

Flexituff Technology International Limited
Balance Sheet as at 31 March 2024
(All amounts in Rs.lakhs, unless otherwise stated)

	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Other non current assets	4	20,300.00	-
Total non-current assets		20,300.00	-
Current assets			
Financial assets			
a) Cash and cash equivalents	3	5,545.50	4.28
Other current assets	4	39.57	0.25
Total current assets		5,585.07	4.53
		25,885.07	4.53
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	83.20	1.00
Other equity	6	20,134.94	(7.01)
Total equity		20,218.14	(6.01)
Liabilities			
Non-current liabilities			
Financial Liabilities:			
a) Borrowings	7	1,708.48	-
Total non-current liabilities		1,708.48	-
Current liabilities			
Financial Liabilities:			
a) Borrowings	7	476.68	9.96
b) Trade payables	8		
- Total outstanding dues of micro - enterprises and small enterprises		-	-
- Total outstanding dues creditors other than micro - enterprises and small enterprises		1.02	0.25
c) Other financial liabilities	9	3,474.47	-
Other current liabilities	10	6.28	0.33
Total current liabilities		3,958.45	10.54
Total Liabilities		5,666.93	10.54
TOTAL EQUITY AND LIABILITIES		25,885.07	4.53


The accompanying notes from 1 to 34 are an integral part of the financial statements

In terms of our audit report attached

For S G N & Co.
Chartered Accountants
Firm Registration No. 134565W


Giriraj Shrivastava
Partner
Membership No. 147041

For and on behalf of the Board of Directors of
Flexituff Technology International Limited
CIN : U25209MP2017PLC068433


Anand Khandelwal
Director
DIN: 07889346


Ravi Patni
Director
DIN:07906974



Place: Indore
Date: 30 May 2024

Place: Indore
Date: 30 May 2024

Flexituff Technology International Limited

Statement of Profit and Loss for the year ended 31 March 2024

(All amounts in Rs.lakhs, unless otherwise stated)

	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations (refer note 46)		-	-
Other income		-	-
Total income		-	-
Expenses			
Changes in inventories		-	-
Employee benefits expenses		-	-
Depreciation and amortisation expense		-	-
Finance costs	11	3.86	0.15
Other expenses	12	49.47	4.59
Total expenses		53.33	4.74
Profit / (Loss) before tax		(53.33)	(4.74)
Tax expense			
Current Tax		-	-
Mat credit		-	-
Deferred Tax		-	-
Profit / (Loss) for the year (A)		(53.33)	(4.74)
Other comprehensive income			
Item that will not be reclassified subsequently to statement of profit or loss		-	-
Other comprehensive income for the year (B)		-	-
Total comprehensive income/(loss) for the year (A+B)		(53.33)	(4.74)
Earning / (loss) per equity share of nominal value Rs. 10 each			
Basic (in Rs.)	13	(15.20)	(47.40)
Diluted (in Rs.)	13	(15.11)	(47.40)

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Flexituff Technology International Limited
Cash Flow Statement for the year ended 31 March, 2024
(All amounts in Rs.lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A Cash Flow from operating activities		
Profit/(Loss) before tax	(53.33)	(4.74)
Adjustments for :		
Finance costs	3.86	0.15
Operating profit before working capital changes	<u>(49.47)</u>	<u>(4.59)</u>
Adjustments for :		
Increase/(Decrease) in Trade Payables	0.77	-
Increase/(Decrease) in Other Liabilities	5.95	0.42
Increase/(Decrease) in Other Financial Liabilities	3,474.47	-
(Increase)/Decrease in Other Assets	<u>(39.32)</u>	<u>-</u>
Cash used in operations	<u>3,392.40</u>	<u>(4.17)</u>
Taxes paid(Net of refunds)	<u>-</u>	<u>-</u>
Net cash utilised in operating activities	A 3,392.40	(4.17)
B Cash flow from Investing Activities		
Advance given for business purchase	<u>(20,300.00)</u>	<u>-</u>
Net Cash flow from Investing Activities	B (20,300.00)	-
C Cash flow from Financing Activities		
Proceeds from issue of equity shares	82.20	-
Proceeds from issue of compulsorily convertible debentures	20,901.78	-
Net Proceeds from borrowings	1,465.09	8.60
Interest paid	(0.25)	(0.15)
Net Cash flow from Financing Activities	<u>22,448.82</u>	<u>8.45</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	C 5,541.22	8.45
Cash and Bank Balance at the beginning of the year	A+B+C 4.28	4.28
Cash and Bank Balance at the end of the year	<u>5,545.50</u>	<u>4.28</u>

Notes :

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash
- Cash comprises of balances in current accounts with banks.

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Giriraj Shrimal
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Place: Indore
Date: 30 May 2024

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Flexituff Technology International Limited
Statement of Changes in Equity for the year ended 31 March 2024
(All amounts in Rs.lakhs, unless otherwise stated)

a) Equity share capital

Particulars	Number	Amount
Issued, subscribed and paid		
Equity shares of Rs. 10 each		
As at 1 April 2022	10,000	1.00
Issued during the year	-	-
As at 31 March 2023	10,000	1.00
Issued during the year	8,22,000	82.20
As at 31 March 2024	8,32,000	83.20

b) Other Equity

Particulars	Equity component of Compulsorily Convertible	Reserves and surplus	
		Retained Earnings	Other Equity
As at 1 April 2022	-	(2.27)	(2.27)
Profit/ (Loss) for the year	-	(4.74)	(4.74)
As at 31 March 2023	-	(7.01)	(7.01)
Equity component of Series C CCD's			20,195.28
Profit/ (Loss) for the year	20,195.28	-	-
As at 31 March 2024	20,195.28	(60.34)	20,134.94

Nature and purpose of reserves

Retained Earnings

Retained earnings represents the profits /(losses) that the Company has earned / incurred till date, transfer to other reserves etc.

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In terms of our audit report attached

For SGN & Co.
Chartered Accountants
Firm Registration No. 134565W

Girish Shrivastava
Partner
Membership No. 147041



For and on behalf of the Board of Directors of
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Place: Indore
Date: 30 May 2024

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1 Background

Flexituff Technology International Limited (the 'Company') is a Limited Company, incorporated on 22 August 2017 and is domiciled in India.

The registered office of the Company C 41-50, Sector-III, SEZ Industrial Area, Pithampur, Pithampur, Dhar, Dhar, Madhya Pradesh, India, 454775. The Company is engaged in manufacturing of technical textile products in India.

These financial statements of the Company for the year ended 31 March 2024 (the 'financial statements') were authorised for issue in accordance with resolution of the Board of Directors on 30 May, 2024.

2 Significant Accounting Policies

2.1 Basis of preparation

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

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

(b) New and amended standards adopted by the Company

Recent accounting pronouncements effective from April 01,2023:

The Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31st, 2023, the MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, which are applicable for annual reporting periods beginning from April 1st, 2023, as below;

Ind AS 1 – Disclosure of material accounting policies:

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

Ind AS 8 – Definition of accounting estimates:

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

Ind AS 12 – Income Taxes:

Profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

- a) right-of-use assets and lease liabilities

(c) Basis of measurement

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

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

(d) Rounding off : All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.



2.2 Basis of classification of Current and Non-Current

Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities. The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification

An asset is treated as current when it is:

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

A liability is current when:

- It is expected to be settled in normal operating cycle

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

2.3 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees (₹), which is Company's functional and presentation currency, except when otherwise indicated.

(b) Initial recognition

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount, the exchange rate between the functional currency and the foreign currency at the date of the transaction.

(c) Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items, measured at fair value denominated in a foreign currency are translated using the exchange rates that existed when the fair value was determined.

(d) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

2.4 Significant accounting judgements, estimates and assumption

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates and assumption:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



(a) Estimation of Provisions and Contingent Liabilities

The Company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision.

(c) Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements of the product or service output of the asset.

(d) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(e) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease required significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company revises the lease term if there is a change in non-cancellable period of a lease.

2.5 Fair value measurement

The Company measures financial instruments at fair value at each reporting date. (Refer note XX and XX).

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operation.



External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

2.6 Property, plant and equipment

PPE are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, including import duties and non-refundable purchase taxes, borrowing costs if recognition criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of PPE is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of the assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognised.

2.7 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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



2.8 Leases

The Company's lease asset classes primarily consist of leases for building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of the

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. The estimated useful life of the assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Carrying amount of right-of-use asset is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The future lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. For a lease with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

Right-of-use assets have been separately presented in the Balance Sheet and the Lease liability is presented under Other financial liabilities. Further, lease payments have been classified as financing cash flows.

2.9 Financial instruments

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

(a) Financial assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement

Debt Instruments-

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments at fair value through profit or loss (FVTPL).

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is



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Flexituff Technology International Limited

Notes to the financial statements for the year ended 31 March 2024

(All amounts in Rs. '000, unless otherwise stated)

Debt instrument at FVTOCI

A debt instrument is classified at the FVTOCI if both the following conditions are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the conditions for categorisation as at amortised cost or as FVTOCI, is classified at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity Instruments-

For the purposes of subsequent measurement, equity instruments are classified in two categories:

- Equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

All equity investments are measured at fair value. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including derivative financial instruments.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:



Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

(iii) Compound financial instruments

Compound financial instruments issued by the company which can be converted into fixed number of equity shares for fixed price at the option of the holders irrespective of changes in the fair value of the instrument are accounted by separately recognising the liability and the equity components. The liability component is initially recognised at the present value of contractual cashflows during the tenure of compound financial instruments. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently.

(c) **Offsetting of financial instruments**

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



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Flexituff Technology International Limited

Notes to the financial statements for the year ended 31 March 2024

(All amounts in Rs. '000, unless otherwise stated)

2.10 Cash and Cash Equivalents

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

2.11 Inventories

Raw materials, stores, consumables, work in progress, traded goods and finished goods are valued at the lower of cost and net realisable value. Cost of raw materials, stores, consumables and traded goods includes purchase price, (excluding those subsequently recoverable by the Company from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

2.12 Borrowings cost

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

2.13 Revenue recognition

Revenue from Sale of Goods and Services

Revenue from sale of goods is recognised when control of the products being sold is transferred to customers and when there are no longer any unfulfilled obligations. The Performance Obligations in contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from irrevocable bill and hold contracts is recognised when the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the product even though the customer has decided not to exercise its right to take physical possession of that product. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer note 2.9 to accounting policies of Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company's performance obligation under the contract is satisfied.



2.14 Income Taxes

Tax expense comprises current income tax and deferred tax. Current income-tax expense is measured at the amount expected to be paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interest in joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside the statement of profit and loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are off-set if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.15 Earnings per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company 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.

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

2.16 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are disclosed where an inflow of economic resources is probable.

2.17 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as estimated amount of contracts remaining to be executed on capital account and not provided for.

2.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment. Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.



Flexituff Technology International Limited
Notes to the financial statements for the year ended 31 March 2023
 (All amounts in Rs.lakhs, unless otherwise stated)

Less: Impairment allowance for trade receivables considered doubtful

-	-
-	-

Note 3. Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- in current accounts *	5,545.50	4.28
Cash on hand	-	-
Total Cash and cash equivalents	5,545.50	4.28

* There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

Note 4. Other assets

	As at 31 March 2024	As at 31 March 2023
Non-Current		
Advance for Business Purchase (refer note below)	20,300.00	-
Total other non-current assets	20,300.00	-
Current		
Advance given to suppliers	28.46	-
Balances with government authorities (GST)	10.86	-
Other Assets	0.25	0.25
Total other current assets	39.57	0.25

Advance for Business Purchase :

The company has paid an advance to its parent Company "Flexituff Ventures International Limited" toward purchase of FIBC business for a consideration of Rs 319 Crores vide Business Transfer Agreement dated 28th August, 2023.



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Note 5. Share Capital

(A) Authorized share capital and Issued, subscribed and fully paid-up equity shares

	Authorized share capital		Issued, subscribed and fully paid-up share capital	
	Equity shares of Rs 10 each		Equity shares of Rs. 10 each	
	Numbers	(Amount in Rs.lakhs)	Numbers	(Amount in Rs. lakhs)
Equity shares				
At 1 April 2022	2,50,000	25.00	10,000	1.00
Increase / (decrease) during the year	-	-	-	-
At 31 March 2023	2,50,000	25.00	10,000	1.00
Increase / (decrease) during the year	23,50,000	235.00	8,22,000	82.20
At 31 March 2024	26,00,000	260.00	8,32,000	83.20

(B) Terms/ rights attached to equity shares

The company has equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

The distribution will be in proportion to the paid up capital held by the shareholders. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend.

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

Equity shares of Rs. 10/- each

Name of the shareholder	31 March 2024		31 March 2023	
	No of Share	% holding	No of Share	% holding
Flexituff Ventures International Limited	5,75,994	69.23%	9,994	99.94%
Olive Commercial Company Limited	1,00,800	12.12%	-	-
Nirmala Vijaykumar	57,600	6.92%	-	-

(D) Details of Shares held by Promoters at the end of the year

Promoter name	31 March 2024			31 March 2023		
	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
Flexituff Ventures International Limited	5,75,994	69.23%	-30.71%	9,994	99.94%	-
Total	5,75,994	69.23%		9,994	99.94%	-

(E) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(F) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.



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Flexituff Technology International Limited
 Notes to the financial statements for the year ended 31 March 2024
 (All amounts in Rs.lakhs, unless otherwise stated)
 Note 6. Other equity

Equity Component of Compulsorily Convertible Debentures	31 March 2024	31 March 2023
	20,195.28	-
	20,195.28	-

II . Reserves and Surplus		
	31 March 2024	31 March 2023
Retained earnings	(60.34)	(7.01)
	(60.34)	(7.01)
Retained earnings		
Opening Balance		(2.27)
Add: Profit/(Loss) for the year	(7.01)	(4.74)
Closing Balance	(60.34)	(7.01)
III .Total Other Equity (I + II)	20,134.94	(7.01)

Nature and purpose of reserves

Retained earnings

Retained earnings are the profits / (losses) that the Company has earned till date, loss transfer from or to other comprehensive income, dividends or other distributions paid to shareholders.



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Note 7. Borrowings	Effective Interest Rate	As at	
		31 March 2024	31 March 2023
Non Current borrowings			
Unsecured:			
Compulsorily Convertible Debentures of Series C (refer note 7.1)		20,901.78	-
Reclassified to equity as "Equity component of Compulsorily Convertible Debentures"		(20,195.28)	-
	12%	706.50	-
Less : Current Portion		(418.04)	-
Liability Component of Compulsorily Convertible Debentures		288.46	-
	12.53%	-	-
Term Loan from Hinduja Levland Finance Limited (refer note 7.2)		1,470.66	-
Less : Current portion		(50.64)	-
		1,420.02	-
Total non-current borrowings		1,708.48	-
Current borrowings			
Unsecured:			
Loan from Parent Company (refer note 7.3)		8.00	9.96
Liability Component of Compulsorily Convertible Debentures		418.04	-
Current Maturity of Long Term borrowings		(50.64)	-
Total current borrowings		476.68	9.96

Note 7.1

During the year ended March 31, 2024 the Company has allotted 7,84,896, Series C - Unsecured Compulsorily Convertible Debentures ("CCD's") at a issue price of Rs 2,663 per CCD on private placement basis. The Term's of CCD's are as follows :

Tenure - 24 months

Nature of Security - Unsecured

Coupon - 2% per annum, payable annually, calculated on the face value of the CCDs, commencing from the date of its allotment and until the date of its conversion into the Equity Shares

Conversion Ratio - 1:1 (One CCD will be converted into One fully paid-up equity share of the face value of Rs. 10/- each)

Conversion - CCDs shall be converted after 20 months until 24 months from the date of their allotment upon achievement of EBIDTA above Rs. 115 Cr of the Company during the trailing 12 months at the discretion of the Investor. Otherwise, the CCDs shall in any case be converted into Equity Shares of the Company on the date falling 1 (one) Business Day prior to the expiry of 24 months from the allotment date of CCDs, in the event the Investor does not exercise the right to convert prior to such date. The Equity Shares to be allotted on conversion of the CCDs, will be in dematerialized form and shall rank pari-passu with the then existing fully paid up Equity Shares of the Company with respect to dividends and voting rights.

Voting Rights - CCD's do not carry any voting rights.

Note 7.2 The term loan is unsecured in nature and is taken for a period of 10 years, repayable in 120 Equated monthly installments (EMI) starting from September 05, 2024. The Term loans carries interest rate of 12% p.a.

Note 7.3 The loan from parent company is interest free and is repayable on demand



Note 8. Trade payables

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro and small enterprises (Refer Note 8.2)	-	-
Total outstanding dues of creditors other than micro and small enterprises	1.02	0.25
Total trade payables	1.02	0.25

Note 8.1 Trade payables are non interest bearing and are normally settled as per payment terms stated in the contract.

Note 8.2 The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below. This has been replied upon by the auditors:

	As at 31 March 2024	As at 31 March 2023
a) The principal amount and the interest due thereon remaining unpaid to supplier as at the end of year:		
- Principal amount due to micro and small enterprises	-	-
- Interest due	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	-	-
d) The amount of interest accrued and remaining unpaid at the end of each year	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Trade Payables ageing schedule

As at March 31, 2024

Particulars	Payables Not Due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	0.20	0.92	-	-	-	1.12
	0.20	0.92	-	-	-	1.12

As at March 31, 2023

Particulars	Payables Not Due	Outstanding for following periods from due date of Payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(iii) Others	-	0.25	-	-	-	0.25
	-	0.25	-	-	-	0.25

Note 9. Other Financial liabilities

	As at 31 March 2024	As at 31 March 2023
Other Payables *	3,474.47	-
Total other current liabilities	3,474.47	-

Other payables include Debenture application money amounting to Rs 3,451.97 lakhs, due to unforeseen circumstances the debentures could not be allotted and application money was refunded to investors subsequent to year end.

Note 10 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	6.28	0.33
Total other current liabilities	6.28	0.33



Flexituff Technology International Limited
Notes to the financial statements for the year ended 31 March 2024
 (All amounts in Rs.lakhs, unless otherwise stated)

Note 11. Finance cost	Year ended 31 March 2024	Year ended 31 March 2023
Interest:		
Interest on unsecured term loan	3.61	-
Interest to others	0.17	0.15
Other charges and borrowing costs	0.08	-
Total finance cost	3.86	0.15

Note 12. Other expenses	Year ended 31 March 2024	Year ended 31 March 2023
Power and fuel	-	-
Rent	-	-
Insurance	-	0.10
Rates and taxes	0.35	0.16
Legal and professional charges (refer note below)	48.77	4.31
Miscellaneous expenses	0.35	0.02
Total other expenses	49.47	4.59

Note 12.1 Auditor's remuneration	Year ended 31 March 2024	Year ended 31 March 2023
- Audit fees	0.10	0.18
	0.10	0.18

Note 13. Earnings per share (EPS)	Year ended 31 March 2024	Year ended 31 March 2023
Basic and diluted EPS		
A. Profit/(Loss) computation of basic earnings per share of Rs. 10 each		
Net profit/(loss) as per statement of profit and loss available for equity shareholders	(53.33)	(4.74)
B. Weighted average number of equity shares for EPS computation	3,50,784	10,000
C. Weighted average number of equity shares for EPS computation on diluted basis	3,52,934	10,000
D. EPS		
- Basic EPS (Rs. per share)	(15.20)	(47.40)
- Diluted EPS (Rs. per share)	(15.11)	(47.40)



Flexituff Technology International Limited
Notes to the financial statements for the year ended 31 March 2024
 (All amounts in Rs.lakhs, unless otherwise stated)

Note 14. Contingent liabilities and commitments

a. Commitments

There are no capital commitments as at the balance sheet date (31 March 2023: Nil).

b. Contingent liabilities

There are no contingent liabilities as at the balance sheet date (31 March 2023: Nil).

Balance sheet:

Note 15. Disclosures in accordance with IND AS 24 Related Party Disclosures

A. Name of related parties and nature of relationships

(a) Holding Company

(i) Flexituff Ventures International Limited

(b) Directors /Key managerial personnel :

(i) Anand Khandelwal

(ii) Ravi Patni

(iii) Sanjay Kushwah

B. Nature of Transactions

	Year ended 31 March 2024	Year ended 31 March 2023
Transactions with related parties:		
a) Loans taken/ (repayment)		
Flexituff Ventures International Limited	(1.96)	8.60
b) Advance for Business Purchase		
Flexituff Ventures International Limited	20,300.00	-
Outstanding Balances	Year ended 31 March 2024	Year ended 31 March 2023
a) Payables		
Flexituff Ventures International Limited	8.00	9.96
b) Advance given		
Flexituff Ventures International Limited	20,300.00	-

Note 16. Segment Reporting

The Company has set to start with its operations in the financial year 2024-25 and will involve in the manufacturing and sale of technical textile products. The Company has only one reportable segment.

The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith. As per requirement of Ind-AS 108 no disclosure is required as the Company is operating in single segment.

As the Company's long-lived assets are all located in India and the Company's revenues are derived from India, no geographical information is presented.

Information about Major Customers - NA

Revenue from transactions with the customers that exceeds 10% or more of the company's revenue from operations are shown below :

Note 17.

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



Flexituff Technology International Limited
Notes to the financial statements for the year ended 31 March 2024
(All amounts in Rs.lakhs, unless otherwise stated)

Note 18. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total equity.

	Amount in Rs. '000	
	As at 31 March 2024	As at 31 March 2023
Total debt	1,708.48	-
Total equity	20,218.14	(6.01)
Total debts to equity ratio (Gearing ratio)	0.08	-



Note 19. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include other receivables and cash and cash equivalents that derive directly from its operations. The Company's activities expose it to a variety of financial risks: market risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(i) Market risk

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

(a) Interest rate risk

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

Interest rate sensitivity

Interest rate sensitivity for the year ended 31 March 2024 has not been disclosed since the accrued interest on borrowing as at year end is Nil

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has several balances in foreign currency and consequently the Company is exposed to foreign exchange risk. The exchange rate between the rupee and foreign currencies has changed substantially in recent years, which has affected the results of the Company, and may fluctuate substantially in the future.

Foreign currency sensitivity

Foreign currency sensitivity for the year ended 31 March 2024 has not been disclosed since there are no receivable or payables in foreign currency as at current or previous year end

As on 31 March 2023	Amount in Foreign Currency	Amount (Rs.)	Sensitivity + 5%	Sensitivity - 5%
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Flexituff Technology International Limited
Notes to the financial statements for the year ended 31 March 2024
 (All amounts in Rs. lakhs, unless otherwise stated)

(ii) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

a. Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows on daily, monthly and yearly basis. The Company ensures that there is a free credit limit available at the start of the year which is sufficient for repayments getting due in the ensuing year. Loan arrangements, credit limits with various banks.

b. Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details regarding the contractual maturities of significant financial liabilities:

As at 31 March 2024

	Amount in Rs. Lakhs				
	On Demand	Less than 1 year	1 to 5 years	More than 5	Total
Long term borrowings					
Compulsorily Convertible Debentures	-	418.04	288.46	-	706.50
Term Loans	-	50.64	395.06	1,024.96	1,470.66
Loan from related parties	8.00	-	-	-	8.00
Trade payables	-	1.02	-	-	1.02
Other current financial liabilities	-	-	-	-	-
	8	469.70	683.53	1,024.96	2,186.18

As at 31 March 2023

	Amount in Rs. Lakhs				
	On Demand	Less than 1 year	1 to 5 years	More than 5	Total
Long term borrowings					
Loan from related parties	9.96	-	-	-	9.96
Trade payables	-	0.25	-	-	0.25
	9.96	0.25	-	-	10.21

c. Maturities of financial assets

The following table details the Company's expected maturity for its financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

As at 31 March 2024

	On Demand	Less than 1 year	1 to 5 years	More than 5	Total
Cash and cash equivalents	5,545.50	-	-	-	5,545.50
	5,545.50	-	-	-	5,545.50

As at 31 March 2023

	On Demand	Less than 1 year	1 to 5 years	More than 5	Total
Cash and cash equivalents	4.28	-	-	-	4.28
	4.28	-	-	-	4.28



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Flexituff Technology International Limited
Notes to the financial statements for the year ended 31 March 2024
 (All amounts in Rs.lakhs, unless otherwise stated)

Note 20. Financial instruments

The fair value of the financial assets and liabilities are included at amounts at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.
 The following methods and assumptions were used to estimate the fair value:

- (a) Fair value of cash and short term deposits, and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- (b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

A. Financial instruments by category

The carrying value and fair value of financial instruments by categories as at 31 March 2023 are as follows:

Particulars	Amount in Rs. '000			
	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value
Assets:				
Cash and cash equivalents	5,545.50	-	-	5,545.50
Total financial assets	5,545.50	-	-	5,545.50
Liabilities:				
Borrowings	2,185.16	-	-	2,185.16
Trade payables	1.02	-	-	1.02
Other Current Financial Liabilities	-	-	-	-
Total financial liabilities	2,186.2	-	-	2,186.2

The carrying value and fair value of financial instruments by categories as at 31 March 2023 are as follows:

Particulars	Amount in Rs. '000			
	Amortised cost	Financial assets / liabilities at fair value through profit or loss	Financial assets / liabilities at fair value through OCI	Total carrying value
Assets:				
Cash and cash equivalents	4.28	-	-	4.28
Total financial assets	4.28	-	-	4.28
Liabilities:				
Borrowings	9.96	-	-	9.96
Trade payables	0.25	-	-	0.25
Total financial liabilities	10.21	-	-	10.21

Note 21. Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

There are no financial assets or liabilities measured at fair value as at reporting dates 31 March 2024 and 31 March 2023.



Flexituff Technology International Limited
Notes to the financial statements for the year ended 31 March 2024
 (All amounts in Rs.lakhs, unless otherwise stated)

22 Ratios

S No.	Ratio	Formula - Numerator / Denominator	Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
			31 March	31 March 2023		
(a)	Current Ratio	Current Assets / Current Liabilities	1.41	0.43	227.93%	The Current Ratio has been increased due to increase in Current assets during the current financial year as compared to the previous financial year.
(b)	Debt-Equity Ratio	Debt / Equity	0.11	(1.66)	#####	Debt-Equity Ratio has been improved due to issuance of CCD's.

Note: The commercial operations of the company has not started in the current year. Hence the following ratios are not presented :

- a. Inventory Turnover Ratio
- b. Trade Receivables Turnover Ratio
- c. Net Capital Turnover Ratio
- d. Net Profit Ratio
- e. Debt Service Coverage Ratio

f. Return on Equity Ratio

g. Return on Capital Employed
 Also company do not have any investments to present the Return on Investment Ratio



Flexituff Technology International Limited
Notes to the financial statements for the year ended 31 March 2024
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Note 23. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any

Note 24. The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Note 25. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 26. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Note 27. The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 28. The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Note 29. The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Note 30. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 31. Utilisation of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

Note 32. The provisions of Section 135 Corporate Social Responsibility are not applicable to the Company.

Note 33. The deferred tax assets has not been recognised as the company has is yet to start the commercial operations.

Note 34. Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

For S G N & Co.
Chartered Accountants
Firm Registration No. 134565W



Giriraj Shrimal
Partner
Membership No. 147041

For and on behalf of the Board of Directors of
Flexituff Technology International Limited
CIN : U25209MP2017PLC068433


Anand Khandelwal
Director
DIN: 07889346



Ravi Patni
Director
DIN:07906974



Place: Indore
Date: 30 May 2024

Place: Indore
Date: 30 May 2024