Transport Charges	30,110,589	21,236,555
Travelling Allowance	4,617,335	-
Travelling for Sales	3,957,522	8,919,628
Utility Expenses	-	71,951
VAT on Sample Issues	4,227	4,056
Written Off Unclaimed VAT	31,080	52,340
	154,514,355	118,389,584

